615 Sheridan Street
Port Townsend, WA 98368
www.JeffersonCountyPublicHealth.org

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

CONSENT AGENDA REQUEST

TO: **Board of County Commissioners**

FROM: **Michael Dawson, Water Quality Manager, Environmental Public Health and Water Quality**
Tami Pokorny, Natural Resources Program Coordinator

DATE: **June 23, 2025**

SUBJECT: **Setting a Public Hearing Date and Publishing a Public Hearing Notice on the Conservation Futures Applications for 2025**

STATEMENT OF ISSUE:
Public Health requests BoCC approval of a Public Hearing Notice to take comments regarding the three Conservation Futures Fund project applications submitted for consideration during the 2025 funding cycle. The notice is to be published on June 25 and July 2, 2025 in *The Port Townsend and Jefferson County Leader*. The hearing is tentatively scheduled for Monday, July 7, 2025 at 10:30 a.m.

ANALYSIS:
Jefferson County Code (JCC) 3.08.030(4) requires a notice of public hearing prior to final action by the Board of County Commissioners on annual allocations from the Conservation Futures Fund. Public comment on the Deerfoot Forest, Toandos Forest Acquisition and Restoration, and Upper Yarr Creek Protection projects will be accepted from June 25, 2025 until the close of the Commissioners' hearing. After the public hearing, the BoCC may resolve to award funding to one or more of these projects.

FISCAL IMPACT:
Costs to publish the Public Hearing Notice in *The Port Townsend and Jefferson County Leader* will be paid by the Conservation Futures Fund.

RECOMMENDATION:
To facilitate a timely public process, Public Health recommends that BoCC approve the Public Hearing Notice to hold the hearing on Monday, July 7, 2025 at 10:30 a.m.

REVIEWED BY:

Mark McCauley, County Administrator — Date 6/17/25

PT Leader: Please publish two times (June 25 and July 2, 2025)
Contact Person: Tami Pokorny
Bill to: Jefferson County Public Health, Water Quality
615 Sheridan St.
Port Townsend, WA 98368

NOTICE OF PUBLIC HEARING

Conservation Futures Fund Program Project Applications in 2025

NOTICE IS HEREBY GIVEN that a public hearing is scheduled by the Jefferson County Board of Commissioners for ***MONDAY, July 7, 2025 at 10:30 a.m.*** in the Commissioners' Chambers, County Courthouse, 1820 Jefferson Street, Port Townsend, WA 98368 (HYBRID). Notice of said hearing is to be published in the official newspaper of Jefferson County.

Conservation Futures funds available to projects in 2025 total $323,200. The total amount requested for projects recommended in 2025 (Deerfoot Forest, Toandos Forest Acquisition and Restoration, Upper Yarr Creek Protection) is $230,500. Per JCC 3.08.030(4), the BOCC must hold a public hearing to take comments on the projects submitted for consideration during the Conservation Futures funding cycle. This agenda item is to approve the public notice only; individual funding awards will be reviewed at the public hearing.

The information is available for viewing on the County website by visiting: www.co.jefferson.wa.us and follow this pathway – Services – Laserfiche Web Portal (username and password is: public) - Board of Commissioners – BOCC Agenda Packets – 2025 Weekly Agenda Items – 07 July 2025 – 070725 – HEARING re Conservation Futures

You are welcome to participate in this hearing. You will need to join the meeting by 10:30 a.m. using the following methods: **VIRTUALLY:** Via the following Zoom link: https://zoom.us/j/93777841705, **PHONE:** Dial 1-253-215-8782 and enter access code: 937-7784-1705# and press *9 to "raise your hand" to be called upon. Access for the hearing impaired can be accommodated using Washington Relay Service at 1-800-833-6384, or **IN-PERSON** at the address listed above.

In addition, written testimony is also invited beginning on June 25, 2025 and ending on July 7, 2025 at the end of the Public Hearing, unless extended by the Board of County Commissioners. Written public testimony may be submitted by **Email to:** jeffbocc@co.jefferson.wa.us You may view documents and testimony received by visiting: www.co.jefferson.wa.us and following this pathway – Services – Laserfiche Web Portal (username and password is: public) – Board of Commissioners – BOCC Agenda Packets – 2025 Weekly Agenda Items – 07 July 2025 – 070725 – HEARING re Conservation Futures

You can also **Mail** your testimony to: Jefferson County Commissioners' Office; P.O. Box 1220, Port Townsend, WA 98368. Written testimony must be received by the Board of County Commissioners by the end of the hearing testimony period.

Signed this 23rd day of June, 2025.

JEFFERSON COUNTY BOARD OF COMMISSIONERS
/S/Heidi Eisenhour, Chair

615 Sheridan Street
Port Townsend, WA 98368
www.JeffersonCountyPublicHealth.org

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

REGULAR AGENDA REQUEST

TO: **Board of County Commissioners**

FROM: **Michael Dawson, Water Quality Manager, Environmental Public Health and Water Quality**
Tami Pokorny, Natural Resources Program Coordinator

DATE: **July 07, 2025**

SUBJECT: **Public Hearing and Possible Decision Regarding Applications for Conservation Futures Funding in 2025**

STATEMENT OF ISSUE:
The Conservation Futures Fund program (chapter 3.08 JCC) requires a duly noticed public hearing to be held as part of the process for allocating funds to projects that protect public open spaces. On June 23, 2025, BoCC approved a Public Hearing Notice to hold a public hearing July 7, 2025 at 10:30 a.m. on the 2025 Conservation Futures Program project applications. The Notice was published in *The Port Townsend and Jefferson County Leader* on June 25 and July 2, 2025. BoCC may decide which project(s) to fund and pass resolution(s) for funding, after hearing public comment and considering an analysis by the Department of Community Development on impacts to growth.

ANALYSIS STRATEGIC GOALS:
The three (3) applications to the Conservation Futures Fund in 2025 are:

1. Deerfoot Forest: Applicant requests $98,000 towards the acquisition of a conservation easement on two parcels totaling 36.9 acres, located within the Donovan and Tarboo Creek watersheds along Center Road in Quilcene. The conservation easement would create protected open space for a second growth forest and wetlands. The applicant also requests $12,000 towards reimbursement of operations and maintenance costs. The proposed match is $114,000 in funds from the Navy's Readiness and Environmental Protection Integration (REPI) program. The project applicant and sponsor is Jefferson Land Trust. Project location: S5 T27N R1W.

2. Upper Yarr Creek Protection: Applicant requests $26,000 towards fee simple acquisition of a 1.03-acre parcel located in the Tarboo Creek watershed in Quilcene. The acquisition would create protected open space to conserve riparian slope and stream habitat. The proposed match is $20,000 in a donation of land value and $6,000 in crew time from Northwest Watershed Institute. The project applicant and sponsor is Northwest Watershed Institute. Project location: S29 T28N R1W.

3. Toandos Forest Acquisition and Restoration: Applicant requests $76,000 towards the fee simple acquisition of a 6.38-acre parcel on the Toandos peninsula within the Dabob Bay Natural Area. The acquisition would create protected open space to conserve water quality and habitat connectivity in the Dabob Bay ecosystem. The applicant also requests $18,500 towards reimbursement of operations and maintenance costs. The proposed match is $65,000 in funds from the Navy's Readiness and Environmental Protection Integration (REPI) program and $29,500 in private donations to Northwest Watershed Institute. The project applicant and sponsor is Northwest Watershed Institute. Project location: S15 T27N R1W.

At its April 22, 2025 meeting, the Conservation Futures Fund Citizen Oversight Committee (CFF Committee) voted unanimously to declare all three projects worthy of funding. As a second motion, the CFF Committee voted unanimously to fully fund Toandos Forest Acquisition and Restoration and Deerfoot Forest. The Committee also voted eleven (11) for and one (1) against to fully fund Upper Yarr Creek Protection.

This briefing packet contains:

- Draft resolutions consistent with the recommendations of the CFF Committee
- Three (3) Conservation Futures Fund project applications
- Draft summary of the April 22, 2025 CFF Committee meeting
- Analysis from Joel Peterson, Jefferson County Department of Community Development
- Map of conservation futures projects 2003-2024
- Conservation Futures Fund Citizen Oversight Committee recommendations memo, presented to BoCC on May 19, 2025 by Committee Vice Chair Ron Rempel

The purpose of the CFF Program is to address the "general and increasing need to provide a system of public open spaces…for the health, welfare, benefit and safety of the residents of Jefferson County," and to maintain "Jefferson County as a desirable place to live, visit and locate businesses." Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230 are an important means of retaining community character and accomplishing open space policies and objectives of the Jefferson County Comprehensive Plan. The goal of the program is to preserve and protect the county's open space resources from development, and from being "negatively and permanently affected."

JCC 3.08.030 allows up to 15% of the Conservation Futures Fund levy monies raised in the preceding year to be used for operations and maintenance needs. Fifteen percent of the revenue collected in 2024 ($323,200) is $48,480. The total request for operations and maintenance funding in 2025 is $30,500.

RCW 84.34.230 and 84.34.240(3) require that rights or interests in real property acquired with CFF funds shall not "reduce the capacity of land suitable for development necessary to accommodate the allocated housing and employment growth plans" of the County. An analysis on the impact to growth from the Jefferson County Department of Community Development is provided here, which concludes that "the proposals, totaling ca. 44 acres, do not negatively impact housing supply or employment growth."

Grant agreements for approved projects between project sponsors and the County will be developed by Environmental Public Health and submitted to BoCC for approval.

FISCAL IMPACT:
The explicit purpose of the Conservation Futures Fund Program is to fund acquisition projects to support a system of public open spaces. There is no impact to the General Fund for this effort.

The following previously approved CFF projects are anticipated to close during the remainder of 2025:

- Tarboo Wildlife Preserve – West Slope Forest Addition: $150,000
- Lower Chimacum Creek Mainstem Acquisitions (portion of): $52,000
- Humbleberry Farm: $130,000

The following previously approved CFF projects were cancelled:

- North Barry Snow Creek: $74,000
- Dosewallips River Lazy C: $7,649

RECOMMENDATION:
Review the three (3) CFF project proposals and supporting documentation. Hold a public hearing on July 7, 2025 at 10:30 a.m. Consider written and oral testimony at the public hearing and adopt any of the enclosed funding resolutions, with or without revisions.

REVIEWED BY:

_____ _____

Josh Peters, County Administrator Date

STATE OF WASHINGTON
County of Jefferson

In the Matter of Dedicating Conservation Futures Funds to the Deerfoot Forest Project as Authorized by an in Accordance with Jefferson County Code (JCC) Chapter 3.08 to Provide a System of Open Spaces	**RESOLUTION NO. _____**

WHEREAS, Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230, are an important means of retaining community character and accomplishing the open space policies and objectives of the Jefferson County Comprehensive Plan that encourage the coordinated acquisition of key open space lands for long-term protection; and

WHEREAS, Jefferson County is authorized by RCW 84.34.210 and RCW 84.34.220 to acquire open space land, agricultural and timber lands as defined in RCW 84.34.220; and

WHEREAS, the Conservation Futures Fund Citizen Oversight Committee has reviewed project applications for 2025 and made its funding recommendations to the Board of County Commissioners in accordance chapter 3.08 JCC; and

WHEREAS, under the provisions of the Jefferson County Conservation Futures Fund Program, Jefferson Land Trust, as project sponsor, requests funding towards the acquisition of conservation easements on two (2) parcels of land in S5 T27N R1W with Assessor's Parcel Numbers 701052002 and 701052011 and to reimburse operations and maintenance costs; and

WHEREAS, the County retains enough developable land to accommodate the Deerfoot Forest project as well as the housing and employment growth that it is expected to receive, thus satisfying the requirement of RCW 84.34.240(3); and

WHEREAS, Jefferson County considers it in the best public interest to contribute financially to this open space project;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Dedication of Acquisition Funds Approved. Jefferson County hereby dedicates up to $98,000 in Conservation Futures funds towards reimbursement of eligible acquisition expenses for the Deerfoot Forest project. Funding is contingent upon presentation of a matching contribution of at least fifty percent (50%). The sponsor anticipates that the matching contribution will be fifty-one percent (51%) at the time of project completion.

Section 3. Dedication of Operations and Maintenance Funds Approved. Jefferson County hereby dedicates up to $12,000 in Conservation Futures funds towards reimbursement for eligible operations and maintenance expenses incurred within ten years of the signing of this resolution, contingent on a matching contribution of no less than the amount of Conservation Futures Funds requested for operations and maintenance.

Section 4. Nullification. This dedication of funding may be nullified if a submittal for reimbursement, accompanied by documentation of matching funds sufficient to complete the acquisition, is not received from the sponsor within three years of the signing of this resolution.

Section 5. Severability. If any section, subsection, sentence, clause, or phrase of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 6. Effective Date. This resolution is effective upon adoption.

Section 7. SEPA Categorical Exemption. This resolution is categorically exempt from the State Environmental Policy Act under WAC 197-11-800(19).

(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____ 2025.

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

SEAL:

_____
Heidi Eisenhour, Chair

_____
Greg Brotherton, Member

_____
Heather Dudley-Nollette, Member

ATTEST:

_____
Carolyn Gallaway, Date
Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

DRAFT

STATE OF WASHINGTON
County of Jefferson

In the Matter of Dedicating Conservation Futures Funds to the Toandos Forest Acquisition and Restoration Project as Authorized by an in Accordance with Jefferson County Code (JCC) Chapter 3.08 to Provide a System of Open Spaces	**RESOLUTION NO. _____**

WHEREAS, Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230, are an important means of retaining community character and accomplishing the open space policies and objectives of the Jefferson County Comprehensive Plan that encourage the coordinated acquisition of key open space lands for long-term protection; and

WHEREAS, Jefferson County is authorized by RCW 84.34.210 and RCW 84.34.220 to acquire open space land, agricultural and timber lands as defined in RCW 84.34.220; and

WHEREAS, the Conservation Futures Fund Citizen Oversight Committee has reviewed project applications for 2025 and made its funding recommendations to the Board of County Commissioners in accordance with chapter 3.08 JCC; and

WHEREAS, under the provisions of the Jefferson County Conservation Futures Fund Program, Northwest Watershed Institute, as project sponsor, requests funding towards reimbursement for acquisition of one (1) parcel of land in S15 T27N R1W with Assessor's Parcel Number 701153003; and

WHEREAS, the County retains enough developable land to accommodate the Toandos Forest Acquisition and Restoration project as well as the housing and employment growth that it is expected to receive, thus satisfying the requirement of RCW 84.34.240(3); and

WHEREAS, Jefferson County considers it in the best public interest to contribute financially to this open space project; and

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Dedication of Acquisition Funds Approved. Jefferson County hereby dedicates up to $76,000 in Conservation Futures funds towards reimbursement of eligible acquisition expenses for the Toandos Forest Acquisition and Restoration project. Funding is contingent upon presentation of a matching contribution of at least fifty percent (50%). The sponsor anticipates that the matching contribution will be fifty percent (50%) at the time of project completion.

Section 3. Dedication of Operations and Maintenance Funds Approved. Jefferson County hereby dedicates up to $18,500 in Conservation Futures funds towards reimbursement for eligible operations and maintenance expenses incurred within ten years of the signing of this resolution, contingent on a matching contribution of no less than the amount of Conservation Futures Funds requested for operations and maintenance.

Section 4. Nullification. This dedication of funding may be nullified if a submittal for reimbursement, accompanied by documentation of matching funds sufficient to complete the acquisition, is not received from the sponsor within three years of the signing of this resolution.

Section 5. Severability. If any section, subsection, sentence, clause, or phrase of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 6. Effective Date. This resolution is effective upon adoption.

Section 7. SEPA Categorical Exemption. This resolution is categorically exempt from the State Environmental Policy Act under WAC 197-11-800(19).

(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____ 2025.

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

SEAL:

_____
Heidi Eisenhour, Chair

_____
Greg Brotherton, Member

_____
Heather Dudley-Nollette, Member

ATTEST:

_____
Carolyn Gallaway, Date
Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

DRAFT

STATE OF WASHINGTON
County of Jefferson

In the Matter of Dedicating Conservation Futures Funds to the Upper Yarr Creek Protection Project as Authorized by an in Accordance with Jefferson County Code (JCC) Chapter 3.08 to Provide a System of Open Spaces	**RESOLUTION NO. _____**

WHEREAS, Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230, are an important means of retaining community character and accomplishing the open space policies and objectives of the Jefferson County Comprehensive Plan that encourage the coordinated acquisition of key open space lands for long-term protection; and

WHEREAS, Jefferson County is authorized by RCW 84.34.210 and RCW 84.34.220 to acquire open space land, agricultural and timber lands as defined in RCW 84.34.220; and

WHEREAS, the Conservation Futures Fund Citizen Oversight Committee has reviewed project applications for 2025 and made its funding recommendations to the Board of County Commissioners in accordance with chapter 3.08 JCC; and

WHEREAS, under the provisions of the Jefferson County Conservation Futures Fund Program, Northwest Watershed Institute, as project sponsor, requests funding towards reimbursement for acquisition of one (1) parcel of land in S29 T28N R1W with Assessor's Parcel Number 801293003; and

WHEREAS, the County retains enough developable land to accommodate the Upper Yarr Creek Protection project as well as the housing and employment growth that it is expected to receive, thus satisfying the requirement of RCW 84.34.240(3); and

WHEREAS, Jefferson County considers it in the best public interest to contribute financially to this open space project;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Dedication of Acquisition Funds Approved. Jefferson County hereby dedicates up to $26,000 in Conservation Futures funds towards reimbursement of eligible acquisition expenses for the Upper Yarr Creek Protection project. Funding is contingent upon presentation of a matching contribution of at least fifty percent (50%). The sponsor anticipates that the matching contribution will be fifty percent (50%) at the time of project completion.

Section 3. Nullification. This dedication of funding may be nullified if a submittal for reimbursement, accompanied by documentation of matching funds sufficient to complete the acquisition, is not received from the sponsor within three years of the signing of this resolution.

Section 4. Severability. If any section, subsection, sentence, clause, or phrase of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 5. Effective Date. This resolution is effective upon adoption.

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(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____ 2025.

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

SEAL:

_____
Heidi Eisenhour, Chair

_____
Greg Brotherton, Member

_____
Heather Dudley-Nollette, Member

ATTEST:

_____
Carolyn Gallaway, Date
Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

DRAFT

2025 Jefferson County Conservation Futures Fund 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 (360) 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. Project Title Deerfoot Forest

2. Conservation Futures Fund Acquisition Request Amount: $98,000

   Conservation Futures O&M Request Amount: $12,000

3. Total Conservation Futures Request Amount: $110 ,000

4. Please indicate the type of interest contemplated in the acquisition process.
   __ Warranty Deed **X** Easement __ Other (*Please describe below.)*

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

Penney Jo Ewing Hubbard will continue to hold title, with a conservation easement held by Jefferson Land Trust and potentially 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 20, 2024

7. Project Location

Street Address or Description of Location: 11500 Center Rd. Quilcene, WA 98376

Driving Directions from Port Townsend: From Chimacum, take Center Road south for 11.5 miles and turn right into the private driveway.

Section: 5

Township: 27 N

Range: 1W

Assessor's Parcel Number(s): 701052002 and 701052011

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

All parcels listed above will remain in Penney Hubbard's ownership and will be preserved with a conservation easement held by Jefferson Land Trust, likely along with a Navy Readiness and Environmental Protection Integration (REPI) restrictive easement.

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

701052002 –$469,479 current market value assessed & taxable value

701052011 - $82,905 current market value assessed & taxable value

8. Existing Conditions

New Site: Yes **X** No _____ Number of Parcels: 2

Addition to Existing Site: Yes No **X** _____ Acres to Be Acquired: 36.9

Total Project Acreage (if different):_____ Current Zoning: RR:20 and RR:5

Existing Structures/Facilities: Two residences, two wells, a pump house, a small barn, woodshed, and a few additional outbuildings.

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

Current Use: Residential

Waterfront *(name of body of water):* None

Shoreline (*linear feet*): N/A

Owner Tidelands/Shorelands: N/A

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, and why you think preserving this property is important. Name three top objectives for the property (other than those related to funding). Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Fund 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 for the permanent protection of Deerfoot Forest with a conservation easement. This property is in Quilcene along Center Road and contains two parcels that total 36.9 acres. Jefferson Land Trust seeks to protect this property with a conservation easement to protect the important ecological features of upland forest, forested wetlands, and headwaters of two important creek systems. The easement will prohibit fragmentation of the two parcels, further development, and conventional/ clear-cut forest management practices.

The Hubbard Forest property appears to be a section of the headwaters of both Donovan Creek and Tarboo Creek. This is inferred from onsite characteristics, knowledge of the water drainage, property location, and elevation hillshade imagery. Jefferson Land Trust and other partners such as the Northwest Watershed Institute, WA Department of Natural Resources, and Jefferson County have been working for over two decades on the protection efforts of both watersheds of Donovan and Tarboo Creeks. This offers an important opportunity for Jefferson Land Trust to continue with land protection efforts in these priority areas.

The Deerfoot Forest conservation easement will limit future development, require single ownership of the two parcels, restrict forest management that only permits ecological enhancement activities, all with the goal of protecting the wildlife corridor that this diverse second growth forest contributes to (described further in #7). As large rotating clearcuts have occurred on adjacent neighboring parcels, Penney Hubbard and her husband have ensured that the management of the Deerfoot Forest has allowed natural regeneration of the forest ecosystem to occur. Their management vision includes the maintenance, preservation, and enhancement of the diverse second growth forest as a "forest garden" for native plant species, wildlife, and human recreation and enjoyment.

Deerfoot Forest has been naturally regenerating since its last logging operation around 1920. There are various forest zones including mature Douglas fir mixed with cedar, western hemlock, Sitka spruce, alder and maple patches, and forested wetlands. While some areas of the forest could benefit from more conifer tree presence, there is a substantial amount of downed wood and standing snags throughout the property which provide important habitat for various wildlife and sequester water and carbon on site. The property has varied topography ranging from mostly flat forestland on the south side of Center Road to south-facing sloped forestland on the parcel north of Center Road. The topography and soils of Deerfoot Forest hosts seasonal and perennial forested wetlands and while there is no apparent surface water flow, the property appears to have hydrological connections as a section of the headwaters of both Donovan Creek and Tarboo Creek. These characteristics are well-suited to the proposed ecological protection. On the property, in addition to the two

residences located in the larger northern parcel, infrastructure includes two wells, a pump house, a small barn, and other small outbuildings. Current zoning of the parcels appears to allow for one additional development right on the southern parcel that would be extinguished with the conservation easement. The existing infrastructure on site would remain in use by private landowners after protection with the conservation easement, and the infrastructure would be limited to within one "building envelope" in the easement.

Deerfoot Forest's surrounding neighbor landowners include private timber companies, residential development, and Department of Natural Resources Forest Board. These surrounding land uses have resulted in the Deerfoot Forest serving as an intact wildlife corridor across the busy Center Road from the DNR Dabob Bay Natural Area, only .25 miles away across Dabob Rd to the south. The landowners and other community members have regularly sited black bears and cougars crossing Center Road between the two Hubbard parcels, presumably because of the habitat interruption and fragmentation occurring on the surrounding properties. The Deerfoot Forest has remained a wildlife and native plant refuge over the years as nearby disturbances have continued to occur.

Jefferson Land Trust intends to protect this forested property with a conservation easement before the end of 2026 or early 2027, and CFF funds will provide essential funding toward this goal. In addition to CFF funds, funding from the Navy Readiness and Environmental Protection Integration (REPI) program for the REPI easement will also likely provide a substantial amount of the funding for this project, as well as (or alternately) a bargain sale of the conservation easement from the landowners, providing the required matching funds for the CFF program. The federal grant dollars and landowner match contributed to this project have reduced the amount of funding requested from the CFF program.

After the protection of Deerfoot Forest with a conservation easement, the landowners will continue to manage the property to enhance its ecological values, and the property will be protected from inappropriate development or timber harvesting, forever.

To date, Jefferson Land Trust protects over 1,360 acres in the Tarboo Creek and Donovan Creek watersheds. These properties include forestland, riparian, and farmland properties, working with several partners, including the Northwest Watershed Institute and Department of Natural Resources.

Top objectives:

1. Protect the property with a conservation easement and Navy REPI restrictive easement which will reduce the development rights, protect the forest and wetland habitat, and protect the headwaters of Tarboo Creek and Donovan Creek – 2026/early 2027
2. After protection of the property the landowners, Jefferson Land Trust staff, and other natural resources partners will collaborate to plan and implement the best forest management practices to ensure that the property continues on its path toward old-growth forest characteristics and contributes to climate resiliency
3. Landowners, Land Trust, and other partners will continue to assess the use of the property as a wildlife corridor and determine if there are additional enhancements that can contribute to that use.

The overarching goal of this project is to protect the ecological values of Deerfoot Forest so that the property will always remain in a maturing forested condition, protecting the water quality of the lower watersheds.

11. Estimate costs below, including the estimated or appraised value of the propert(ies) or property right(s) to be acquired, even if Conservation Futures Fund 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 Propert(ies) to be Acquired: The estimated value of the conservation easement is $180,000.

Total Estimated Acquisition-related Cost (*see Conservation Futures Fund Manual for eligible costs*): $32,000

Total Operation and Maintenance Cost: $12,000

Total Project Cost: $224,000

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):

Deerfoot Forest estimated costs	Timeline	Est. Total Cost	CFF Request	Match
Easement acquisition	2026	$180,000	$75,000	$105,000
Land acquisition related costs, i.e. appraisal, survey, Baseline document, closing costs	2026	$24,000	$15,000	$9,000
Project management, admin and legal fees	ongoing	$8,000	$8,000	$0
O&M	ongoing	$12,000	$12,000	$0
Total		$224,000	**$110,000 (49%)**	$114,000 (51%)

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 properties 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.

Standalone O & M go to question #14:

Scored Questions

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

Sponsors or other organizations are required to contribute to acquisition of the proposed site and/or operation and maintenance activities.

1 a. Please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures Fund program funds.

1 b. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	$98,000	$12,000	49.0%
Matching Funds/Resources*	$114,000	$0	51%
Total Project Acquisition Cost	$212,000	$12,000	100%

** 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 c. Source of matching funds/resources	Amount of contribution	Contribution approved?	If not, when?	Contribution available now?	If not, when?
Navy REPI (or bargain sale)	$114,000	Yes No		Yes No	

NOTE: Fifty-percent (50%) matching funds are required, and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right can 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 has the project sponsor identified the long-term stewardship issues for the proposed project?

2 a. Identify any factors, threats, or stressors that could negatively affect the conservation values and/or community benefits for which the property would be conserved.

The mature forest conditions and hydrological conservation values of the Deerfoot Forest, including the seasonal and perennial wetlands that feed into the Donovan Creek and Tarboo Creek watersheds could be negatively impacted by further development currently allowed on the southern parcel under county code, and by conventional forest management practices without a conservation easement.

2 b. Describe the management strategies that the stewardship plan will include to address the identified factors, threats, or stressors, including any actions planned to make these negative outcomes or impacts less likely.

The Land Trust anticipates that the stewardship plan will focus on management strategies designed to retain and enhance the mature forest and wetland characteristics of the property. The landowners have a forest management plan that was recently updated in consultation with an experienced DNR forester. This plan promotes forest health, diversity, and resilience and will be a guiding document in the development of the Stewardship Plan.

The Stewardship Plan is created in partnership with landowners who retain the fee-simple rights to the property. These plans, including their management strategies, are developed once the staff have more time (funded by public granting agencies) to conduct site assessments to create a baseline conditions report and

stewardship plan. The Land Trust will engage in ongoing, detailed discussions with landowners and their forest manager to formulate joint strategies for protecting and enhancing the identified conservation values, once the project has secured funding and before closing on the conservation easement.

While we will have the required Stewardship Plan outline or draft to County Environmental Health staff in advance of closing on the conservation easement, the national Land Trust Alliance—which regularly updates its Standards and Practices to guide accredited land trusts such as Jefferson Land Trust—requires a management plan to be developed within 12 months of land acquisition. This timeline allows staff to set management goals, address risks to conservation values, and identify appropriate public access opportunities. When necessary, we will update the Stewardship Plan according to the conservation easement requirements. (https://landtrustalliance.org/resources/learn/explore/practice-12b-land-management-and-stewardship

2 c. Describe any existing water rights, and current uses of water. Identify any conservation values currently being protected that are dependent on these sources of water.

The Deerfoot Forest property residences utilize two domestic wells. Onsite water supply is not an element of the identified conservation values.

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 35 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. The Land Trust also holds title to over 1,890 acres of preserves and we have helped with the preservation and stewardship of another 12,941 acres in Jefferson County. We currently hold 69 conservation easements on 3,597 acres, including the Tarboo Wildlife Preserve (396 acres), Carl's Forest (156 acres), Arlandia (28 acres), and other facilitated protection projects with the Northwest Watershed Institute.

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.

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

_____No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures Fund funds.
X Yes, the sponsor and/or applicant for this project has been involved in a project previously approved for Conservation Futures Fund funds. Please provide details:

Jefferson Land Trust has worked with many willing landowners and has sponsored 40 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 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 provided opportunities for public review and comment. *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.*

X complements an adopted open space or conservation plan that was open to public review, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*

__is a stand-alone project, or part of a project that was not open to public review.

For context, the Deerfoot Forest property is nearby the Washington DNR's designated Dabob Bay Natural Area. The Dabob Bay Natural Area was created to protect one of Washington's highest functioning coastal spit and tidal wetland systems. Deerfoot Forest and other properties within the Tarboo watershed have the opportunity to provide additional protection to these areas by protecting the water quality of tributaries feeding into Dabob Bay. Tarboo-Dabob is identified in the Willamette Valley—Puget Trough—Georgia Basin Ecoregional Assessment (Floberg et al. 2004) as a priority area for conserving terrestrial biodiversity, and the summary of special occurrences appendix.

Jefferson Land Trust's community-vetted 100-Year Conservation Plan articulates the importance of preserving habitat with the community vision – "*Habitat is biologically diverse, interconnected, and supports viable population of keystone species.*" (pg. 13, Jefferson Land Trust Conservation Plan, 2010). It also identifies "wildlife corridors" and "natural ecosystems" as priorities for habitat areas to be protected, which Deerfoot Forest can be characterized as.

A portion of the Deerfoot Forest property is specifically identified as a Highly Resilient Terrestrial Biodiversity Area through Jefferson Land Trust's Climate Resiliency Spatial Conservation Planning. More information about the Land Resilience Study can be found in the hyperlink and in Question #11.

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

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

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

The landowners of Deerfoot Forest have considered working with Jefferson Land Trust to protect their forestland for over a decade now. Up until last year, the Hubbards wanted to reserve their ability to sell off their second parcel in case they have unexpected medical costs arise. However, now that there is the opportunity to secure Conservation Futures funds for the protection of this property, we can now work with the landowners to consolidate the property, extinguish the remaining development right, and ensure that it cannot be subdivided or clearcut should the landowners need to sell the property in the future, or after their lifetimes.

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

6 a. Summarize the project's conservation values and how the CFF funds requested support these values.

The conservation values of the property that will be protected by the conservation easement include mature, diverse forest habitat, forested wetlands, scenic qualities along a main county road, and educational and scientific opportunities. The protection of this mature forest habitat will benefit the biological diversity, carbon sequestration, and groundwater recharge of the forest, as well as extend the wildlife corridor in the Tarboo and Donovan Creek watersheds that many partners have been working to protect for two decades.

CFF funds requested will directly support these values by utilizing the conservation future tax levy to preserve the sensitive lands of Deerfoot Forest that would be permanently damaged by increased development or resource extraction. CFF funds may also leverage additional funding from the Navy's Readiness and Environmental Integration Program, and/or a bargain sale of the conservation easements.

The timeframes for meeting the project objectives are reasonable and will achieve the conservation objectives.

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

The objectives described in the Project Description ensure that Jefferson Land Trust is performing the appropriate steps to ensure permanent protection of the conservation values described in 6a.

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

7 a. **X** 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).

7 b. **X** provides habitat for native flora and fauna. Identify the documented habitat(s) and native flora or fauna species that will be protected by the project.

7 c. **X** contributes to a wildlife corridor or migration route identified by Washington Connectivity Working Group or other peer-reviewed source.

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]

Note about this year's changes to 7c: the "Washington Connectivity Working Group" has no data on their Linkage Pathways interactive map west of the Cascade Mountains. Additionally, all the links recommended in the footnote below are expired. If citing information from specific resources is desired, please provide different requests. Otherwise, sponsors will continue to cite information from their resources.

Note also that the Land Trust is participating in the statewide Washington Habitat Connectivity Action Planning process and is providing feedback and local priority information to advise the update of the Action Plan, expected to be complete in mid- 2025.

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[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

The Deerfoot Forest property is nearby other conserved land including the conservation easements Tarboo Wildlife Preserve (396 acres), Carl's Forest (156 acres), Arlandia (28 acres), and other facilitated protection projects with the Northwest Watershed Institute, contributing to greater habitat corridors for wildlife species. The mature, mixed species forest and forested wetlands onsite provide habitat for multiple species - wildlife documented onsite include Black bear and deer, cougar, coyote, raccoon, local woodpecker species and bat species that move throughout the landscape. Western toads have been sited on the property for multiple years – they are listed as a State Candidate (WDFW Priority Habitat and Species list) and Federal Species of Concern.

The Olympic Cougar Project, a connectivity collaborative funded by the international Panthera nonprofit organization, has documented that within the last several months, Yenewes, a collared female cougar who now has four kittens, spent one week on the northern Deerfoot Forest parcel. When a cougar who is part of this study spends a week in one place, they have either killed and are eating, or they are denning. Additionally, the Olympic Cougar Project has shared data of other collared cats that are also frequenting this area in and around Deerfoot Forest.

Directly to the south of Deerfoot Forest is Department of Natural Resources property in their Forest Board category for timber production, but we understand that the presence of marbled murrelets on or near this property means that DNR may be working to incorporate these properties into their Dabob Bay Natural Area Preserve (currently located less than .25 miles from Deerfoot Forest). Deerfoot Forest contributes to the protection of water quality throughout the Dabob Baby and Donovan Creek watersheds by reducing the number of negative impacts that the streams and bays have to respond to such as sedimentation, erosion, pollution, and flooding. Furthermore, Dabob Bay is home to surf smelt, Pacific sand lace, Pacific Herring, Pacific geoduck, hardshell clams, commercial oyster production as well as several WDFW Priority Habitats (estuarine and marine wetland, freshwater emergent wetland). Quilcene Bay, fed by Donovan Creek has similar conservation values and species present.

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

8. 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.

As described in question #7, this property appears to be some of the headwaters of both Donovan Creek and Tarboo Creek, both of which are anadromous streams for multiple salmonid species, including Hood Canal summer chum, Puget Sound chinook, coho. The protection of habitats upstream in a watershed provides benefit to the water quality and conditions of the salmon-bearing streams further down the watershed.

9. To what degree does the project preserve farmland for agricultural use OR preserve forestland for forest management?

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

The forestland's primary management goal is not for silvicultural and economic production, but instead for actively managing the property through enhancing and preserving the ecological diversity and resiliency of this upland and forested wetland habitat.

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

With the proposed terms of the conservation easement, Deerfoot Forest will be able to be managed in a similar function as described in 11b, in perpetuity. The easement terms will restrict clear cutting, timber harvest, and conversion of the forest which will protect the water quality, soil health, watershed function and wildlife habitat as described throughout this application.

9 c. Does this project preserve a mix of quality farmland and forestland?

Preservation of farmland is not one of the proposed conservation values for this forested property; the preservation of structurally diverse, second growth forest is the primary goal of this conservation easement.

10. To what degree does this project increase resiliency to and mitigation of climate change, and is the project's scale significant in regards to increasing climate resiliency?

10. Describe how this project will increase resiliency to and mitigation of climate change. Is the project's scale significant in regards to increasing climate resiliency?

Jefferson Land Trust and the North Olympic Land Trust have been involved in a Land Resilience Study of the North Olympic Peninsula since 2020. This study included working with a professional GIS consultant to utilize over 90 data sets and draw from 18 public and private sources to develop a set of climate resilience metrics that are helping to structure conservation initiatives in both partner organizations and shape future collaboration. The metrics are analyzed through the four pillars of our work including working farmland, working forestland, habitat and biodiversity, and community opportunity areas.

Through this analysis, portions of Deerfoot Forest are identified as a Terrestrial Biodiversity Conservation Opportunity Area through this spatial resiliency study. Terrestrial Biodiversity Conservation Opportunity Areas are defined as the lands on the Olympic Peninsula that are most likely to retain their ecological integrity and features that support migrating biodiversity both present and predicted, where there are corridors between these features that will support future migration and are the habitat lands that have high carbon sequestration values.

The long-term protection of this structurally diverse second-growth forest will enhance its ecological integrity, contributing to climate change resilience. Achieving climate change resilience in Jefferson County will require incremental protection efforts, collaborating with landowners of varying property sizes. Most privately-owned parcels in the county, not held by commercial timber companies, are smaller than 100 acres. In this context, the 37-acre size of this project is particularly significant, especially due to its proximity to the Dabob Bay Natural Area Preserve and protection efforts in the lower Donovan Creek watershed.

11. What area does the project serve?

11 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.

Deerfoot Forest is a piece of property that is part of a much broader county area that has been prioritized for protection by many local and regional land conservation and management partners. Both the Donovan and Tarboo Creek watersheds have been prioritized for preservation and restoration for over two decades, as described in #7. Deerfoot Forest is at the top of these watersheds, which benefits all of the downstream work that has been happening over many years.

11 b. Is the project located in an area that is under-represented by CFF 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.*

No.

12. To what degree is the applicant committing to providing educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

12. Describe the educational or interpretive opportunities that the applicant will provide for 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] Provide the time frames when each of the above will be implemented.

While conservation easements cannot require access for the public or interpretive signage, the Hubbards are very passionate about being able to share educational and visitor opportunities on their property. Their future goals for the forest stated in their Forest Management Plan include designing additional walking trails and visitor infrastructure such as benches and gazebo to encourage the opportunity for people to visit an exemplary native forest and wildlife habitat for future generations.

13. To what degree does the project preserve historic or culturally significant resources[3]?

13. The proposed acquisition

__ includes historic or culturally significant resources[4] and

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

__ is recognized locally has having historic or cultural resources.

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

X none of the above.

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

Standalone O & M Projects

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

14. 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.

Verification

---

[2] The words "education" and "interpretation" are interpreted broadly by the CFF 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. Sponsor commitments:

15 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.

15 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 3/19/2025 Date

15 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 3/19/25 Date

15 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. SS Initials 3/19/25 Date

15 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 3/19/25 Date

Landowner Acknowledgement Form[1]

Project Applicant Information

Applicant Name: Jefferson Land Trust
Project Number/Name:
Contact: ☐ Mr. ☒ Ms. First Name: Sarah Last Name: Spaeth
Title: Director of Conservation
Mailing Address: 1033 Lawrence St. Port Townsend, WA 98368
E-Mail Address: sspaeth@saveland.org

Property Information

Address or Location: **11500 Center Road. Quilcene, WA 98376**
County/Parcel Number: **701052002 and 701052011**

Landowner Information

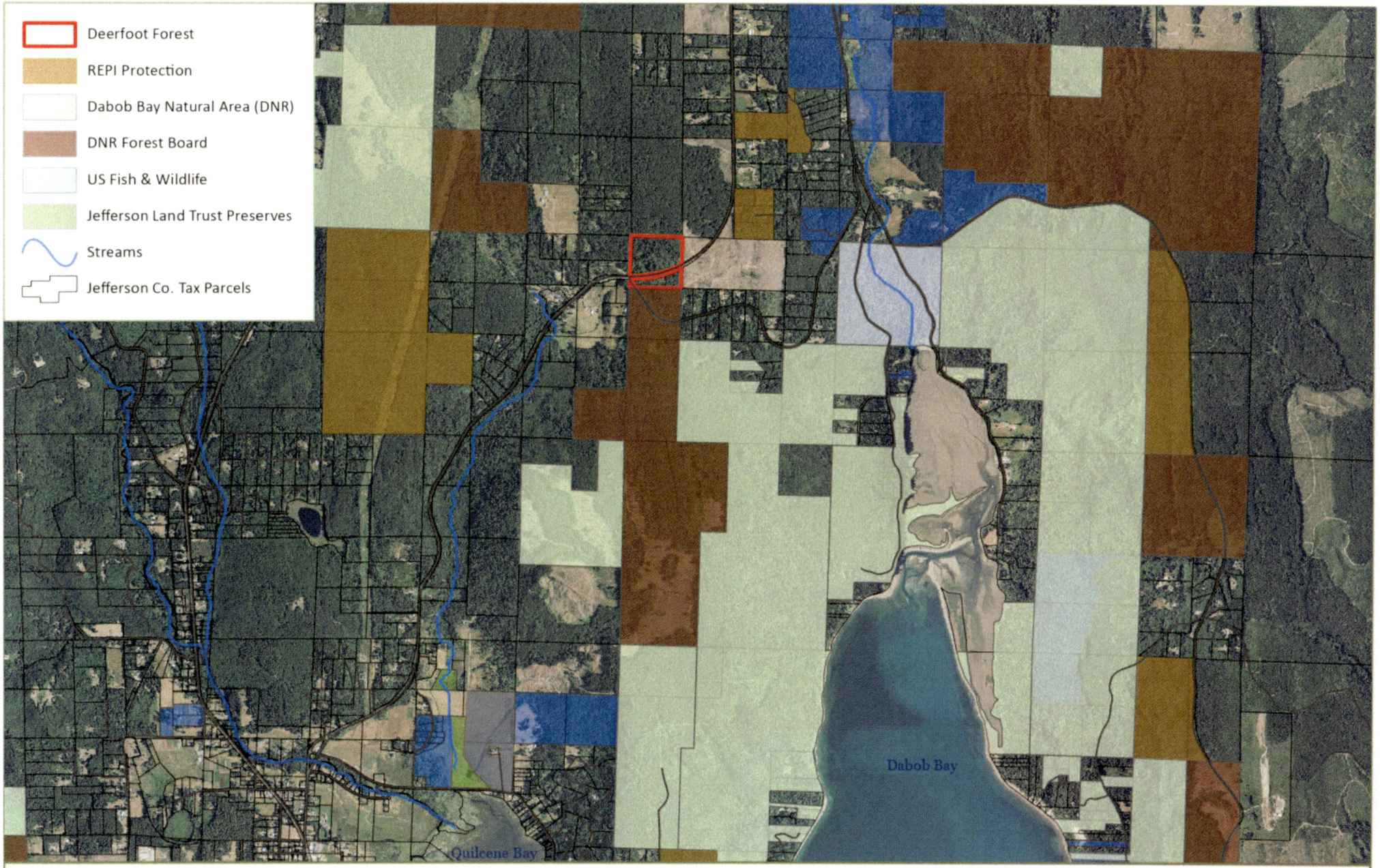
Landowner Name: Hubbard Center Road LLC
Representative: ☐ Mr. ☒ Ms. First Name: Penney Last Name: Hubbard
Title:
Mailing Address: PO Box 602 Quilcene, WA 98376
E-Mail Address: auntpenney@gmail.com

1. Penney Hubbard, Hubbard Center Road LLC, is the legal owner of property described in the grant application being submitted to Jefferson County Conservation Futures 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.

Penney Hubbard
Landowner/Representative Signature

March 21, 2024
Date

Penney Hubbard



Deerfoot Forest
Conservation Futures Fund 2025
Site Location Map

0 1,000 2,000 4,000
Feet

2023 Aerial Image (NAIP)

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

Map created in March 2025

N

JEFFERSON LAND TRUST



Deerfoot Forest
Conservation Futures Fund

0 475 950 1,900
Feet

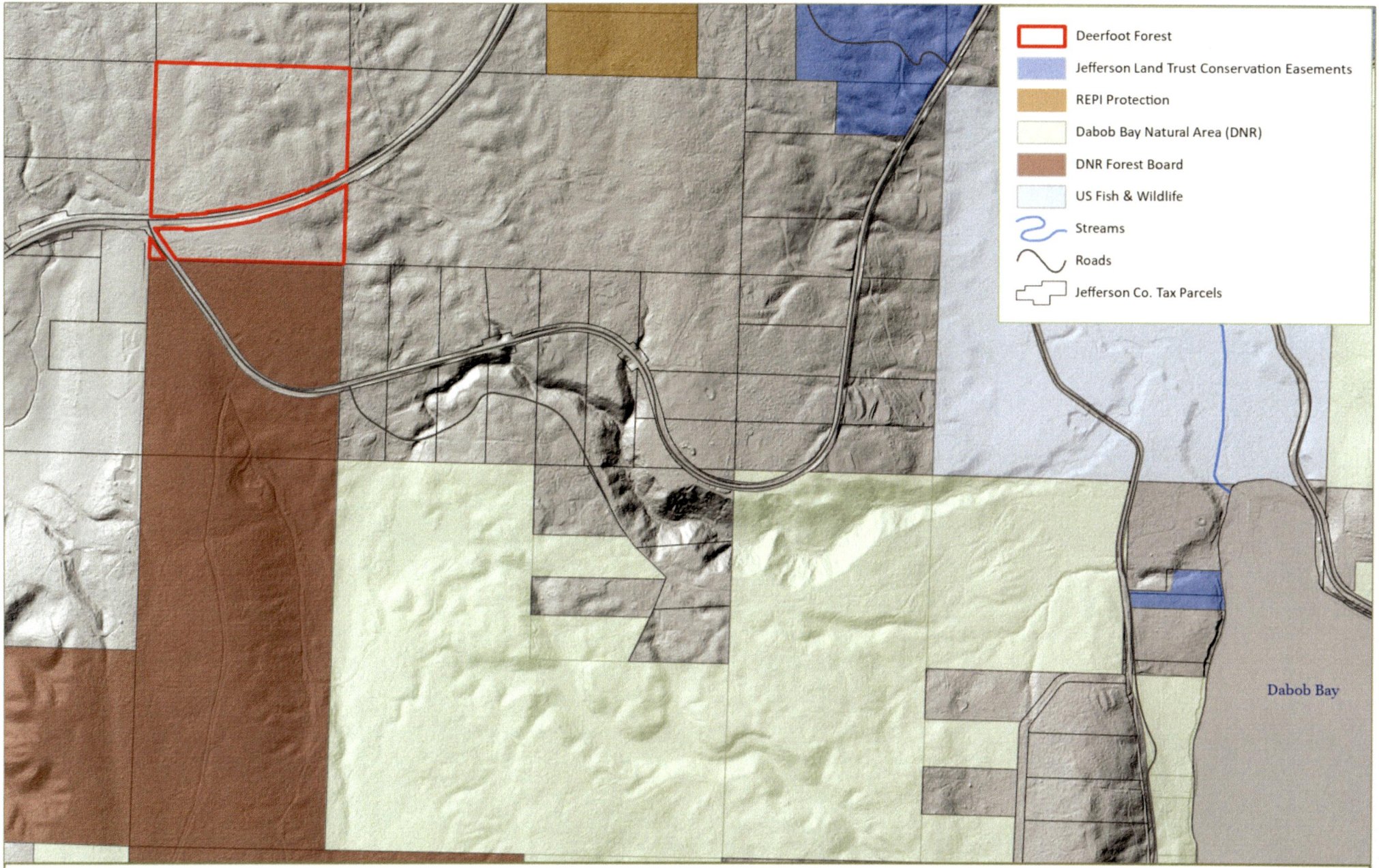
2023 Aerial Image (NAIP)

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

Map created in February 2025

N

JEFFERSON LAND TRUST



Deerfoot Forest
Conservation Futures Fund 2025
Project Boundary Hillshade Map

0 375 750 1,500
Feet

2023 Aerial Image (NAIP)

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

Map created in March 2025

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JEFFERSON LAND TRUST

Deerfoot Forest
Application Photos



Forested sedge wetland.



Southern parcel facing southwest. Bigleaf maple-dominant forest with mid-size regenerating conifers.



Onsite driveway with Douglas fir and bigleaf maple.



Large maple on site; moss and lichen demonstrate strong moisture presence. Conservation Futures Citizen Advisory Committee site visit.



Representative conditions of mixed alder, salmonberry, sword fern forest. Northern neighbor boundary line (commercial forestry) can be seen in background.



One of many Western toads found onsite by the landowners. Western toads are listed as a State Candidate (WDFW Priority Habitat and Species list) and Federal Species of Concern.

Jefferson Land Trust
Board of Directors
2025

Jane Guiltinan
Board President

- *Dean Emeritus at Bastyr University*
- *Naturopathic Physician, retired*

Tim Lawson
Vice President

- *Founder and Executive Director of Port Townsend School of Woodworking, retired*

Brian Rogers
Secretary

- *Chancellor of University of Alaska Fairbanks, retired*
- *State of Alaska Legislator, retired*

Julie Lockhart
Treasurer

- *Educator and nonprofit professional, retired*
- *Executive Director of WinterSpring, retired*

Sherry Moller

- *Plan Manager for Washington FAIR Pl*

Tom Sanford

- *Executive Director of North Olympic Land Trust*

Rick York

- *California Department of Fish and Game - Botanist and Biologist, retired*

Barry Mitzman

- *Reporter and Peabody Award-winning Television Producer, retired*
- *Seattle University Strategic Communications Director, retired*

Ed Thompson

- *Attorney and land conservation professional, American Farmland Trust, retired*

Ben Wilson

- *Healthcare and Technology, retired*
- *Board President of Climate Action Pathways for Schools*

Jennifer Harrison

- *Head of Gaming Experimentation, Microsoft*
- *Managing Director of Earth Economics*

JEFFERSON LAND TRUST

ORGANIZATIONAL CHART

- **BOARD OF DIRECTORS**

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    - **SARAH SPAETH- Director of Conservation and Strategic Partnerships**

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            DEVON BUCKHAM – Education Coordinator

            GREG SACHS – Preserve Assistant

            KELLY STOCKER – Americorps Habitat Enhancement Crew Member

        MARLOWE MOSER – Stewardship Coordinator

    - **KATE GODMAN- Director of Philanthropy**

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            SYDNEY LAROSE – Development Assistant

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    - **STEPAHNIE WEIGAND – Communications Manager**

        LILLY SCHNEIDER – Communications Coordinator

    - **PAULA McNEES- Finance Manager**

    - **CRISTINA VILLALOBOS – Office & Preserve Assistant (Matrixed to Stewardship)**

    - **RYEN HELZER – Community Forest Manager**

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
2 CUPANIA CIRCLE
MONTEREY PARK, CA 91755-7406

DEPARTMENT OF THE TREASURY

Date: MAY 03 1994

JEFFERSON LAND TRUST
C/O DOUG MASON PRES
PO BOX 1610
PORT TOWNSEND, WA 98368-0109

Employer Identification Number:
91-1465078
Case Number:
954109002
Contact Person:
TYRONE THOMAS
Contact Telephone Number:
(213) 894-2289
Our Letter Dated:
May 08, 1990
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Richard R. Orosco
District Director

Letter 1050 (DO/CG)

INCOME	
Restricted Funds	
Federal, State & County Grants	250,795
Foundation Grants	150,000
Donor Restricted	-
Investment	-
Operations Income	
Annual Contributions	545,000
Special Events	66,550
Fee for Service	156,110
Investment Income	-
Other/Release from Restriction	809,201
Foundation Grants/Unrestricted	20,000
Total Income	1,997,656
EXPENSE	
Direct Program	156,629
Acquisition & Conveyance	-
Land/Easement Holding	55,800
Professional Services	179277.00
General & Administrative	1,605,445
Total Expense	1,997,151
Net Income	505

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidated Financial Statements

For the Years Ended December 31, 2023 and 2022

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Aiken & Sanders, Inc PS
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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Independent Auditor's Report

To the Board of Directors
Jefferson Land Trust & Subsidiaries
Port Townsend, WA

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jefferson Land Trust and Subsidiaries (collectively, JLT, a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JLT, as of December 31, 2023 and 2022, and changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JLT and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JLT's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JLT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about JLT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 11-13 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Aiken & Sanders, Inc., PS

Aiken & Sanders

Certified Public Accountants
& Consultants

July 26, 2024

Montesano, WA

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Financial Position
As of December 31, 2023 and December 31, 2022

Assets

	2023	2022
Current Assets:		
Cash and cash equivalents	$ 2,427,128	$ 2,173,070
Accounts receivable	170,424	37,604
Current pledges receivable	1,139,589	1,063,546
Prepaid expense	15,839	1,361
Total Current Assets	3,752,980	3,275,581
Land and Conservation Easements:		
Habitat land	9,231,039	7,534,455
Working land	5,052,673	97,728
Open space land	332,761	332,761
Conservation easements	69	69
Total Land and Conservation Easements	14,616,542	7,965,013
Fixed Assets:		
Furniture, equipment, and improvements	97,340	97,340
Less: Accumulated depreciation	(66,611)	(61,086)
Fixed assets, net	30,729	36,254
Other Assets:		
Long term pledges receivable	150,366	471,051
Land hold fee-net	-	8,333
Investments	2,276,171	1,463,104
Total Other Assets	2,426,537	1,942,488
Total Assets	$ 20,826,788	$ 13,219,336

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Financial Position
As of December 31, 2023 and December 31, 2022

Liabilities & Net Assets

	2023	2022
Current Liabilities:		
Accounts payable	$ 30,683	$ 26,399
Accrued liabilities and deferred revenue	138,401	112,823
Total Current Liabilities	169,084	139,222
Long-Term Liabilities:		
Note payable	550,000	-
Total Liabilities	719,084	139,222
Net Assets:		
Without donor restrictions		
Undesignated	1,099,368	1,039,705
Board designated	14,520,704	7,833,694
	15,620,072	8,873,399
With donor restrictions	4,487,632	4,206,715
Total Net Assets	20,107,704	13,080,114
Total Liabilities & Net Assets	$ 20,826,788	$ 13,219,336

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total 2023
Support and Revenues:			
Gifts and contributions	$ 1,260,518	$ 2,601,431	$ 3,861,949
Donated land and easements	184,433	-	184,433
Inkind donations	11,042	-	11,042
Grants and contracts	4,906,931	-	4,906,931
Special events income, net of expenses of $37,121	16,782	-	16,782
Net investment return	80,034	101,457	181,491
Net assets released from restriction	2,421,971	(2,421,971)	-
Total Support and Revenue	8,881,711	280,917	9,162,628
Expenses:			
Program services	1,525,548	-	1,525,548
Management and general	302,737	-	302,737
Fundraising	306,753	-	306,753
Total Expenses	2,135,038	-	2,135,038
Change in Net Assets	6,746,673	280,917	7,027,590
Net Assets, Beginning of Year	8,873,399	4,206,715	13,080,114
Net Assets, End of Year	$ 15,620,072	$ 4,487,632	$ 20,107,704

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total 2022
Support and Revenues:			
Gifts and contributions	$ 576,404	$ 2,522,348	$ 3,098,752
Donated lands and easements	977,256	-	977,256
Inkind donations	2,193	-	2,193
Grants and contracts	805,373	-	805,373
Special events income, net of expenses of $26,761	23,366	-	23,366
Net investment return	(76,265)	1,894	(74,371)
Net assets released from restriction	859,895	(859,895)	-
Total Support and Revenue	3,168,222	1,664,347	4,832,569
Expenses:			
Program services	1,960,104	-	1,960,104
Management and general	438,537	-	438,537
Fundraising	300,403	-	300,403
Total Expenses	2,699,044	-	2,699,044
Change in Net Assets	469,178	1,664,347	2,133,525
Net Assets, Beginning of Year	8,404,221	2,542,368	10,946,589
Net Assets, End of Year	$ 8,873,399	$ 4,206,715	$ 13,080,114

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2023

	Program	Management and General	Fund-Raising	Total 2023
Salaries	$ 581,490	$ 162,041	$ 194,180	$ 937,711
Payroll taxes	48,293	13,458	16,127	77,878
Employee benefits	70,153	19,549	23,426	113,128
Professional fees	416,346	46,314	14,000	476,660
Land and stewardship expenses	286,823	-	-	286,823
Rent	19,435	5,416	6,490	31,341
Public awareness	8,795	4,291	1,679	14,765
Dues and subscriptions	12,594	11,763	16,090	40,447
Insurance	12,556	8,038	4,193	24,787
Postage and printing	11,324	215	10,034	21,573
Other	5,611	10,138	310	16,059
Travel and seminars	10,580	4,618	1,223	16,421
Office supplies	18,579	3,675	5,344	27,598
Depreciation and amortization	2,460	3,055	-	5,515
Utilities	8,997	2,507	3,004	14,508
Web design and maintenance	8,910	-	-	8,910
Bad debts	-	6,000	-	6,000
Bank fees	2,602	1,659	10,653	14,914
Total Expenses	$ 1,525,548	$ 302,737	$ 306,753	$ 2,135,038

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2022

	Program	Management and General	Fund-Raising	Total 2022
Salaries	$ 451,664	$ 237,470	$ 191,204	$ 880,338
Payroll taxes	36,334	19,103	15,381	70,818
Employee benefits	55,597	29,231	23,536	108,364
Value of conservation easements written down	890,117	-	-	890,117
Professional fees	343,533	46,843	13,141	403,517
Land and stewardship expenses	93,842	-	-	93,842
Rent	15,968	8,396	6,760	31,124
Public awareness	11,758	446	3,585	15,789
Dues and subscriptions	7,069	16,347	11,055	34,471
Insurance	9,773	4,831	3,890	18,494
Postage and printing	10,291	1,096	14,802	26,189
Other	4,969	9,118	815	14,902
Interest expense	-	3,525	-	3,525
Travel and seminars	8,661	8,703	161	17,525
Office supplies	7,744	20,254	4,145	32,143
Depreciation and amortization	2,924	3,829	-	6,753
Utilities	7,129	3,748	3,018	13,895
Web design and maintenance	1,350	-	-	1,350
Bad debts	890	23,918	-	24,808
Bank fees	491	1,679	8,910	11,080
Total Expenses	$ 1,960,104	$ 438,537	$ 300,403	$ 2,699,044

The accompanying notes are an integral part of these financial statements.

Jefferson Land Trust and Subsidiaries
A Washington Not For Profit Organization

Consolidated Statement of Cash Flows
For the Years Ended December 31, 2023 and December 31, 2022

	2023	2022
Cash flows from operating activities:		
Cash received from grantors, donors and customers	$ 8,948,453	$ 3,420,969
Cash paid to suppliers and employees	(2,139,733)	(1,851,446)
Cash paid for interest	-	(3,525)
Cash received from interest	44,382	24,405
Net cash provided (used) by operating activities	6,853,102	1,590,403
Cash flows from investing activities:		
Cash paid for investments	(1,275,403)	(518,055)
Cash received from investments	593,455	1,894
Proceeds from notes receivable	-	41,577
Cash paid for land	(6,467,096)	(338,686)
Net cash provided (used) by investing activities	(7,149,044)	(813,270)
Cash flows from financing activities:		
Cash paid on line of credit	-	(83,537)
Cash received from loan	550,000	-
Net cash provided (used) by financing activities	550,000	(83,537)
Net increase (decrease) in cash & cash equivalents	254,058	693,596
Cash & cash equivalents at beginning of year	2,173,070	1,479,474
Cash & cash equivalents at end of year	$ 2,427,128	$ 2,173,070

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries
A Washington Not For Profit Organization

Consolidated Statement of Cash Flows
For the Years Ended December 31, 2023 and December 31, 2022

	2023	2022
Reconciliation of increase (decrease) in net assets to net cash provided (used) by operating activities:		
Increase (decrease) in net assets:	$ 7,027,590	$ 2,133,525
Adjustments:		
Depreciation and amortization	5,515	6,753
Bad debts	6,000	24,808
Land hold fee amortization (adjustment)	8,333	8,333
Realized and unrealized losses (gains) on investments	(137,109)	98,776
Donated land	(184,433)	(207,256)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(132,820)	(32,952)
(Increase) decrease in pledges receivable	244,642	(480,678)
(Increase) decrease in prepaid expense	(14,478)	(1,361)
Increase (decrease) in accounts payable	4,284	12,172
Increase (decrease) in accrued expenses and deferred revenue	25,578	28,283
Net cash provided (used) by operating activities	$ 6,853,102	$ 1,590,403

The accompanying notes are an integral part of these financial statements

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidating Statement of Financial Position

Year Ended December 31, 2023

	Jefferson Land Trust	JLT Resources, LLC	Chimacum Ridge CF, LLC	Subtotal	Eliminations	Consolidated 2023
Assets						
Current Assets:						
Cash and cash equivalents	$ 2,416,391	$ 10,637	$ 100	$ 2,427,128	$ -	$ 2,427,128
Accounts receivable	170,424	-	-	170,424	-	170,424
Current pledges receivable	1,139,589	-	-	1,139,589	-	1,139,589
Prepaid expense	15,839	-	-	15,839	-	15,839
Total Current Assets	3,742,243	10,637	100	3,752,980	-	3,752,980
Land and Conservation Easements:						
Habitat land	8,409,108	821,931	-	9,231,039	-	9,231,039
Working land	97,728	-	4,954,945	5,052,673	-	5,052,673
Open space land	332,761	-	-	332,761	-	332,761
Conservation easements	69	-	-	69	-	69
Total Land and Conservation Easement	8,839,666	821,931	4,954,945	14,616,542	-	14,616,542
Fixed Assets:						
Furniture, equipment, and improveme	87,203	10,137	-	97,340	-	97,340
Less: Accumulated depreciation	(65,080)	(1,531)	-	(66,611)	-	(66,611)
Total Fixed Assets	22,123	8,606	-	30,729	-	30,729
Other Assets:						
Long term pledges receivable	150,366	-	-	150,366	-	150,366
Land hold fee-net	-	-	-	-	-	-
Investments	7,571,312	-	-	7,571,312	(5,295,141)	2,276,171
Total Other Assets	7,721,678	-	-	7,721,678	(5,295,141)	2,426,537
Total Assets	**$ 20,325,710**	**$ 841,174**	**$ 4,955,045**	**$ 26,121,929**	**$ (5,295,141)**	**$ 20,826,788**
Liabilities						
Current Liabilities						
Accounts payable	$ 30,683	$ -	$ -	$ 30,683	$ -	$ 30,683
Accrued liabilities and deferred reven	138,401	-	-	138,401	-	138,401
Total Current Liabilities	169,084	-	-	169,084	-	169,084
Long Term Liabilities						
Note payable	-	550,000	-	550,000	-	550,000
Total Liabilities	169,084	550,000	-	719,084	-	719,084
Net Assets						
With Donor Restrictions	4,487,632	-	-	4,487,632	-	4,487,632
Without Donor Restrictions	15,668,994	291,174	4,955,045	20,915,213	(5,295,141)	15,620,072
Total Net Assets	20,156,626	291,174	4,955,045	25,402,845	(5,295,141)	20,107,704
Liabilities & Net Assets	**$ 20,325,710**	**$ 841,174**	**$ 4,955,045**	**$ 26,121,929**	**$ (5,295,141)**	**$ 20,826,788**

The accompanying notes are an integral part of these financial statements.

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2023

	Jefferson Land Trust	JLT Resources, LLC	Chimacum Ridge CF, LLC	Subtotal	Eliminations	Consolidated 2023
Support and Revenues						
Gifts and contributions	$ 3,861,949	$ -	$ -	$ 3,861,949	$ -	$ 3,861,949
Donated land and easements	184,433	-	-	184,433	-	184,433
Inkind donations	11,042	-	-	11,042	-	11,042
Grants and contracts	4,906,931	-	-	4,906,931	-	4,906,931
Special events income, net of expenses of $37,121	16,782	-	-	16,782	-	16,782
Net investment return	181,454	37	-	181,491	-	181,491
Net assets released from restriction	-	-	-	-	-	-
Total Support and Revenues	**9,162,591**	**37**	**-**	**9,162,591**	**-**	**9,162,628**
Program Expenses						
Jefferson Land Trust	1,513,398	-	-	1,513,398	-	1,513,398
JLT Resources, LLC	-	12,150	-	12,150	-	12,150
Chimacum Ridge CF, LLC	-	-	-	-	-	-
Total Program Expenses	1,513,398	12,150	-	1,525,548	-	1,525,548
Management and general	302,737	-	-	302,737	-	302,737
Fundraising	306,753	-	-	306,753	-	306,753
Total Expenses	**2,122,888**	**12,150**	**-**	**2,135,038**	**-**	**2,135,038**
Change in Net Assets	7,039,703	(12,113)	-	7,027,553	-	7,027,590
Capital Transfer	-	6,551	4,955,045	4,961,596	(4,961,596)	-
Net assets - Beginning of Year	13,116,923	296,736	-	13,413,659	(333,545)	13,080,114
Net assets - End of the Year	**$ 20,156,626**	**$ 291,174**	**$ 4,955,045**	**$ 25,402,808**	**$(5,295,141)**	**$ 20,107,704**

The accompanying notes are an integral part of these financial statements.

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidating Statement of Functional Expenses

Year Ended December 31, 2023

	Jefferson Land Trust	JLT Resources, LLC	Chimacum Ridge CF, LLC	Total Program Services	Management & General	Fundraising	Eliminations	Consolidated 2023
Salaries	$ 581,490	$ -	$ -	$ 581,490	$ 162,041	$ 194,180	$ -	$ 937,711
Payroll taxes	48,293	-	-	48,293	13,458	16,127	-	77,878
Employee benefits	70,153	-	-	70,153	19,549	23,426	-	113,128
Professional fees	405,343	11,003	-	416,346	46,314	14,000	-	476,660
Land and stewardship expenses	286,242	581	-	286,823	-	-	-	286,823
Rent	19,435	-	-	19,435	5,416	6,490	-	31,341
Public awareness	8,795	-	-	8,795	4,291	1,679	-	14,765
Dues and subscriptions	12,594	-	-	12,594	11,763	16,090	-	40,447
Insurance	12,556	-	-	12,556	8,038	4,193	-	24,787
Postage and printing	11,324	-	-	11,324	215	10,034	-	21,573
Other	5,552	59	-	5,611	10,138	310	-	16,059
Travel and seminars	10,580	-	-	10,580	4,618	1,223	-	16,421
Office supplies	18,579	-	-	18,579	3,675	5,344	-	27,598
Depreciation and amortization	1,953	507	-	2,460	3,055	-	-	5,515
Utilities	8,997	-	-	8,997	2,507	3,004	-	14,508
Web design and maintenance	8,910	-	-	8,910	-	-	-	8,910
Bad debts	-	-	-	-	6,000	-	-	6,000
Bank fees	2,602	-	-	2,602	1,659	10,653	-	14,914
Total Expenses	**$ 1,513,398**	**$ 12,150**	**$ -**	**$ 1,525,548**	**$ 302,737**	**$ 306,753**	**$ -**	**$ 2,135,038**

The accompanying notes are an integral part of these financial statements.

A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization--
Jefferson Land Trust (The Land Trust) is a Washington not-for-profit corporation formed on April 7, 1989. The Land Trust's purpose is to acquire, preserve and manage open space lands and easements for land conservation purposes benefitting the public. The Land Trust also provides information and materials to the public on land conservation issues. The Land Trust serves Jefferson County on the Olympic Peninsula in Washington State. The Land Trust has been accredited by the national Land Trust Alliance since August 5, 2009.

On September 5, 2007, JLT Resources, LLC was formed with the Land Trust as its only member. JLT Resources, LLC was formed for the purpose of purchasing and holding land for conservation purposes.

On November 13, 2023, Chimacum Ridge Community Forest, LLC was formed with the Land Trust as its only member. Chimacum Ridge Community Forest, LLC was formed for the purpose of purchasing land and operating a community forest.

Principles of Consolidation--
These financial statements consolidate the statements of Jefferson Land Trust, JLT Resources, LLC, and Chimacum Ridge Community Forest, LLC (collectively, "JLT"). Inter-organization balances and transactions have been eliminated in consolidation.

Basis of accounting--
The consolidated financial statements of JLT have been prepared on the accrual basis of accounting.

Basis of presentation—
JLT follows accounting prescribed by the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958 Not-for Profit Entities. Under ASC 958, JLT is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions, and without donor restrictions.

With Donor Restrictions: Net assets that result from contributions whose use by JLT is restricted by donor imposed stipulations that may expire with the passage of time or can be fulfilled or otherwise removed by actions of JLT.

Without Donor Restrictions: Net assets that are not restricted by donor stipulation.

Gifts of goods and equipment are reported as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

Property and Fixed Assets--
Improvements, furniture and equipment are capitalized at cost if purchased, or, if donated, at the approximate fair value at the date of donation. When retired or otherwise disposed of, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference, less any amount realized from disposition, is reflected in earnings. Maintenance and repairs are charged to expense as incurred. Costs of significant improvements are capitalized. JLT provides for depreciation using the straight-line method over the estimated useful lives of the assets of five to ten years.

JLT records acquisitions of land at cost if purchased. Land acquired through donation is recorded at fair value, with fair values generally based on independent professional appraisals. These assets fall into two primary categories:

Conservation Lands- Real property with significant ecological value for habitat, open space, or working lands. Stewardship programs of JLT manage these properties to protect the natural biological diversity of the property. JLT manages its working timberland as a Forest Stewardship Council-Certified, managed forest.

Conservation Easements- Voluntary legal agreements between a landowner and a land trust or government agency to permanently protect the identified natural features and conservation values of the property. These easements may be sold or transferred to others so long as the assignee agrees to carry out, in perpetuity, the conservation purposes intended by the original grantor. Conservation easements owned by JLT protect habitat, open space and working lands, such as family farms, through its stewardship programs. Easements acquired represent numerous restrictions over the use and development of land not owned by JLT. Since the benefits of such easements accrue to the public upon acquisition, the fair market value of easements acquired is shown in the year of acquisition as an addition to net assets to record the donation of the easement, and unless conveyed to a public agency for consideration, shown as a reduction in net assets to record the value of the public's benefit and to recognize that these easements have no marketable value once severed from the land and held by JLT. Easements held by JLT are carried on the consolidated statement of financial position at $1 each for tracking and accounting purposes. A total of $69 is recorded in the financial records for the nominal value of easements acquired.

JLT has preserved a total of 4,517 acres of land with 69 current easements. The original acquisition cost of the easements, expensed when acquired, was in excess of $19,100,000.

Portions of two easements with a value of $770,000 were donated to JLT during 2022. Accordingly, $770,000 of contribution revenue and $770,000 of related write down expense have been reported on the consolidated statements of activities for the year ended December 31, 2022.

Estimates--
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Expense Allocation--
The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expense. Program expenses represent expenses incurred to fulfill JLT's exempt purposes. Management and general expenses support that exempt purpose while fundraising expenses are incurred to raise resources to carry out program activities. Expenses are recorded, when appropriate, to the function receiving direct benefit. When expenses benefit more than one function, an allocation is made based on relative benefits provided to each function.

Cash and Cash Equivalents--
For reporting purposes, JLT considers all unrestricted highly liquid investments with a purchased maturity of three months or less to be cash and cash equivalents.

Concentrations--
JLT maintains its cash in bank deposit accounts with three financial institutions. JLT's cash balances may, at times, exceed federally insured limits.

At December 31, 2023, three donor's pledges represented approximately 70% of pledges receivable.

At December 31, 2022, four donor's pledges represented approximately 86% of pledges receivable.

Investments--
Investments in marketable securities with readily determinable fair values are valued at their fair values in the consolidated statement of financial position. Certificates of deposit are carried at cost plus accrued interest in the consolidated statement of financial position. Unrealized gains and losses are included in the change in net assts.

Grants and Contracts--
JLT receives grants and contracts from federal, state, and local agencies, as well as from private organizations, to be used for specific programs or land purchases. The excess of grants receivable over reimbursable expenditures to-date is recorded as deferred revenue.

Federal Income Taxes--
The Internal Revenue Service has determined Jefferson Land Trust and JLT Resources, LLC (a disregarded entity) to be exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).Contributions to JLT are deductible as allowed under IRC Section 170(b)(I)(A)(vi).

During the year ended December 31, 2012, the Land Trust elected the provisions of Section 501(h), relating to expenditures to influence legislation. That election remains in force unless revoked.

Contributions--
Contributions are recognized when received or when a donor makes an unconditional promise to give to JLT. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give (pledges receivable) are recognized as revenues in the period the pledge is received. Long term pledges (collection expected in greater than one year) are discounted to the net present value of future cash flows. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promise becomes unconditional.

Subsequent Events--
JLT has evaluated subsequent events through July 26, 2024, the date on which the consolidated financial statements were available to be issued.

B. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

JLT, although it expects to receive current support to fund operations for 2024 and later years, has $1,062,007 and $423,001 of financial assets available within one year of the statement of financial position dates on December 31, 2023 and 2022, respectively, to meet cash needs for general operating expenditures. JLT also has $614,039

and $578,659, of board designated assets as of December 31, 2023 and 2022, respectively, that can be reallocated for general expenditures if needed. Financial assets available within one year consist of the following:

	2023	2022
Financial assets at year end	$ 6,163,678	$ 5,208,375
Donor restricted to purpose	(4,487,632)	(4,206,715)
Board designations	(614,039)	(578,659)
Financial assets available to meet cash needs within one year	$ 1,062,007	$ 423,001

C. NET ASSETS COMPOSITION:

JLT's net assets with donor restrictions consisted of the following at December 31, 2023 and 2022:

	2023	2022
Purpose Restriction:		
For stewardship of Bullis Forest Preserve	$ 27,483	$ 39,511
Chi-yakh-wh	30,740	35,715
Campaign Readiness Fund/Operations	1,132,364	672,260
Stewardship funding	843,969	836,341
Quimper Wildlife Corridor	264,918	210,353
Other program restrictions	52,111	51,770
	2,351,585	1,845,950
Time Restriction:		
Outstanding pledges	1,289,955	1,540,797
Permanent Restriction		
Endowment Fund	846,092	819,968
Total Net Assets With Donor Restrictions	$ 4,487,632	$ 4,206,715

Net assets without donor restrictions consisted of the following at December 31, 2023 and 2022:

	2023	2022
Designated:		
Quimper Wildlife Corridor	$ 2,115,834	$ 1,576,803
Chimacum Creek	388,347	388,347
Duckabush Riparian Forest	492,800	492,800
Duckabush Hacheney	90,000	90,000
Donovan Creek	270,000	270,000
Duckabush Wetlands & Oxbow	530,000	530,000
Bulis Forest Preserve	125,240	125,240
Moore	34,155	34,155
Beaver Valley	662,537	105,986
Brinnon-Wright	130,000	130,000
Upper Snow Creek Forest	340,000	340,000
Snow Creek Uncas Preserve	260,000	260,000
Chimacum Commons	90,850	90,850
Snow Creek Estuary	86,000	86,000
Snow Creek-Hopkins	95,000	95,000
Silver Reach	125,000	125,000
Gateway	85,000	85,000
Kilham Corner	81,202	81,202
Fite & Fissler	182,226	182,226
Valley View	1,710,000	1,710,000
Discovery Bay	311,358	311,358
Longmire	145,000	145,000
Ruck	601,000	-
Chimacum Ridge	4,955,046	-
Stewardship Fund	401,432	366,053
CP Operations Reserve	27,476	27,476
Karen Mckee Board Fund	13,328	13,328
Operations Reserve	171,804	171,801
Conservation easements	69	69
Total Designated	14,520,704	7,833,694
Undesignated	1,099,368	1,039,705
Total Net Assets Without Donor Restrictions:	$ 15,620,072	$ 8,873,399

Net assets of $2,421,209 and $846,509, respectively, were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by the donor, and net assets of $762 and $13,386, respectively, were released due to the expiration of time restrictions for the years ended December 31, 2023 and 2022.

D. LINE OF CREDIT:

JLT entered into a line of credit arrangement with 1st Security Bank during 2021. The line requires monthly payments of interest at 4.25% on outstanding balances. The line of credit principal balance was $0 and $0 at December 31, 2023 and 2022, respectively.

E. ENDOWMENTS:

The JLT endowment consists of one fund established to support general operations. As required by U.S. GAAP, net asset associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Nature of Endowments and Interpretation of Relevant Laws- JLT's Board of Directors has reviewed the Washington State Prudent Management of Institutional Funds Act (PMIFA) and, having considered its rights and obligations thereunder, has determined that it is desirable to preserve, on a long-term basis, the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this determination, JLT classifies as nets assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with permanent donor restrictions is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by JLT in a manner consistent with the standard of prudence prescribed by PMIFA. However, JLT has informed donors of its spending policy which states that no distributions will be made during the first five years of the fund's existence or until it reaches a threshold balance of $400,000. Since these milestones have not yet been reached, JLT adds all amounts earned to the permanently restricted balance.

In accordance with PMIFA, JLT considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds, (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of JLT, and (7) JLT's investment policies.

Endowment net assets, all permanently restricted, totaled $846,092 and $819,968, respectively, at December 31, 2023 and 2022.

Changes in endowment net assets for the year ended December 31, 2023 are as follows:

	Temporary Donor Restrictions	Permanent Donor Restrictions	Total
Endowment Net Assets 1/1/2023	$ -	$ 819,968	$ 819,968
Contributions	-	5,500	5,500
Investment Income	-	11,019	11,019
Net Appreciation (Depreciation)	-	9,605	9,605
Endowment Net Assets 12/31/23	$ -	$ 846,092	$ 846,092

Changes in endowment net assets for the year ended December 31, 2022 are as follows:

	Temporary Donor Restrictions	Permanent Donor Restrictions	Total
Endowment Net Assets 1/1/2022	$ -	$ 68,074	$ 68,074
Contributions	-	750,000	750,000
Investment Income	-	1,894	1,894
Net Appreciation (Depreciation)	-	-	-
Endowment Net Assets 12/31/22	$ -	$ 819,968	$ 819,968

Funds with Deficiencies- From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or PMIFA requires JLT to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2023 or 2022.

Return Objectives and Risk Parameters- JLT has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that JLT must hold in perpetuity or for donor-specified periods as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of a custom Policy Index made up of various indices. The composition of the custom Policy Index is based upon the strategic asset allocation of the investment portfolio and assumes a moderate level of investment risk. The investment objectives of the Operations Endowment Fund include maintenance of principal, timely liquidity, and preservation of purchasing power over time.

Strategies Employed for Achieving Objectives- To satisfy its long-term rate-of-return objective, JLT notes that for funds earmarked for capital appreciation, appropriate investments include intermediate term bond funds/ETF's, equity mutual funds, equity ETF's, and unconstrained bond funds.

Spending Policy and How the Investment Objectives Relate to the Spending Policy- JLT's spending policy intends that no distributions shall be made from the Operations Endowment Fund for the first five years of its existence or until it reaches a threshold balance of $400,000, whichever shall first occur. After a five-year period which ended in December of 2014, or after achieving the $400,000 threshold, distributions shall be made on an annual basis as determined by the Board. Regular disbursements should be limited to a maximum of 5% of the value of the portfolio at the beginning of each fiscal year, or one-half of the income generated by the fund for the most recent fiscal year, whichever is less. At no time will the distribution of the spendable amount result in the invasion of the original amounts donated.

F. ACCOUNTS RECEIVABLE:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable.

Historically, bad debts have been immaterial. During 2023 and 2022, there were bad debts of $6,000 and $24,808, respectively. As of December 31, 2023, management estimated that all accounts receivable were collectible.

JLT had no material amounts past due at December 31, 2023.

G. PLEDGES RECEIVABLE:

JLT received promises to give from a number of donors in 2023 and in years prior to 2023. JLT has provided an allowance for uncollectible amounts based on its assessment of the current status of individual pledges and has discounted pledges to current value using a rate of .15%. Pledges receivable at December 31, 2023 are to be received as follows:

Less than one year	$	1,139,589
Two to five years		159,007
Thereafter		-
		1,298,596
Less discount to present value		(2,441)
Less allowance for uncollectible		(6,200)
	$	1,289,955

H. NOTE RECEIVABLE:

On February 15, 2008, JLT granted a loan to an individual in relation to one of the pieces of conservation land owned by JLT. A promissory noted was received in exchange.

The promissory note was for the amount of $93,750 and was to be paid in monthly installments of approximately $600. The note matured on January 15, 2028 with an annual interest rate of 5%.

The note was paid in full during the year ended December 31, 2022.

I. FURNITURE, EQUIPMENT, AND IMPROVEMENTS:

Furniture, Equipment, and Improvements consist of the following at December 31, 2023 and 2022:

	2023	2022
Furniture & Equipment, and Software	$ 57,351	$ 57,351
Accumulated Depreciation and Amortization	-34336	(33,825)
	23,015	23,526
Leasehold Improvements	39,989	39,989
Accumulated Depreciation	(32,275)	(27,261)
	7,714	12,728
Fixed Assets-Net	$ 30,729	$ 36,254

Accumulated Depreciation and Amortization was $66,611 and $61,086 at December 31, 2023 and 2022, respectively.

J. ECONOMIC DEPENDENCY:

For 2023 and 2022, grant funding was primarily provided by the State of Washington Recreation and Conservation Office, State of Washington Department of Commerce, and Jefferson County. A reduction in this level of support, if it were to occur, could have a significant impact on JLT's operation

K. RETIREMENT PLAN:

JLT maintains a Simplified Employee Pension – Individual Retirement Accounts Contribution Benefit Plan ("the Plan"). Eligible employees may join the Plan after one year of service. There were employer contributions of $36,959 and $20,580, respectively, for 2023 or 2022.

L. LAND AND CONSERVATION EASEMENTS:

Land and conservation easements at December 31 are summarized as follows:

	2023	2022
Quimper Wildlife Corridor	$ 2,250,333	$ 1,711,301
Chimacum Creek	385,348	385,348
Duckabush Riparian Forest	492,800	492,800
Duckabush-Hacheney	90,000	90,000
Donovan Creek	205,000	205,000
Duckabush Wetlands & Oxbow	530,000	530,000
Bulis Forest Preserve-JLTR	125,240	125,240
Beaver Valley-JLTR	662,537	105,985
Moore-JLTR	34,155	34,155
Upper Snow Creek Forest	340,000	340,000
Snow Creek Uncas Preserve	325,000	325,000
Chimacum Commons	90,850	90,850
Snow Creek Estuary	86,000	86,000
Silver Reach	125,000	125,000
Gateway	85,000	85,000
Kilham Corner	38,930	38,930
Valley View	2,002,000	2,002,000
Discovery Bay	418,583	418,583
Fissler	75,000	75,000
Longmire	145,000	145,000
Snow Creek-Hopkins	95,000	95,000
Thorndyke	458,751	458,751
Chimacum Ridge-CRCF	4,954,945	-
Ruck	601,000	-
Conservation easements	69	69
Total Unrestricted Net Assets	$ 14,616,542	$ 7,965,013

M. INCOME TAX & UNCERTAIN TAX POSITIONS:

Jefferson Land Trust, JLT Resources, LLC (a disregarded entity), and Chimacum Ridge Community Forest, LLC (a disregarded entity) are tax exempt non-profit organizations under the Internal Revenue Code Section 501(c)(3) and are not classified as a private foundation. Accordingly, the financial statements do not include any provision for income taxes.

JLT files income tax returns in the U.S. federal jurisdiction. The Trust is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2020. Currently, there is no examination or pending examination with the Internal Revenue Service (IRS) or any other state or federal taxing authorities.

JLT adopted the provisions of FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, on January 1, 2009. As of December 31, 2023, there are no tax positions for which the deductibility is certain but for which there is uncertainty regarding the timing of such deductibility.

N. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

JLT follows U.S. GAAP which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 Measurements). The three levels of the fair value hierarchy under ASC 958 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Trust has the ability to access.

Level 2: Inputs to valuation methodology include: Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets or liabilities in inactive markets. Inputs other than quoted prices that are observable for the asset or liability. Inputs that are principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023.

Stocks: Valued at quoted market prices in active markets for identical assets.

Mutual Funds: Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares held by the JLT at year end.

Community Foundation: Valued at applicable share of pooled market investments at foundation.

Certificates of Deposit: Valued at original investment plus received and accrued interest.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Trust believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, JLT's assets at fair value as of December 31, 2023:

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 954,554	$ -	$ -	$ 954,554
Community Foundation	-	409,605	-	409,605
Total Assets at Fair Value:	$ 954,554	$ 409,605	$ -	$ 1,364,159
Certificates of deposit, held at cost plus accrued interest				912,012
Total Investments				$ 2,276,171

The following table sets forth by level, within the fair value hierarchy, JLT's assets at fair value as of December 31, 2022:

	Assets at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 873,725	$ -	$ -	$ 873,725
Community Foundation	-	200,083	-	200,083
Total Assets at Fair Value:	$ 873,725	$ 200,083	$ -	$ 1,073,808
Certificates of deposit, held at cost plus accrued interest				389,296
Total Investments				$ 1,463,104

Investment return for the years ended December 31 consisted of the following:

	2023	2022
Interest & dividend income	$ 44,382	$ 15,371
Realized/unrealized (loss) gain	137,109	(89,742)
Total	$ 181,491	$ (74,371)

O. LAND PURCHASE AND HOLD FEE:

JLT signed a purchase and sale agreement with a third party during 2015 for the purchase of approximately 850 acres of forest land in Jefferson County. The terms of the agreement, dated March 17, 2015, required JLT to purchase the property for an amount not to exceed the appraised fair market value of the property.

The terms of the agreement required the payment of a $100,000 non-refundable hold fee to the third party to allow time for the purchase process to be completed and for JLT to raise the necessary funding to complete the purchase. The hold fee agreement was to expire on March 17, 2019. During 2016, JLT signed an amended agreement that resulted in the refund of $25,000 of the $100,000 hold fee and extended the agreement to nine year from the original five years, now expiring in 2023.

JLT adjusted amortization of the hold fee to the new life of the agreement which resulted in an increase to the hold fee asset of $8,331 in 2016. Amortization expense of $8,331 was recognized during 2023 and 2022, completing the hold fee amortization.

JLT completed the land purchase during 2023.

P. NOTE PAYABLE:

JLT Resources, LLC signed a loan agreement and promissory note on January 11, 2023, with the Washington State Housing Finance Commission, for a total of $550,000. The loan proceeds were used for a property acquisition. The loan requires annual interest accrual at 1% simple interest, with payments of principal and interest deferred until maturity. The note matures on the earlier of January 31, 2031, or when a conservation easement is sold on the underlying property. Jefferson Land Trust plans to purchase and hold the conservation easement.

Jefferson Land Trust Board Meeting Minutes

Tuesday, February 20, 2024 (4:00 – 6:00 PM) Zoom Only
Zoom : 943 0298 7630 Passcode: 385702

Time	Agenda Items	Action Required	Who	Material in Packet
4:00	Confirm all Zoom participants can hear and participate in meeting.	Action	Brian	No
4:05	Welcome & Announcements	Info	Brian	No
4:10	Consent Agenda • Minutes of the 1/16/24 Board Meeting	Action	Brian	Yes
	Consent Agenda Approved			
4:15	ED Update • ED Report (see full report for details) • QWC TLT still awaiting sig nature from the Governor • 3 properties in QWC to close in March • Presentation from Olympic Housing Trust next week on plans for Chimacum Commons • Capital Campaign total to date 6 million +; presently at 73% of goal • Climate resiliency project with NOLT- improving mapping tools • Audit to occur first part of March • Conservation Breakfast March 14, Presentation on the Cougar Project	Info	Richard	Yes
4:45	CPC Projects • Pedersen property **The CPC recommends that JLT Board approve the purchase of the Pedersen property** • Priority ranking for CFF of proposed acquisitions of Humbleberry Farm and Hubbard properties **The CPC recommends that JLT Board approve the following priority for CFF request - 1. Humbleberry Farm 2. Hubbard**	Action	Rick & Sarah	Yes
	The Board approved the purchase of the Pedersen property **The Board approved the CFF priority of !. Humbleberry, 2. Hubbard**			

2025 Jefferson County Conservation Futures Fund 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 (360) 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. . Project Title: **Toandos Forest Acquisition and Restoration**

2. Conservation Futures Acquisition Request: **$96,000**

   Conservation Futures O&M Request: **$0**

3. Total Conservation Futures Request: **$96,000**

4. Please indicate the type of interest contemplated in the acquisition process.
   X Warranty Deed __ Easement __ Other (*Please describe below.)*

   In whose name will the property title be held after acquisition? **Northwest Watershed Institute**

5. Applicant Information

Name of Applicant or Organization: **Northwest Watershed Institute**

Contact: **Peter Bahls**

Title: **Executive Director/Conservation Biologist**

Address: **3407 Eddy Street, Port Townsend, WA 98368**

Phone: **(360) 821-9566, ext.** ____ _____ Fax**:** ____ ext. ____

Email: **peter@nwwatershed.org**

6. Sponsor Information: *(if different than applicant)* **Same**

Organization Name:

Contact:

Title:

Address:

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

This application was approved by the sponsor's legally responsible body (*e.g., board, council, etc.)* on **February 25, 2025**

7. Project Location

Street Address or Description of Location: **1125 Toandos Road, Quilcene, WA**

Driving Directions from Port Townsend: **Coyle Road south to Toandos Road. Need gate code to proceed on Toandos Road to "Leaning Firs" sign on left.**

Section: **15** Township: **27 N** Range: **1 W**

Assessor's Parcel Number(s): **701-153-003**

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. **The parcel is to be acquired with CF funds**

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

701-153-003 = $124,257

8. Existing Conditions

New Site: **Yes** No _____ Number of Parcels: **1**

Addition to Existing Site: Yes **No** _____ Acres to Be Acquired: **6.38**

Total Project Acreage (if different):_____ Current Zoning: **1 per 5**

Existing Structures/Facilities: **Yes**

Any current covenants, easements or restrictions on land use: **No**

Current Use: **Residential**

Waterfront *(name of body of water):* **Discovery Creek watershed, part of Dabob Bay Watershed**

Shoreline (*linear feet*): **NA**

Owner Tidelands/Shorelands: **NA**

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, and why you think preserving this property is important. Name three top objectives for the property (other than those related to funding). Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Fund 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.

Background, goals, and objectives

Since 2002, Northwest Watershed Institute (NWI), Jefferson Land Trust, and over 40 partnering organizations have been working on a landscape scale project to protect and restore the Tarboo-Dabob Bay watershed, with over 4,000 acres conserved to date along Tarboo Creek and within the state's Dabob Bay Natural Area. The three main objectives of the conservation effort are to: 1) protect and restore the stream and wetland corridor, from the headwaters of Tarboo Creek to Dabob Bay, 2) conserve uplands for sustainable forestry, 3) preserve lands within the Dabob Bay Natural Area.

For this project, NWI proposes to acquire and permanently protect and restore a 6.38 acre parcel within the boundaries of the Dabob Bay Natural Area. The property adjoins state protected lands on three sides. The property is mostly forested with a small residence and drains to Discovery Creek. As match to the grant, NWI is proposing to clean up the property, including removal of the cabin, trailers, debris, decommission of roads and septic system, and re-vegetation and weed control where needed. Protection and restoration of the property is an important piece in the larger landscape scale conservation effort to protect and restore fish, wildlife, water quality and habitat connectivity of the Dabob Bay ecosystem.

Proposed uses

The Property will be owned and managed by NWI. County deed restrictions will permanently preserve the Property. Selective timber harvest of the existing tree plantation will be permitted to restore complex older forest structure and habitat. A walking trail system for supervised public school and other tours is planned.

Critical dates and urgency

NWI has a signed purchase agreement with the landowner to purchase by June 30, 2025. If funding cannot be secured by then, an NWI supporter has agreed to purchase the property and hold until October 2025, then re-sale for the same price to NWI. If NWI cannot purchase, the property will be sold for residential development.

11. Estimate costs below, including the estimated or appraised value of the propert(ies) or property right(s) to be acquired, even if Conservation Futures Fund 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 Propert(ies) to be Acquired: $**145,000**

Total Estimated Acquisition-related Cost (*see Conservation Futures Manual for eligible costs*): **$17,000**

Total Operation and Maintenance Cost: **$30,000**

Total Project Cost: **$192,000**

Budget

	JCCF Request	Match to JCCF	Total Cost	Timeline
Acquistion				
Hough Property - Fee Simple	80,000	65,000	145,000	Aug-25
Acquisition Related Costs:				
Appraisal	4,200		4,200	Feb-25
Closing costs	3,500		3,500	
Stewardship and forest mgt plan	2,800	1,000	3,800	
O&M Costs - Cleanup and restoration				
Demo and remove cabin, trailers, junk		15,000	15,000	Nov-25
Decompact/decommission roads		5,000	5,000	Nov-25
Planting and weed control - 2 years		6,000	6,000	Feb-25
Project management and administration	5,500	4,000	9,500	Feb 25-Feb 27
Total Project Costs	96,000	96,000	192,000	

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):

Estimate of fair market value is based on a restricted appraisal report by Chad Johnson, SH&H Appraisal, dated February 26, 2025 (see Supplemental Materials).

Clean-up and restoration costs are based on NWI's inspection of the site and experience of over 20 years of working with contractors and NWI's field crew to do this type of work.

Standalone O & M go to question #14:

Scored Questions

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

Sponsors or other organizations are required to contribute to acquisition of the proposed site and/or operation and maintenance activities.

1 a. Please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures Fund program funds.

Describe

1 b. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	**$96,000**	**$0**	**50%**
Matching Funds/Resources*	**$66,000**	**$30,000**	**50%**
Total Project Acquisition Cost	**$162,000**	**$30,000**	**100%**

** 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 c. Source of matching funds/resources	Amount of contribution	Contribution approved?		If not, when?	Contribution available now?		If not, when?
Navy REPI easement	**$65,000**	Yes	**No**	**2025**	Yes	**No**	**2025**
NWI Donations	**$31,000**	**Yes**	No	**2025**	**Yes**	No	**2025**

NOTE: Fifty-percent (50%) matching funds are required, and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right can 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 has the project sponsor identified the long-term stewardship issues for the proposed project?

2 a. Identify any factors, threats, or stressors that could negatively affect the conservation values and/or community benefits for which the property would be conserved.

The property needs work to help restore it to natural conditions. The residential site needs to be removed and the forest, which is mainly Douglas fir plantation and open areas, needs to be diversified and revegetated.

2 b. Describe the management strategies that the stewardship plan will include to address the identified factors, threats, or stressors, including any actions planned to make these negative outcomes or impacts less likely.

As match to this grant, NWI is proposing to clean up the property and restore native vegetation where needed. Restoration includes removal of two trailers, cabin, shed, household debris, decommission septic system, remove utilities, decommission/decompact roads, and revegetate clear areas within native trees and shrubs, and control weeds.

As part of the Stewardship Plan, NWI will also prepare a Forest Management Plan for the purpose of treating the plantation forest to restore diverse older forest species and stand structure.

2 c. Describe any existing water rights, and current uses of water. Identify any conservation values currently being protected that are dependent on these sources of water.

The property does not have a well or water rights. The resident currently gets water from roof runoff and the neighbor's hose.

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.

Northwest Watershed Institute is a nonprofit conservation organization that provides scientific, technical and on-the-ground support for watershed restoration and has been conducting habitat stewardship and restoration projects in the Tarboo watershed for over 20 years. NWI employs conservation biologists and professional restoration field crew and has extensive experience stewarding and managing the Tarboo Wildlife Preserve and private and state conservation properties using professional staff, experienced field crew, contractors, and volunteers. NWI forestlands are certified by the Forest Stewardship Council and NWI has completed several successful ecologically-based selective timber harvests in the Tarboo forest to date.

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

_____No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures Fund funds.

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

Yes. NWI has been involved in eleven previous successful Conservation Futures funded projects in the Tarboo watershed including nine conservation easement projects proposed jointly by NWI and JLT and two fee simple projects. NWI is now completing the West Slope Forest, funded in 2024 and planned for acquisition by June of 2025.

4. 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:

X is specifically identified in an adopted open space, conservation, or resource preservation program or plan, or community conservation effort, that provided opportunities for public review and comment. *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 that was open to public review, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*

__is a stand-alone project, or part of a project that was not open to public review.

The Property is within the approved boundaries of Washington State's Dabob Bay Natural Area. The boundary was established to identify the area where DNR and partners want to prioritize acquisition of private lands from willing owners for permanent conservation as part of the Natural Area.

The Dabob Bay Natural Area boundary has been expanded three times since 2008 after extensive public hearings, scientific review, and with broad and strong public support. This parcel is included in the 2009 expansion after scientific assessment by DNR's Natural Areas biologists, several public hearings in Jefferson County, review and approval by DNR's Natural Heritage Advisory Council, and approval by the State Commissioner of Public Lands.

Jefferson Land Trust's *Jefferson County Conservation Plan* (2010), that underwent public participation and review, generally identifies the Property as within a priority habitat conservation area. https://www.saveland.org/wp-content/uploads/2016/06/2010_JLT_ConservationPlan_LoRes.pdf

The Property is more specifically included within the priority Dabob Bay area of the *Tarboo Creek/Dabob Bay Implementation Strategy*, a Sub-Plan of JLT's *Jefferson County Conservation Plan (2010).*

The Property is a top priority in Northwest Watershed Institute's *Tarboo Watershed Conservation Strategy* to protect and restore lands within the recently expanded boundaries of the Dabob Bay Natural Area (Objective 2) and also fits within the Forestland protection objective (objective 3) http://www.nwwatershed.org/tarboo-watershed-conservation-strategy.html

The proposed properties are within a priority terrestrial conservation area identified and mapped in the *Willamette Valley- Puget Trough- -Georgia Basin Ecoregional Assessment* (2004 Floberg et al). This priority area includes much of the Tarboo and Thorndyke watersheds. The Ecoregional plan, developed by Washington Department of Fish and Wildlife and The Nature Conservancy, is one of the primary conservation plans for Puget Sound and has received extensive public and scientific review.

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

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

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

The proposed acquisition will provide a significant conservation opportunity that will be otherwise by lost in the next year. The small property has outsized conservation value as an inholding surrounded on three sides by state protected land and is important to protect and restore forest and wildlife connectivity. If Conservation Futures grant funding is not secured, the property will be sold

for residential development, with impacts not only on the property but on surrounding protected lands, such as potential dog and cat harassment of wildlife, stormwater impacts to Discovery Creek, and spread of non-native plants and weeds to surrounding native forests.

The seller is moving this summer and is giving NWI until June 30, 2025 to purchase the property under a signed purchase agreement (see Supplemental Materials). An NWI supporter has agreed to serve as an interim buyer to purchase the property (under NWI's purchase agreement assigned to them) and hold the property until October 2025 if needed to allow time for grant funding to be secured to purchase the property.

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

6 a. Summarize the project's conservation values and how the CFF funds requested support these values.

The project's conservation values are extremely high relative to CF funds requested because: 1) the property is a key inholding surrounded on three sides by protected lands and thus its fate has an outsized influence on conservation of the larger landscape, 2) match is provided for a portion of the acquisition costs and all of the cleanup and restoration costs.

Conservation objectives of acquiring the property will be obtained by October of 2025. Cleanup and restoration will be completed within two years, by February 2027, to allow two planting seasons.

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

The project's conservation values of providing wildlife habitat and connecting corridor to adjoining protected lands, water quality protection for downstream Discovery Creek, cultural resources for local Tribes, outdoor education, forest carbon storage, and protecting biodiversity are well served by the project objectives which are to purchase the property for permanent conservation and restoration of older forest habitat.

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

7 a. **X** 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).

7 b. **X** provides habitat for native flora and fauna. Identify the documented habitat(s) and native flora or fauna species that will be protected by the project.

7 c. **X** contributes to a wildlife corridor or migration route identified by Washington Connectivity Working Group or other peer-reviewed source.

.

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]

Priority and Listed Species (observed on-site or within 1 mile)

Western toad (near)	**State Candidate and Federal Species of Concern**
Pileated woodpecker (on site)	**State Candidate**
Fisher (near)	**State Endangered**

Documented observations by Peter Bahls and Keith Lazelle, NWI

Listed Species benefited downstream in Discovery Creek (WDFW data):

Puget Sound steelhead	**State Candidate and Federal Threatened**
Hood Canal coho salmon	**Federal Species of Concern**

Documented in WDFW fish distribution mapping and NWI survey data

Listed Species benefited downstream in Tarboo-Dabob Bay

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

Documented in NWI's nearshore fish survey report - http://www.nwwatershed.org/uploads/pdf/tarbooFishSurvey.pdf

Provides habitat for a variety of native flora and fauna

The project is surrounded on three sides by permanently protected state lands, much of which is older diverse forest habitat. Protection of the parcel will protect help restore connected forest habitats that support a high diversity of at-risk fish, bird, amphibian, and mammal species that occur in Pacific Northwest forests, including western toad, amphibians, bats, bear, cougar, blacktail deer, and neo-tropical migratory birds. The 6-acre parcel is primarily 30-year old plantation forest, but includes a variety of forest types including alder and some older trees. Ecologically based thinning of plantation forest is proposed that will promote older forest habitat growth over time for potential use by at-risk species such as fisher and marbled murrelet.

Wildlife corridor

The property is a critical piece of long-term effort to protect a significant wildlife corridor from the headwaters of Tarboo Creek downstream and around Dabob Bay. Cougar and bear are frequently seen on the Toandos Peninsula and a recent camera trap survey study by Point No Point Treaty Council shows this Toandos area as having a high density of deer and cougar (see maps and photos). Western toads, seen in the area, seasonally migrate from wetlands to nearby forests. The proposed project will significantly benefit landscape scale wildlife conservation.

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

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[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

8. 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.

The slopes of the Toandos Forest Property drain to a tributary of upper Discovery Creek, which is a salmon spawning stream and the second largest stream feeding Tarboo-Dabob Bay (see Maps). Protection and restoration of the property will prevent stormwater runoff, pesticides, septic waste and other contamination from reaching Discovery Creek or the downstream estuary. Most lands are now conserved within the watershed of Discovery Creek and the addition of this parcel will help secure long-term watershed level protection for native coho salmon, coastal cutthroat trout, fall chum salmon, and steelhead that occur in Discovery Creek.

Anadromous Fish Species benefited in adjacent downstream Discovery Creek:

Puget Sound steelhead	**State Candidate and Federal Threatened**
Hood Canal coho salmon	**Federal Species of Concern**
Fall chum samon	
Coastal cutthroat trout	
Western Brook lamprey	**Federal Species of Concern**

Listed Species benefited downstream in Tarboo-Dabob Bay (documented rearing habitat)

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

9. To what degree does the project preserve farmland for agricultural use OR preserve forestland for forest management?

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

The forest will be managed for ecologically based sustainable forestry and to restore diverse older forest habitats. NWI will prepare a Forest Management Plan that meets FSC standards and that will involve thinning the 30-year-old plantation forest as needed to help restore older forest structure, function and species diversity, and to provide sustainable timber products as feasible.

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

NWI proposes to protect and help fully restore watershed functions, wildlife habitat, and water quality by:

1) **Removal of all residential impacts, including trailers, cabin, unpermitted septic system, debris, and utilities,**
2) **De-compacting and decommissioning roads and residential areas as needed to improve infiltration and soil condition, and**
3) **Planting native trees and shrubs and controlling weeds as needed to revegetate the site.**

4) **Conducting low impact selective thinning of the Douglas fir plantation as needed to help restore species and structural diversity to the forest.**

9 c. Does this project preserve a mix of quality farmland and forestland?

This specific project involves forestland and habitat protection and does not include agriculture. However, if the definition of agriculture is broadened to include native food foraging, the Property has excellent potential for gathering of black truffles and other edible mushrooms and deer hunting. In addition, although this property does not include agricultural lands, within the context of the large conservation effort for the Tarboo-Dabob Bay watershed, NWI, JLT, and partners are preserving a mix of agricultural lands, forestlands, wetlands, and wildlife habitats.

10. To what degree does this project increase resiliency to and mitigation of climate change, and is the project's scale significant in regards to increasing climate resiliency?

10. Describe how this project will increase resiliency to and mitigation of climate change. Is the project's scale significant in regards to increasing climate resiliency?

Forests of the Pacific Northwest are among the best in the world for sequestering and storing carbon. The project proposal to protect and restore forest habitat will store significant amounts of carbon. Every acre of a 60-year old forest stores roughly the equivalent of 7 years of carbon emissions by the average American.

In addition, the planned thinning of the plantation forest to help restore diverse older forest in terms of species and structure and will increase its resilience to forest fires, helping to mitigate climate change impacts. Finally, the property helps the county's resilience to the climate crisis by removing a residential property from the wildland-urban interface where a large fire would be catastrophic for residential uses.

11. What area does the project serve?

11 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.

The proposed project benefits a broad county area because it is a key part of a conservation project that extends from the headwaters of Tarboo Creek to the state's Dabob Bay Natural Area to protect and restore habitats and wildlife connectivity on a landscape scale. In particular, the project will protect a critical "gap" in the 11,300 acre Dabob Bay Natural Area that will directly benefit the wildlife, biodiversity and safeguard water quality in downstream Dabob Bay, which has been recognized as a state and national priority for conservation due to its diverse estuarine habitats and valuable shellfish production.

11 b. Is the project located in an area that is under-represented by CFF 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 on the Toandos Peninsula, an area under-represented by CFF funding.

12. To what degree is the applicant committing to providing educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

12. Describe the educational or interpretive opportunities that the applicant will provide for 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] Provide the time frames when each of the above will be implemented.

The Property will serve as an important site for educating the public on forest protection and sustainable use. The site is easily accessible as a stop on NWI field tours and NWI plans to develop a foot trail system to host workshops, tours and other public events to expand understanding and adoption of forest restoration methods.

As described in the letter from the Port Gamble S'Klallam Tribe, the Property will also serve an important educational purpose as a place for the Tribes to pass on traditions of sustainable gathering of forest plants used for cultural purposes and ceremonies.
The Properties is also available for public access by prior permission, including deer hunting, berry picking, and mushroom picking, three important recreational uses in rural areas

13. To what degree does the project preserve historic or culturally significant resources[3]?

13. The proposed acquisition

__ includes historic or culturally significant resources[4] and

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

X is recognized locally has 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.

Please see letter from Laura Price, Cultural Resources Director for the Port Gamble S'Klallam Tribe, that attests to the importance of this Property for preserving and restoring cultural resources.

The Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon a diversity of intact native plant communities in the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious. The project site's forests will provide resources for tribal uses, such as cedar bark for basket weaving. If funded, the project will permanently conserve the forest while allowing sustainable harvest and gathering to maintain tribal cultural traditions.

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[2] The words "education" and "interpretation" are interpreted broadly by the CFF 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.

Standalone O & M Projects

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

14. 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.

Tequesta Forest

Verification

15. Sponsor commitments:

15 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.

15 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. PB Initials Feb 28 2025 Date

15 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.
PB Initials Feb 28 2025 Date

15 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. PB Initials Feb 28 2025 Date

15 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. PB Initials Feb 28 2025 Date

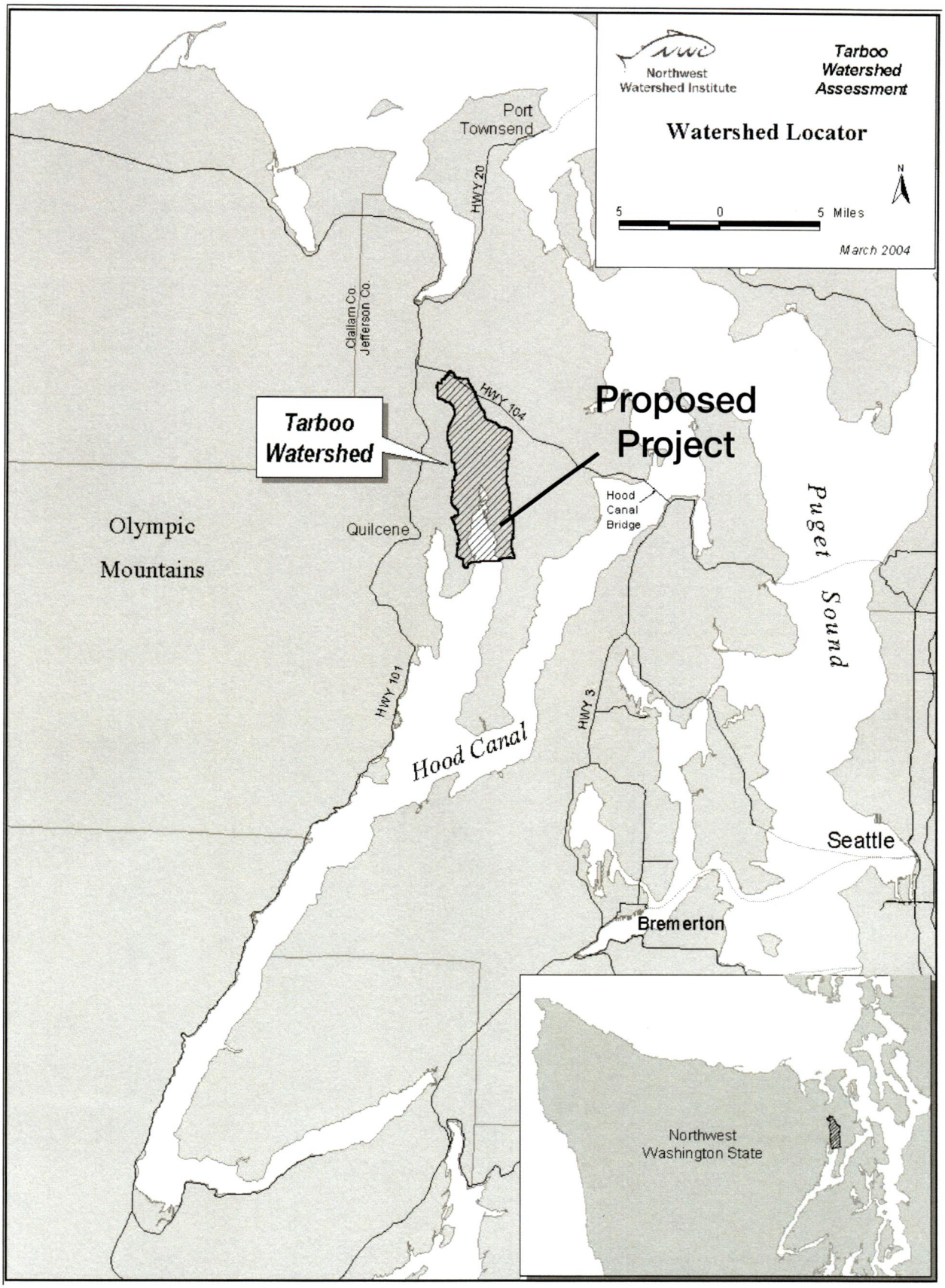


Figure 1. Project location within the Tarboo Creek-Dabob Bay and Hood Canal watersheds.

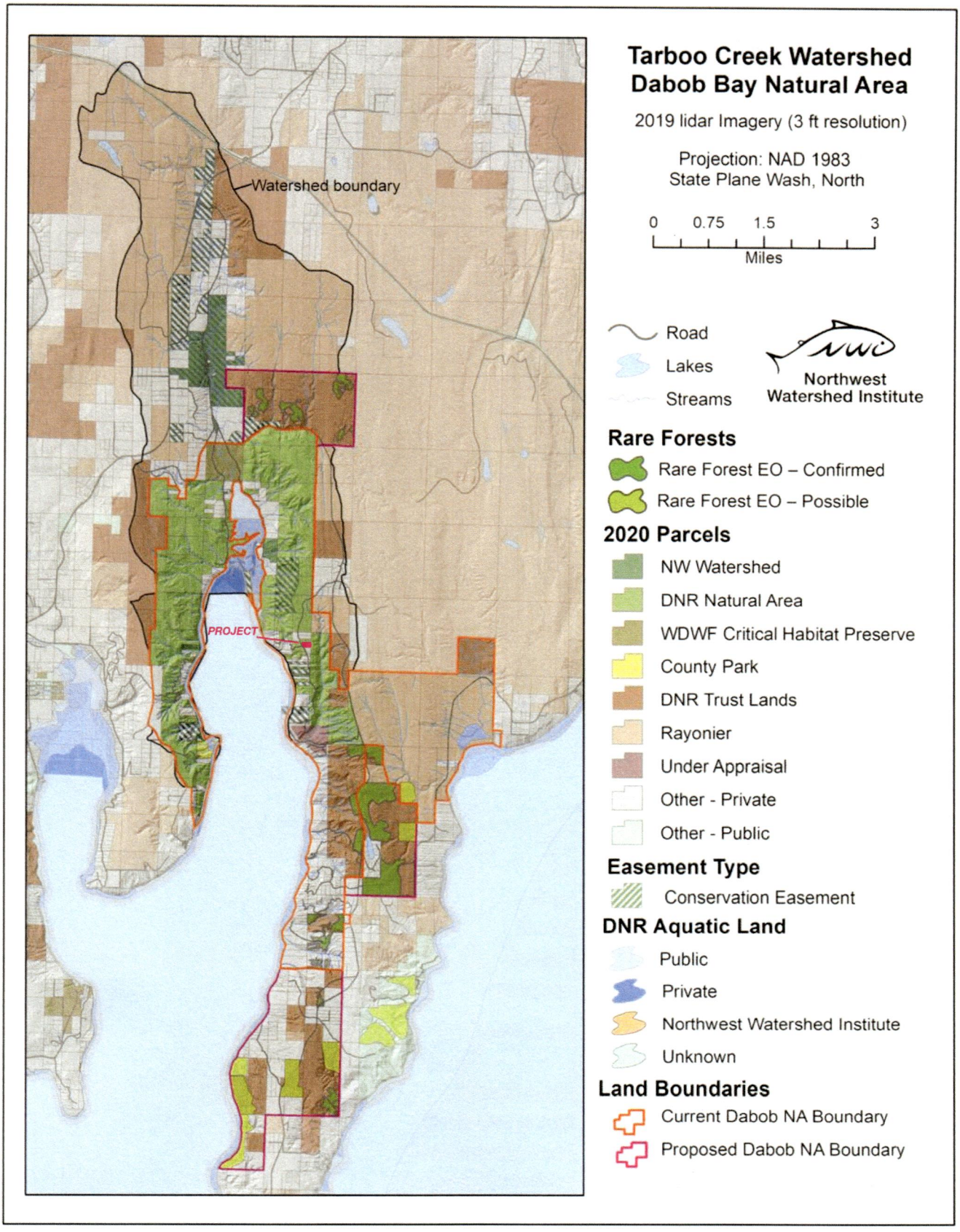


Figure 2. Project location within the -Dabob Bay Natural Area (orange and magenta lines).



Figure 3. The proposed Hough property acquisition is surrounded on three sides by state protected lands.

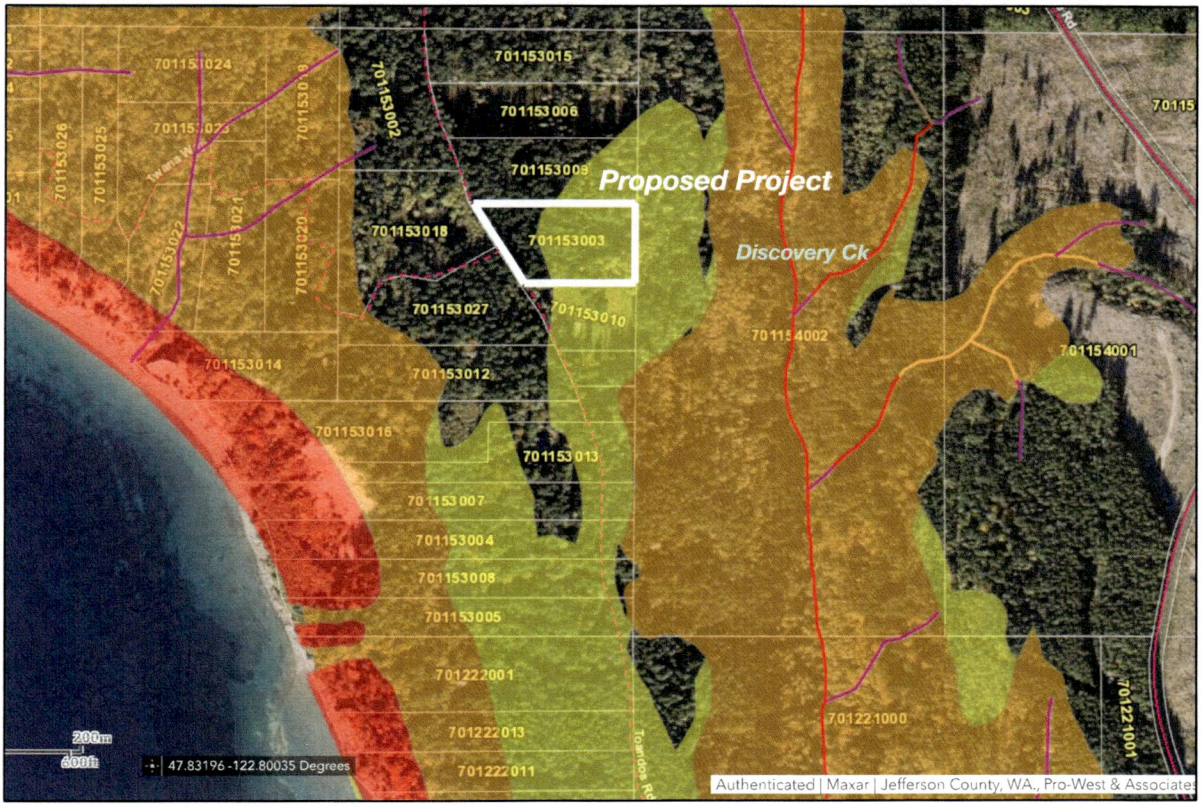


Figure 4. Property includes critical areas (slight unstable slopes) and drains to Discovery Creek.



Figure 5. Tom Hough, property owner, and Peter Bahls, NWI, at entrance to property.



Figure 6. Some older native conifer forest occurs on property.



Figure 7. Property surrounded by state Natural Area protected forests.



Figure 8. Alder forest on property.



Figure 9. Young conifer forest on entrance driveway to property.



Figure 10. Open areas on property proposed for re-vegetation.



Figure 11. Cabin/trailer and cleared areas of the Property proposed for restoration.



Figure 12. Cabin/trailer on property proposed for removal.



Figure 13. Young forest on the property.



Figure 14. Cougar at Fisher bait station less than 1 mile away from property.



Photo by John Jacobson

Figure 15. A fisher, shown here in Olympic National Park, was spotted by Keith Lazelle on Toandos Road within one mile of the property several years ago.

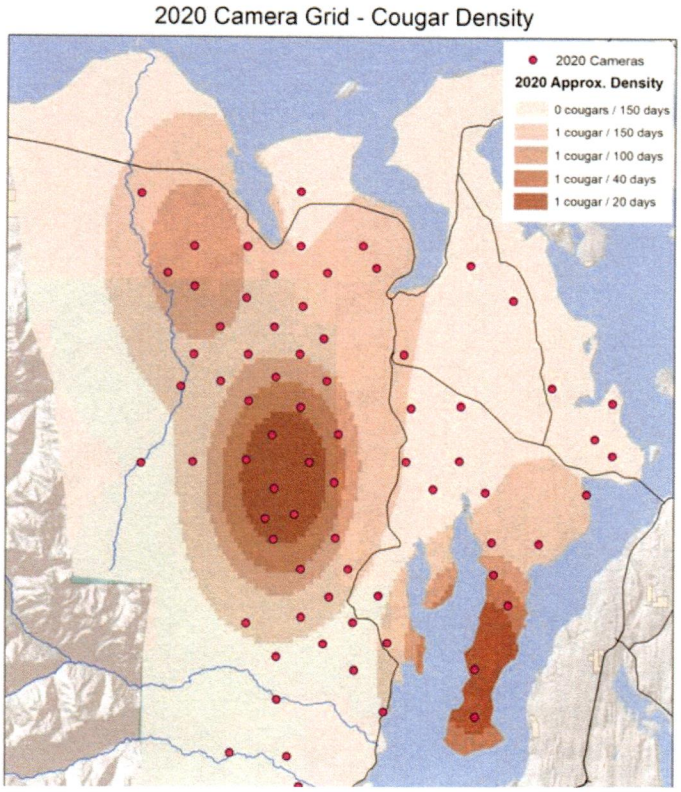


Figure 16. Cougar density heat map. The Toandos Peninsula has a high density of wildlife and is important as wildlife corridor. From Dylan Bergan, wildlife biologist, Point No Point Treaty Council.

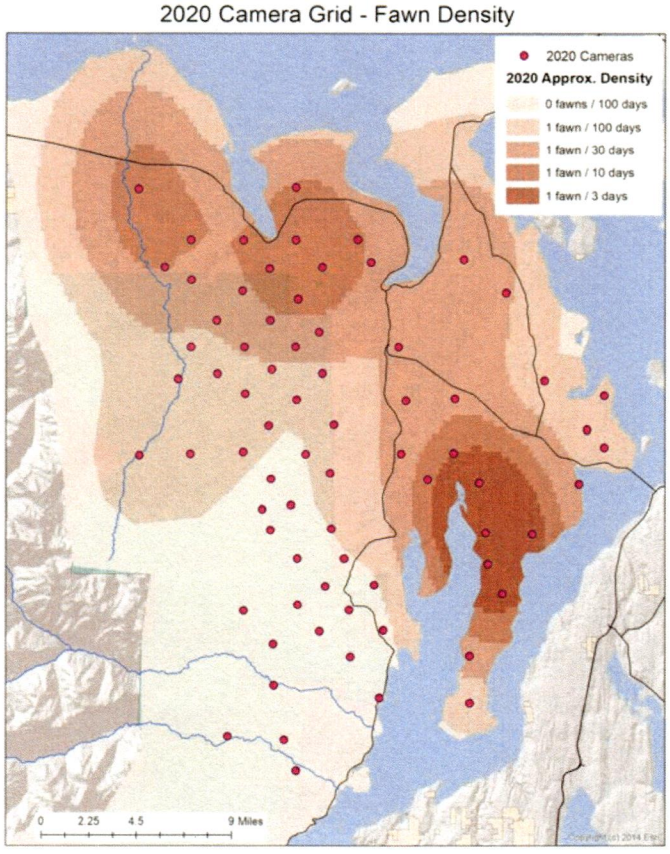


Figure 17. Fawn density heat map. Another example of wildlife abundance around Dabob Bay.

Jefferson County Conservation Futures Proposal 2025
Upper Yarr Creek Acquisition Project

SUPPLEMENTAL MATERIALS

Proof of willing seller: See narrative, project sponsor proposing to sell deed restriction to property already owned by NWI.

Estimate of value: No appraisal required. Requesting $20,000 or less.

Site location map: See separate PDF, maps and photos

Critical areas map: See separate PDF, maps and photos

Project boundary map: See separate PDF, maps and photos

Color images: See separate PDF, maps and photos

Development plan or Narrative: NA

Proof of 501c3 status

Current budget: 2024-2025

Board roster: 2024-2025

Staff roster: 2025

Financial statements: last fiscal year July 2023-June 2024

Resolution to submit proposal: NWI executive committee resolution

Cultural Resources letter from Port Gamble S'Klallam Tribe, Feb 27, 2025

AGREEMENT FOR CONTINGENT
PURCHASE AND SALE OF VACANT REAL ESTATE

(Dabob Bay Natural Area - Hough)

THIS AGREEMENT FOR CONTINGENT PURCHASE AND SALE OF VACANT REAL ESTATE (the "Agreement") is made as of the 15th day of November, 2024, by and between the NORTHWEST WATERSHED INSTITUTE, a Washington non-profit corporation and/or assigns (hereinafter referred to as the "Buyer") and THOMAS J. HOUGH, as his separate estate, (hereinafter referred to as "Seller") (collectively, the "Parties").

WHEREAS, Seller is the owner of certain real property consisting of approximately 6.38 acres at 1125 Toandos Road, Quilcene in Jefferson County, Washington; and

WHEREAS, Seller desires to convey said real property to Buyer, and Buyer desires to acquire said real property;

NOW, THEREFORE, in exchange for the mutual promises and covenants herein contained, and other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged by Seller and Buyer, it is agreed as follows:

SECTION 1 PROPERTY

Seller shall sell and convey to Buyer, and Buyer shall purchase and accept from Seller, all subject to the terms and conditions of this Agreement, that certain real property located in Jefferson County, Washington, the legal description of which is set forth on Exhibit A attached hereto and incorporated by this reference herein, together with the following:

(i) All rights, tenements, hereditaments, easements, associated tidelands, and appurtenances, including, but not limited to, any rights, title and interest of Seller in and to all trees, crops, oil, gas, sand, gravel, water rights, or mineral rights;

(ii) All improvements, if any, and other items located upon or within said real property;

(iii) All easements, rights-of-way and other rights used in connection with said real property, including but not limited to the following: maintenance easements, rights to adjacent streets, roads, alleys and rights-of-way;

(iv) All permits, plans, licenses, surveys, consultant's reports on all matters, including

but not limited to soils, engineering, traffic, environmental matters, and wetlands made by, for or on behalf of Seller with respect to the property, and an assignment of all representations and warranties made therein to Seller.

The parcel of land, together with the improvements, rights and interests described above, are collectively referred to herein as the "Property."

SECTION 2 PURCHASE PRICE

2.1 Amount. The purchase price ("Purchase Price") to be paid for the Property shall be the greater of the sum of ONE HUNDRED AND TWENTY THOUSAND U.S. Dollars ($120,000.00) or the Fair Market Value of the Property as determined by a qualified appraiser in an appraisal commissioned and paid for by Buyer. If the Fair Market Value exceeds $120,000, the Parties agree to amend this Agreement to make such amount the Purchase Price. Buyer's obligation to purchase the Property is contingent on the availability of funding to the Buyer. If Buyer does not obtain sufficient funding to purchase the Property and complete the Agreement prior to the closing date, then Buyer may terminate this Agreement without further obligation other than loss of its Deposit as provided herein.

2.2 Earnest Money Deposit. Within ten (10) days following the execution and delivery of this Agreement, Buyer shall open escrow with First American Title of Jefferson County in Port Townsend, Washington (the "Escrow Agent"), by depositing with Escrow Agent a copy of this Agreement and the sum of One Thousand Dollars ($1,000.00) (the "Deposit"), in the form of a personal check payable to Escrow Agent. In the event that this transaction is consummated as contemplated by this Agreement, the Deposit shall be applicable to the Purchase Price. In the event that this transaction is not consummated as contemplated by this Agreement, the Deposit shall be returned to Buyer; provided, however, that in the event that this transaction is not consummated as contemplated by this Agreement because Buyer has not obtained sufficient funding to purchase the Property, the Deposit shall be paid over to Seller.

2.3 Payment. Purchase Price shall be paid into escrow by a Buyer warrant or wire transfer payable to the Escrow Agent on the Closing Date as defined below.

2.4 Compensating Tax. If the property is in forest land designation under chapter 84.33 RCW, this transaction is exempt from the payment of compensating tax as provided by RCW 84.33.140 (13)(c), or if the property is in open space, agricultural, or timberland classification under chapter 84.34 RCW, this transaction is exempt from the payment of additional tax as provided by RCW 84.34.108 (6)(f).

SECTION 3 CLOSING

3.1 Closing Date. "Closing," "Closing Date" or "Date of Closing" as those terms are used herein, shall mean the date upon which all documents are recorded and monies paid to complete

the purchase contemplated herein. The Date of Closing shall be as soon as practical to facilitate an orderly closing but no later than June 30, 2025 unless otherwise agreed in writing by the Parties.

3.2 Escrow. This transaction shall be closed in escrow at First American Title of Jefferson County, 2424 S. Park Ave, Port Townsend WA 98368 ("Escrow Company"), which shall be arranged by Buyer within ten (10) days of execution of this Agreement. The Parties shall deposit the necessary documents and funds in escrow sufficiently in advance of the Closing Date to facilitate an orderly closing. Buyer and Seller shall each pay one-half of the Escrow Company's fee.

SECTION 4 CONVEYANCE, TITLE INSURANCE, AND POSSESSION

4.1 Possession. Buyer shall be entitled to possession of the Property on the Closing Date, but Buyer shall have a right of entry pursuant to Section 5 below.

4.2 Form of Deed. On the Closing Date, Seller shall convey title to the Property to Buyer by Statutory Warranty Deed, free and clear of all assessments, monetary liens or encumbrances securing the payment of money, and subject only to any other encumbrances or defects accepted by Buyer in writing.

4.3 Preliminary Commitment.

(a) Seller has obtained a preliminary commitment for an ALTA Owner's Standard Coverage Policy of title insurance (hereafter "Preliminary Commitment") from First American Title of Jefferson County. Seller further warrants that title shall be good, marketable and insurable subject only to the exceptions approved by Buyer pursuant to subsection 4.3(b).

(b) Within thirty (30) days of execution of this Agreement, the Buyer shall notify the Seller in writing of any exceptions thereto which are wholly or conditionally acceptable to the Buyer (hereafter "Title Notice"). Following giving of Title Notice, if additional encumbrances affecting the Property arise, Buyer shall have twenty (20) days from receipt thereof to review and approve these additional items. Failure of the Buyer to so approve in writing any exception to Seller's title shown in the Preliminary Commitment or arising thereafter shall be deemed to be a disapproval of such exception.

4.4 Policy Condition of Closing. Seller shall, prior to or at the Closing Date, at its sole cost and expense, undertake (by the exercise of its reasonable efforts and with due diligence) to remove, eliminate or modify any exceptions not acceptable to Buyer. Closing shall be conditioned upon Title Company issuing its ALTA Owner's Standard Coverage Policy insuring fee title to the Property in the name of Buyer in the amount of the Purchase Price, subject only to (i) the printed form exceptions contained in the ALTA Owner's policy and (ii) such exceptions accepted by Buyer.

4.5 Use of Purchase Price. Purchase Price to be paid by Buyer to Seller at Closing may be used in whole or in part by Seller by and through the Escrow Company to remove any liens, liabilities, or encumbrances which Seller is to have removed.

4.6 Cost of Policy. Seller shall be responsible for the cost of the title insurance policy. Buyer shall be responsible for requesting and for paying the cost of any additional endorsements, co-insurance policies and reinsurance certificates issued by Title Company at Buyer's request.

SECTION 5 BUYER'S RIGHT AFTER ACCEPTANCE

5.1 Inspection Contingency. After the date of this Agreement, Seller shall permit Buyer and/or its designated agents to enter upon the Property at all reasonable times for the purpose of conducting environmental assessments and investigating the Property and the physical condition thereof, including, without limitation, soil, water, and air conditions, and the condition of improvements, if any, upon the Property. Inspections by Buyer, if any, shall not be construed as estopping actions upon any warranty made herein.

5.2 Buyer's Waiver of Disclosure Statement. Buyer and Seller acknowledge that the Property may or may not be considered "commercial real estate" as defined in Chapter 64.06 RCW, and hereby waive all rights, obligations, and remedies (including, without limitation, the right of rescission) which may be applicable or available to the parties hereto. Buyer acknowledges that Buyer has been advised of Buyer's right (to the extent applicable to the subject transaction) to receive a completed Seller Disclosure Statement pursuant to Chapter 64.06 RCW and that Buyer hereby waives that right, whether or not applicable, provided, however, that Seller shall complete and deliver to Buyer Section 6 (Environmental) of the Seller Disclosure Statement relating to the Property within five (5) days after the execution and delivery of this Agreement.

5.3 Studies.

(a) Seller Studies. Within five days of the date of this Agreement, Seller shall deliver to Buyer true copies of all studies, reports, surveys, soils tests, reviews, correspondence with all governmental entities, environmental checklists and reports, plans and other printed or written material (all of which are collectively referred to as the "Seller's Studies") prepared or received by, or on behalf of, Seller with respect to the Property and

any part thereof. Seller authorizes Buyer to speak with any person preparing Seller's Studies with respect to the contents thereof. Buyer shall not be responsible for any cost associated with Seller's Studies, except for the cost of any additional inquiry or investigation that Buyer deems necessary with respect to the Seller's Studies.

(b) Buyer Studies. Buyer shall have the right to prepare, or have prepared, appraisals, market and engineering studies, soils tests, feasibility studies, surveys, resurveys or survey updates, environmental investigations and such other tests, studies or investigations (all of which are collectively referred to as the "Buyer's Studies") with respect to the Property. Buyer shall be solely responsible for costs of all Buyer's Studies.

(c) Termination. If the Buyer determines at its sole discretion that the Seller Studies or Buyer's Studies indicate the Property is not suitable for the intended use by Buyer or the Property presents risk of liability unacceptable to Buyer, Buyer may terminate this Agreement without further obligation so long as such termination is provided to Seller in writing within 120 days of this Agreement. If no such notice is provided to Seller, Buyer's inspection contingency shall be deemed waived. Should Buyer timely terminate this Agreement under his Inspection Contingency, Buyer shall be entitled to a refund of any earnest money funds paid into escrow.

5.4 Subsequent Acts. Between the date of this Agreement and the Closing Date, Seller shall maintain the Property and keep the Property in condition at least as good as on the date of this Agreement. Seller shall not remove any timber, harvestable crop, improvements, minerals, sand, gravel, or other item from the Property after the date of this Agreement without prior, written approval by Buyer. At least ten (10) calendar days prior to the Closing Date, Seller shall have removed all junked vehicles, mobile homes, outhouses, temporary structures or personal property that are not intended to be a part of this transaction, and equipment, machines, other solid waste and trash from the Property to the satisfaction of Buyer.

SECTION 6 CONTINGENCIES

6.1 Conditions. Buyer's obligations under this Agreement are subject to and contingent upon the following:

(a) The truth and accuracy as of the Closing Date of all representations and warranties of Seller set forth in this Agreement or in any instrument or document delivered by Seller to Buyer.

(b) The delivery by Seller to Buyer on or prior to the Closing Date of all documents and instruments required by the terms of this Agreement.

(c) The performance on or prior to Closing by Seller of all acts required under this Agreement.

(d) The absence at Closing of any violation of any federal, Buyer or local law, rule, regulation or ordinance affecting the use, occupancy or condition of the Property.

(e) The absence at Closing of any failure to comply with the order of any court, government authority or agency pertaining to the Property or the use, occupancy or condition of the Property.

(f) The absence at Closing of any proceeding or threat of any proceeding to condemn all or any part of the Property by a proceeding in eminent domain.

(g) Conveyance of acceptable title as provided in Section 4.

(h) Approval of Seller's and Buyer's Studies pursuant to subsection 5.2.

(i) The availability of funding to purchase the Property and complete the Agreement.

6.2. Waiver. If any condition specified in Section 6.1 is not met at Closing, Buyer may waive such condition in writing, or Buyer may terminate this Agreement without any further liability, subject to paragraphs 5.2 and 2.2. Upon such termination, the Deposit and any monies deposited by Buyer pursuant to this Agreement, together with all interest earned thereon shall be promptly returned to Buyer; provided, however, that if the termination is due only to the unavailability of funding to purchase the Property and complete the Agreement, the Deposit, together with all interest earned thereon, shall be paid over to Seller as liquidated damages and as Seller's sole remedy and not as a forfeiture or penalty. Upon disbursement of the Deposit by the Escrow Agent as provided herein, neither Buyer nor Seller shall have any further liability to the other under this Agreement, except for all indemnity provisions set forth herein which shall survive for such term as provided for in this Agreement

SECTION 7 REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer. Each of these representations and warranties is material and is relied upon by Buyer. Each of the representations and warranties shall be deemed accurate through Closing and shall survive Closing.

7.1 Title. Title to the Property is vested in Seller.

7.2 No Liabilities. There exists upon the Property no condition which is in violation of any statute, ordinance, regulation or administrative or judicial order or holding, whether or not appearing in the public records pertaining to the Property.

7.3 Correctness. All information furnished by Seller to Buyer with respect to the Property is

accurate and true.

7.4 Litigation. To the best of Seller's knowledge, there is no pending or threatened litigation affecting the Property or any portion thereof, including but not limited to alleged violation of federal, Buyer or local environmental laws. Neither Seller nor its predecessors have received any notice relating to a breach or suspected breach of any environmental laws.

7.5 Condition of Property. To the best of Seller's knowledge, Seller represents and warrants the following: there are no apparent or latent defects in the Property; the Property does not contain any underground storage tanks, surface impoundments, asbestos or asbestos-containing material, or polychlorinated biphenyls (PCBs) or PCB-containing materials, past or present refuse dump sites, chemical storage sites, areas of heavily stained soil, or sites of known hazardous material releases other than those indicated and described by exhibit attached hereto; and the Property is free from the presence of hazardous waste or materials and no hazardous waste or materials have been generated, stored, released, disposed of, or transported over, on or within the Property. The term "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, Buyer or local statute, regulation, rule or ordinance now in effect, including but not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et seq., and the Model Toxics Control Act, RCW 70A.305D. Seller has no undisclosed knowledge of any fact or condition that would materially impair the market value of the Property, would materially increase the cost of operating the Property or would be inconsistent with the terms of this Agreement.

7.6 Authorization. Seller has the right and authority to enter into this Agreement and all documents contemplated by this Agreement, to make the representations and warranties set forth herein and to perform this Agreement in accordance with its terms. Neither the execution of this Agreement nor its performance by Seller will conflict with or result in the breach of any mortgage, deed of trust, encumbrance, restriction, covenant, agreement or other undertaking whatever.

7.7 Vacancy. No one is presently occupying the Property, either with or without Seller's permission.

SECTION 8 INDEMNITY AND HOLD HARMLESS

Seller agrees to indemnify, defend with counsel acceptable to Buyer, and hold harmless Buyer, its agencies, employees, officers and agents from (a) all liabilities, losses, claims, demands, damages, assessments, costs and expenses (including reasonable attorneys' and consultants' fees) of every kind (hereafter "Liabilities") resulting from, arising out of or relating to the breach by Seller of any of its warranties, representations or covenants contained in this Agreement and (b) all Liabilities arising under, resulting from or arising out of any activities of Seller, its agents, employees, contractors, subcontractors, permittees, or licensees at the Property prior to or at

Closing, including but not limited to the use, disposal, transportation, generation, or sale of hazardous material as defined in subsection 7.5.

SECTION 9 DESTRUCTION OR CONDEMNATION

Seller shall bear the risk of loss prior to Closing. If, on or before the Closing Date, either the Property is materially damaged, or condemnation proceedings are commenced with respect to the Property, Buyer shall have the right, at its sole election, by giving notice to Seller, either to terminate this Agreement or to purchase the Property in accordance with this Agreement. If Buyer elects to terminate this Agreement, all rights and obligations of Seller and Buyer shall terminate. If Buyer elects to purchase the Property in accordance with this Agreement, Buyer shall be entitled to all insurance proceeds or condemnation awards payable by reason of such damage or condemnation. In the event there is no insurance or inadequate insurance to cover the damage, Buyer shall be entitled to a reduction in the Purchase Price equal to the market value of the Property destroyed or damaged. Seller shall immediately give notice to Buyer upon the occurrence of any damage to the improvements on the Property or the initiation of any condemnation proceedings affecting the Property. The term "material damage" as used in this section shall mean any damage or destruction that cannot be repaired or replaced within ninety (90) days.

SECTION 10 CLOSING AND CLOSING COSTS

Prior to or on the Closing Date, Seller and Buyer shall deposit the following documents and funds in escrow, and the Escrow Company shall close the escrow in accordance with the instructions of Buyer and Seller consistent with this Agreement:

10.1 Seller Obligations. Seller shall deposit the following:

(a) duly executed and acknowledged Statutory Warranty Deed conveying the Property to Buyer and a Real Estate Excise Tax Affidavit;

(b) escrow instructions, as required of Seller to close this transaction in accordance with this Agreement;

(c) if Seller is a corporation or partnership, a certified resolution authorizing the execution of all documents delivered at the Closing;

(d) pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, a nonforeign affidavit, stating that Seller is not a foreign person and providing Seller's United Buyers taxpayer identification number. If Seller is not able to certify that it is not a "foreign person," Buyer is authorized to withhold a portion of the purchase price at closing for U. S. Income Tax purposes; and

(e) such other instruments or documents as may be required pursuant to the provisions hereof or as mutually agreed by Seller and Buyer to be necessary to fully consummate the transaction contemplated hereby.

10.2 Buyer Obligations. Buyer shall deposit the following:

(a) The Purchase Price; and

(b) such other funds and documents, including without limitation, escrow instructions as are required of Buyer, to close the purchase in accordance with this Agreement.

10.3 Prorations. All rents and other income, if any, and water, sewer, utility and maintenance charges, and any other expenses with respect to the operation of the Property shall be prorated between Seller and Buyer as of the Closing Date, and to the extent information then available, such proration shall be made as of the Date of Closing. Such proration shall be adjusted and completed after the Closing Date as and when complete information becomes available, and Buyer and Seller agree to cooperate and use their best efforts to complete such prorations not later than sixty (60) days after the Closing Date. No insurance prorations shall be made. Seller shall pay any assessments charged against the Property in full prior to or at Closing. Seller shall pay all real estate taxes and personal property taxes, if any, through the Date of Closing. In the event Seller has prepaid any real estate taxes, Seller may seek a refund from the appropriate county official; Buyer shall have no obligation to refund or pay any such amount to Seller. Seller shall pay any real property excise tax due, and the cost of any revenue stamps, if applicable, required to complete this transaction. Buyer will pay recording fees.

SECTION 11 SURVIVAL

The representations, warranties, indemnification and obligations (to the extent such obligations are not fully performed at closing) contained herein are intended to be operative after delivery of Seller's deed to the Property in order to be fully effective and shall be deemed not to have merged in the deed.

SECTION 12 REAL ESTATE COMMISSION

Seller shall pay any real estate commission payable in connection with this transaction. Any real estate agent or broker acting in this transaction shall be deemed to be the sole agent of Seller.

SECTION 13 NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be deemed given upon personal service or receipt after deposit in the United Buyers first class mail addressed as follows:

To Seller:

Thomas J. Hough
1125 Toandos Road
Quilcene, WA 98376

With copy to Barbara Hough-Hood by email to bhood1996@gmail.com

To Buyer:

Peter Bahls, Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

The foregoing addresses may be changed by written notice.

SECTION 14 MISCELLANEOUS

14.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties. No other prior and contemporaneous negotiations, understandings and agreements, whether oral or written shall be deemed to exist or bind any of the Parties hereto.

14.2 Binding Nature. All rights and obligations arising out of this Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, assigns, administrators, executors and marital communities, if any, of the Parties hereto.

14.3 Washington Law. This Agreement shall be construed, interpreted and enforced pursuant to the laws of the Buyer of Washington. Venue shall be in Jefferson County, unless this Agreement is assigned to a state agency in which case venue shall be in Thurston County. The terms of this Agreement shall be given their ordinary meaning and shall not be presumed construed in favor of or against either party hereto.

14.4 Time of the Essence. Time is of the essence of this Agreement. No waiver or consent to any breach or other default in the performance of any of the terms of this Agreement shall be deemed to constitute a waiver of any subsequent breach of the same or any other term or condition hereof. In the event time for performance falls on a weekend or legal holiday designated by the United Buyers or Washington Buyer, performance shall be deemed to be timely rendered if so rendered on the next business day.

14.5 Captions. The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

14.6 Invalidity. If any provisions of this Agreement shall be invalid, void or illegal, it shall in no way affect, impair or invalidate any of the other provisions hereof.

14.7 Counterparts. This Agreement may be signed in counterparts, any one of which shall be deemed an original.

14.8 Date of Agreement. The date of this Agreement shall be the date on which the last party executes this Agreement. Said date shall be inserted on the first page hereof when such date is determined.

14.9 Good Faith. Both Parties shall act reasonably and in good faith in order to consummate this transaction, and Seller shall neither sell nor dispose of any of the Property nor cause or suffer the creation of any matter of record, or defect in the title to the Property for the purpose of avoiding its obligation to close.

14.10 Default. In the event that either party defaults in the performance of any of that party's obligations under this Agreement, the non-defaulting party shall have all remedies available in law or equity, but neither party shall be liable for consequential damages.

14.11 Attorneys' Fees and Costs. If either party is required to retain an attorney to bring suit or seek arbitration to interpret or enforce any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, paralegal fees, accountant and other expert witness fees and all other fees, costs and expenses actually incurred and reasonably necessary in connection therewith, including those incurred on appeal, in addition to all other amounts provided by law, regardless of whether the matter proceeds to judgment or is resolved by the defaulting party curing the default.

14.12 Assignability. This Agreement shall not be assigned without the prior written consent of the other party except as otherwise provided in this Agreement. Seller may wish to gain certain tax benefits available to Seller under I.R.C.§1031 by using a qualified intermediary to facilitate a delayed exchange for the Property to be conveyed under this Agreement. The qualified intermediary shall be released from any obligations under this Agreement. Seller shall remain fully liable to perform all obligations under this Agreement, including but not limited to Seller's representations, warranties and indemnification regarding the Property. Seller shall convey the Property directly to Buyer. The success or failure of the anticipated tax consequences from the I.R.C.§1031 delayed exchange shall not be deemed a term, condition, or contingency of this Agreement, nor shall such tax consequences be deemed a legal excuse for nonperformance by Seller.

14.13 Advice of Counsel. Seller acknowledges that it has had an opportunity to seek independent legal advice regarding the transaction.

14.14 Submission. This Agreement must be executed by Seller, and an original delivered to

Buyer, at the address set forth in this Agreement, on or before 4:00 p.m. on February 9, 2024, to be considered by Buyer. This Agreement shall not be binding upon Buyer until signed by an authorized representative of Buyer.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date and year set forth opposite their respective names.

SELLER:

Thomas J. Hough

Dated: T.J.H. Nov. 15, 2024

Thomas J Hough

BUYER:

NORTHWEST WATERSHED INSTITUTE

Dated: Nov 20 2024

By: Pete Bahls

PETER BAHLS
Executive Director

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF JEFFERSON)

On this 15th day of November, 2024, before me personally appeared THOMAS J. HOUGH, to me known to be the person that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said person for the uses and purposes therein mentioned.

Dated: November 15, 2024

ANNA C BROWN
Notary Public
State of Washington
Commission # 77938
My Comm. Expires Jun 22, 2025

Notary Public
Print Name Anna C. Brown
My commission expires 06-22-25

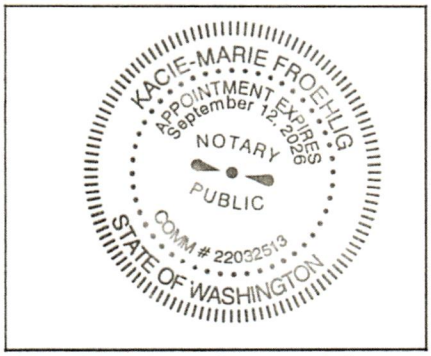
(Use this space for notarial stamp/seal)

BUYER ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss:
COUNTY OF JEFFERSON)

On this 20th day of November, 2024, before me personally appeared PETER BAHLS, to me known to be the Executive Director of Northwest Watershed Institute that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that the execution of the instrument was duly authorized and that the seal affixed, if any, is the corporate seal of said corporation.

In witness whereof I have hereunto set my hand and affixed my official seal this 20th day of November 2024



Kacie Marie Froehlig
Notary Public
Print Name Kacie-Marie Froehlig
My commission expires 09-12-2026

(Use this space for notarial stamp/seal)

EXHIBIT A
Legal Description of the Property
(HOUGH)

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
Thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
Thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;thence along said Myers Tract, South 15° 42' S4" East, 19.22 feet;
Thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet;
thence continuing along said Easterly line of Myers Tract, South 34° 96' 24" East, 190.24 feet;
Thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
Thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

SH&H

VALUATION AND CONSULTING



RESTRICTED APPRAISAL REPORT

HOUGH PROPERTY

1125 TOANDOS ROAD
QUILCENE, WASHINGTON 98376

SH&H FILE 16344-25

SH&H
VALUATION AND CONSULTING

February 26, 2025

Peter Bahls
Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, Washington 98368

Re: Restricted Appraisal Report
Hough Property
1125 Toandos Road
Quilcene, WA 98376
SH&H File 16344-25

Dear Mr. Bahls:

At your request, I am providing you with an appraisal of the above referenced property. Per our agreement, this report is provided in a *Restricted Appraisal Report* format. This appraisal report has been prepared with the intent to conform with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by The Appraisal Foundation.

In addition, this report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. As such, it presents limited discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client stated within this report.

In completing this assignment, sufficient background information and supporting facts have been analyzed to arrive at a value conclusion, with some of this information being retained in a file memorandum by the appraiser. It is my understanding that this report will be utilized to assist you in establishing the value attributed to the subject's real property as of the effective date of value. The property is currently subject to a Purchase and Sale Agreement with the Northwest Watershed Institute, dated November 2024. The contract price is identified as the greater of $120,000 or the "Fair Market Value" of the property as determined by an appraisal.

According to the prospective buyer's representative, the $120,000 threshold was generally based on the assessed value of the property. Thus, this appraisal report will be utilized to determine a final contract price for the property.

The subject of this appraisal is comprised of one Jefferson County Assessor's parcel with a total area of 6.38 acres, according to Jefferson County GIS information and a Purchase and Sale Agreement document provided. The subject site is located along the easterly side of Toandos Road, westerly of Coyle Road, in the Quilcene - Dabob area of unincorporated Jefferson County (Quilcene address), Washington. The site is forested and gently sloped upward in an easterly direction. The site is improved with a cabin/carport structure containing 168 square feet of enclosed area. Electrical and telephone service are available to the site; however, the site does not have public water access nor is a well or approved septic system installed. The site is, however, currently served by an unapproved septic system, although the legal ability to continue to use this infrastructure is speculative to assume.

The purpose of this appraisal is to provide an estimate of the market value of the fee simple interest in the property, as of the date of inspection. The market value of the subject property, as of the date of inspection, February 20, 2025, is estimated at:

ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS

$145,000

The market value conclusion herein is based on an estimated marketing time of twelve months or less, based on sales of similar properties in the greater market. This estimate of marketing time assumes that the property is competently marketed and priced commensurate with current market parameters.

The appraisal report that follows summarizes the assignment, describes the area and the subject property, and explains the valuation techniques and reasoning leading to the final opinion of market value. As in the case of any appraisal, the reader's attention is directed to the underlying Assumptions and Limiting Conditions that are included in the accompanying report.

Respectfully submitted,

Chad C. Johnson, MAI
State of Washington Certification 1101662

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SUBJECT PHOTOGRAPHS



SOUTHERLY VIEW OF TOANDOS ROAD



DRIVEWAY TO THE SUBJECT PROPERTY



VIEW OF THE SUBJECT PROPERTY SITE



ADDITIONAL VIEW OF THE SUBJECT PROPERTY SITE



VIEW OF CABIN/CARPORT STRUCTURE



INTERIOR OF CABIN



INTERIOR OF SUBJECT SITE



SHED

RESTRICTED APPRAISAL REPORT

This Appraisal Report is prepared with the intent to comply with the reporting requirements set forth under the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. The depth of discussion contained in this report is specific to the needs of the client stated within this report.

Diligent effort has been made to fully comply with USPAP. If authorized users of this limited scope appraisal find the information provided is in any way inadequate or insufficient, rather than be misled or confused by this report, they must seek clarification or additional information from the appraiser.

APPRAISER Chad C. Johnson, MAI
SH&H Valuation and Consulting
3609 Market Place West, Suite 201
University Place, WA 98466

CLIENT Peter Bahls
Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, Washington 98368

PROPERTY IDENTIFICATION

Hough Property
1125 Toandos Road
Quilcene, Washington 98376

INTENDED USE AND USER OF THE APPRAISAL

This appraisal is presented in a Restricted Appraisal Report format and is intended to be used only by the client and intended user, Northwest Watershed Institute. The intended use of the report is to establish the market value of the property to determine an appropriate sale price relevant to a pending transaction. Use of this report by others is not intended by the appraisers or the client.

A **Client** is defined as: *"The party or parties (i.e., individual, group, or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent."*[1]

[1] *Uniform Standards of Professional Appraisal Practice, 2024 Edition,* Appraisal Standards Board, The Appraisal Foundation, Washington D.C.,, p. 4.

PROPERTY RIGHTS APPRAISED

The subject property is appraised as to the fee simple interest.

Fee simple interest is defined as follows: *"absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."*[2]

LEGAL DESCRIPTION

A title report, dated September 16, 2024, completed by First American Title Insurance Company, was provided and contains a full legal description of the subject property. A copy of this document, inclusive of the legal description, is included in the addenda section of this report.

SALES HISTORY

According to the title report provided, ownership of the subject property is vested with Thomas J. Hough, a single man. Mr. Hough purchased the property on July 10, 1991. The seller was Discovery Investments and the sale was recorded via Statutory Warranty Deed under Jefferson County Auditor's file number 341821. I am not aware of any arm's length or market-based transfers of ownership during the previous ten years.

The property is currently subject to a Purchase and Sale Agreement between the seller (Mr. Hough) and the Northwest Watershed Institute (NWI). The contract price is identified as "*the greater sum of ONE HUNDRED AND TWENTY THOUSAND U.S. Dollars ($120,000) or the Fair Market Value of the Property as determined by a qualified appraiser in an appraisal commissioned and paid for by the buyer.*" The Purchase and Sale Agreement goes on to state that "*if the Fair Market Value exceeds $120,000, the Parties agree to amend this Agreement to make such amount the Purchase Price.*" A copy of the Purchas and Sale Agreement is included in the Addenda of this report.

Thus, it is my understanding that the intended use of this Restricted Appraisal report is to help establish a final purchase price relevant to the pending transaction.

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[2] *The Dictionary of Real Estate Appraisal, 7th Edition,* Appraisal Institute, Chicago, 2022, p. 73

EFFECTIVE VALUATION DATES

Date of Report: **February 26, 2025**
Date of Inspection/Effective Date of Value: **February 20, 2025**

MARKETING/EXPOSURE PERIOD

The indicated exposure time (i.e., the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of this valuation) would have been twelve months or less. The estimated marketing time (i.e., the amount of time it would probably take to sell the subject property if exposed in the market beginning on the date of this valuation) is estimated to be twelve months or less. These conclusions are based on sales of similar type properties in the market.

PROBABLE BUYER

The most probable buyer of the subject property would likely be an owner user.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the "as is" market value of the property as of the date of inspection.

DEFINITION OF MARKET VALUE

Market Value is defined as "*the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.*"[3]

DEFINITION OF "AS IS" MARKET VALUE

"The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date."[4]

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[3] *The Appraisal of Real Estate, 15th Edition*, Appraisal Institute, Chicago, 2020, p. 48.

[4] *The Dictionary of Real Estate Appraisal*, 7th *Edition,* Appraisal Institute, Chicago, 2022, p. 10.

SCOPE OF THE APPRAISAL

The scope of this appraisal encompasses the necessary research and analysis to prepare a report in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by The Appraisal Foundation.

The scope of this restricted assignment relates to the field work, inspection, research, and analysis conducted for preparation and valuation of the subject property's estimated value subject to the limitations detailed in this report. This limited scope appraisal assignment involved an inspection of the subject property on February 20, 2025. Statistical, descriptive, and demographic data was gathered using various informational systems such as the Northwest Multiple Listing Service and Jefferson County public records.

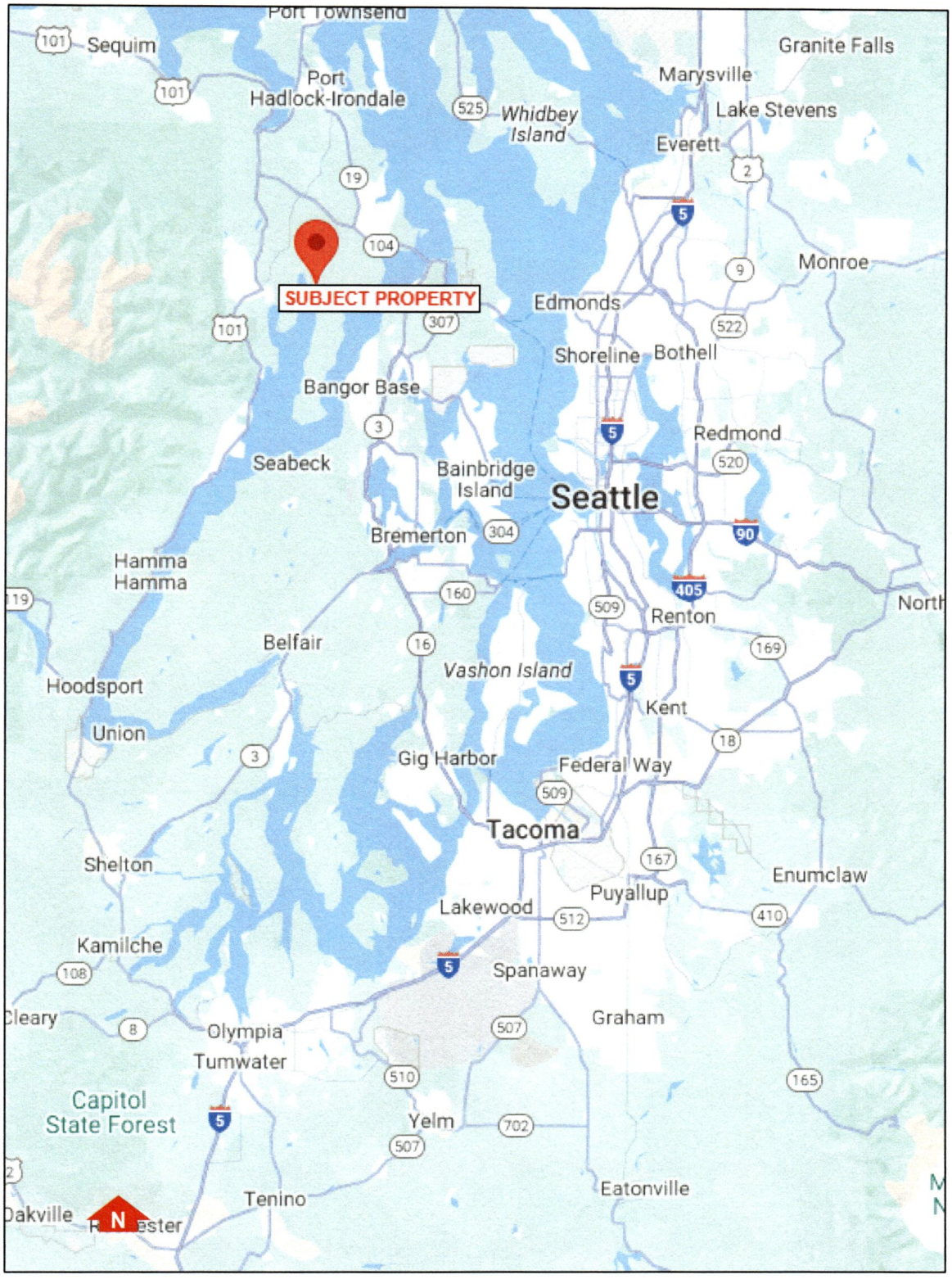
In the case of the subject property, given that the property is mostly undeveloped with the exception of a cabin and some site infrastructure, the most (and only) applicable and relevant approach to value is the Sales Comparison Approach. In arriving at the value of the subject property by this approach, sales of similar properties were considered. The other typical approaches (Income Approach and Cost Approach) are not typically relied upon in the subject market for these types of properties and are thus not relevant. The exclusion of the other approaches does not detract from the overall reliability of the value conclusion reported herein.

UNAVAILABILITY OF INFORMATION

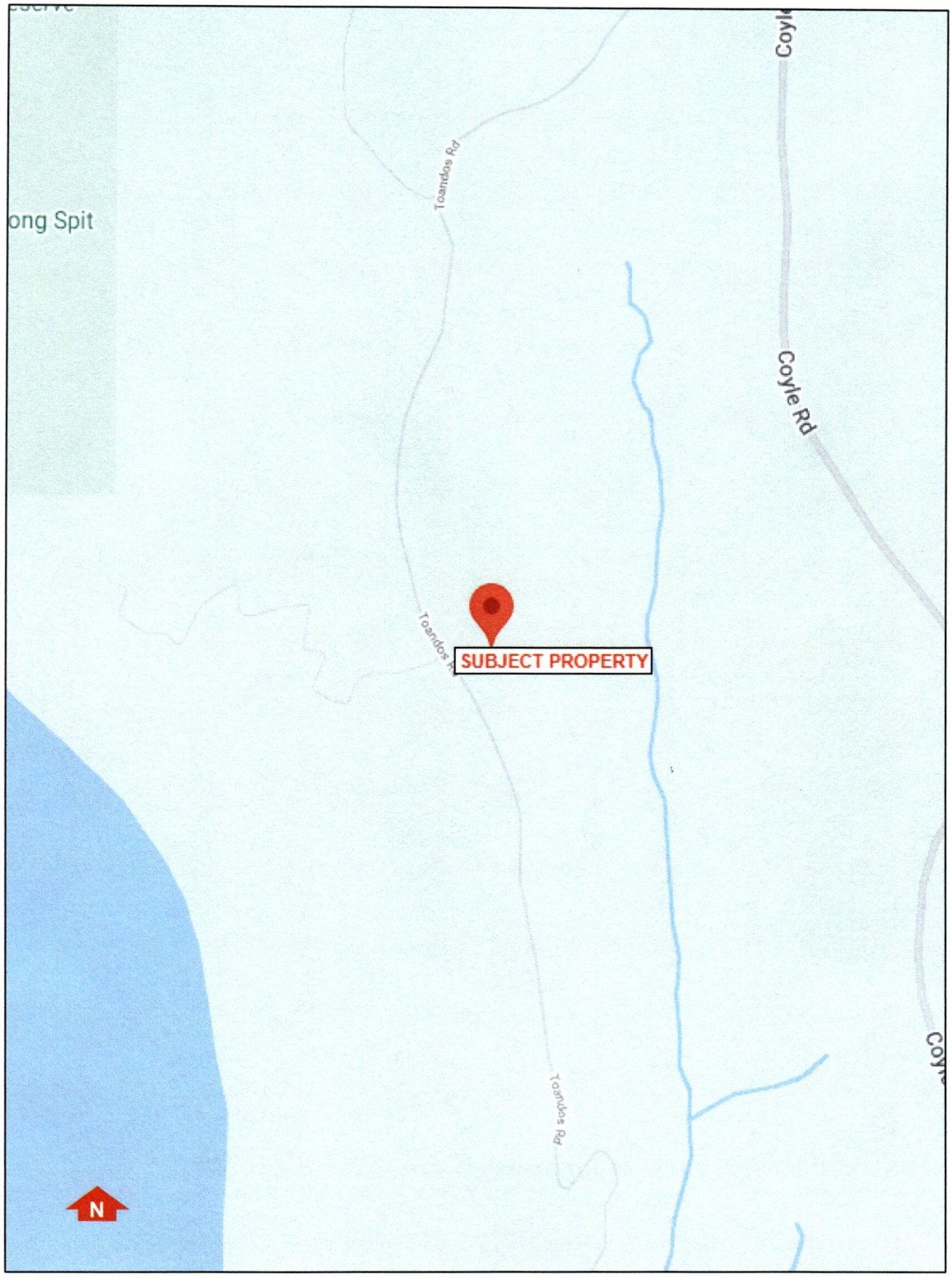
A wetland delineation report, site specific soils study, and environmental report were not provided during the timeframe of this assignment. Therefore, any information that would have been provided by these documents is not known or considered.

LOCATION DATA

A map showing the subject property's location within the Puget Sound metropolitan area is presented on the following page. A second map showing the subject property's location within the immediate neighborhood is presented following the area map. In general, the subject is located in the Quilcene area of easterly Jefferson County. This area is comprised of a mixture of forestry/resource properties as well as single family development, primarily on larger/low-density parcels. Many homesites in the area benefit from marine views of Hood Canal/associated water bodies and/or the Olympic Mountain Range.


Port Townsend
Sequim
Granite Falls
Port Hadlock-Irondale
Marysville
Whidbey Island
Lake Stevens
Everett
SUBJECT PROPERTY
Monroe
Edmonds
Shoreline
Bothell
Bangor Base
Redmond
Seabeck
Bainbridge Island
Seattle
Bremerton
Hamma Hamma
Renton
Belfair
Vashon Island
Hoodsport
Kent
Union
Gig Harbor
Federal Way
Tacoma
Shelton
Enumclaw
Puyallup
Lakewood
Kamilche
Spanaway
Graham
Olympia
Tumwater
Capitol State Forest
Yelm
Tenino
Eatonville
N

AREA MAP



LOCATION MAP

PROPERTY DESCRIPTION

The site description provided below is derived from observations made during the site inspection as well as information provided by the client and public records.

Site Description

The subject property consists of one Jefferson County assessor's parcel (APN 701153003) containing 6.38 acres, according to Jefferson County GIS information and the Purchase and Sale Agreement. It is located along the easterly side of Toandos Road, westerly of Coyle Road, in the Quilcene - Dabob area of unincorporated Jefferson County (Quilcene address), Washington. The site is forested and gently sloped upward in an easterly direction. The site is improved with a cabin/carport structure containing 168 square feet of enclosed area. Electrical and telephone service are available to the site; however, the site does not have public water access nor is a well or approved septic system installed. The site is, however, currently served by an unapproved septic system, although the legal ability to continue to use this utility is speculative to assume. The owner currently utilizes a rain catchment system for ancillary water purposes and also uses water from an adjacent property owner (by a hose) under an informal agreement for potable purposes. The property does not have a permanent/conventional water system.

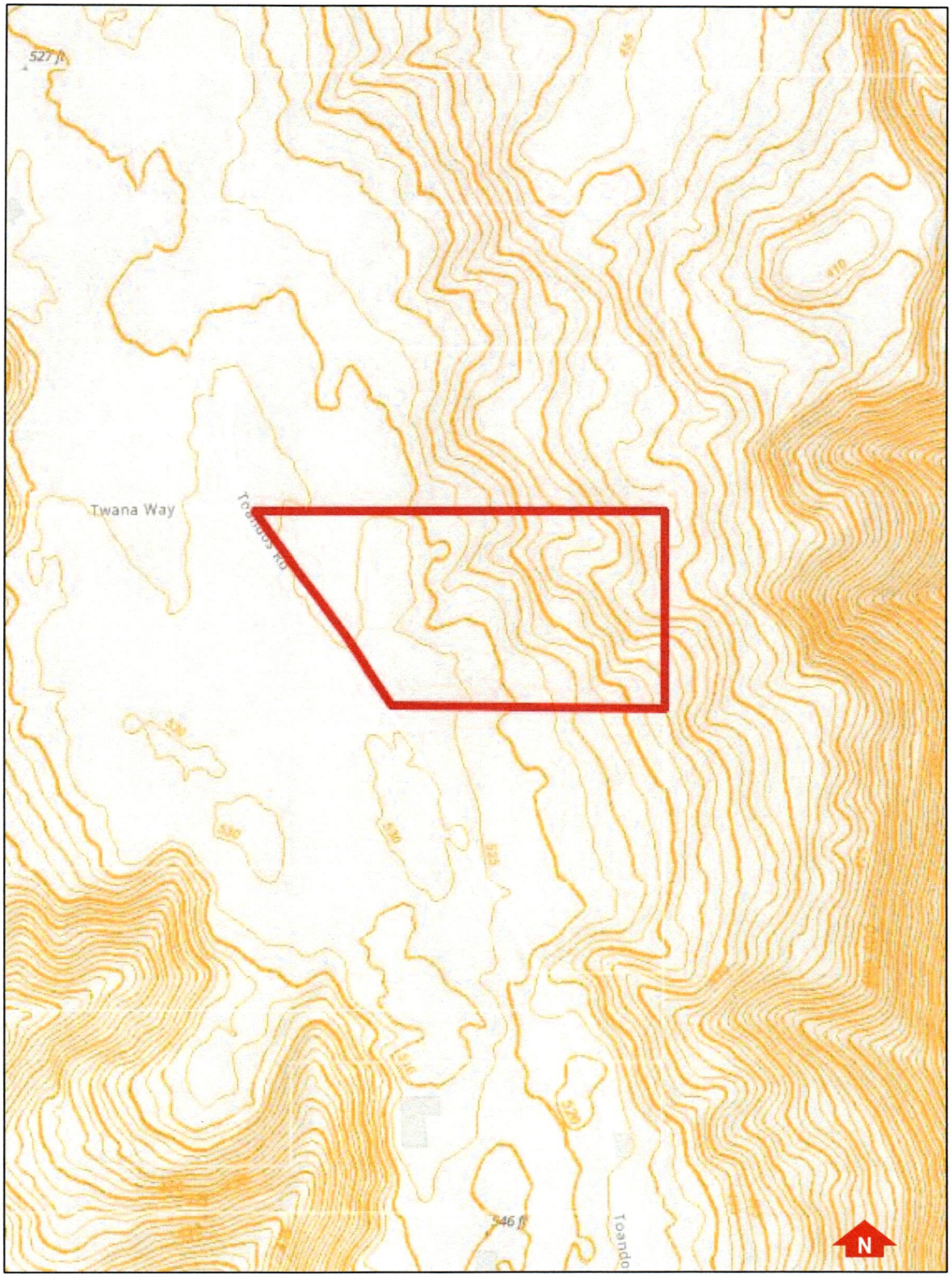
An aerial view of the subject, with the approximate boundaries of the subject site outlined in red, is provided on the following page. Further details of the subject site are as follows:

Location:	The subject site is located along the easterly side of Toandos Road, westerly of Coyle Road, in the Quilcene - Dabob area of unincorporated Jefferson County, Washington.
Municipal Jurisdiction:	Jefferson County.
Address:	1125 Toandos Road Quilcene, Washington 98376
Access:	The subject site is accessed by way of a driveway extending off of Toandos Road, a private, gated road extending southwesterly off of Coyle Road. The gate is operated by a keypad system. The road is gravel-surfaced but in good condition and appears to be adequately maintained.
Site Area:	The subject site is comprised of one assessor's parcel (APN 701153003). According to Jefferson County Assessor's records, the site contains an area of 6.38 acres.



AERIAL VIEW OF SUBJECT SITE
SUBJECT PROPERTY OUTLINED IN RED

Shape:	Generally rectangular/slightly irregular
Utilities:	Electrical and telephone service are available to the site. Well and septic systems would be necessary for conventional homesite development. While the property has a septic system adjacent to the cabin, no permits were obtained when it was installed and the legal ability to continue to utilize this system is unknown and speculative to assume.
Topography and Coverage:	The site contains a combination of sloped and level topography. A topographic map obtained from the Jefferson County GIS mapping system is presented on the following page. Coverage consist primarily mixed conifer species, along with other areas of brush and grasses.
Wetlands:	I was not provided with any reports or studies relative to wetlands delineation for the subject property. Based on the National Wetlands Inventory map provided by the U.S. Fish and Wildlife Service and the Jefferson County GIS mapping system, there do not appear to be any wetlands on the subject site.
Flood Plain:	According to Flood Insurance Rate Map Number 53031C0910C, dated June 7, 2019, the subject property is located outside of any flood zones.
Soils:	Soils reports/studies for the subject site were not available. Instead, data from the United States Department of Agriculture (USDA) Natural Resources Conservation Service mapping system is utilized. The subject property is primarily composed of Sinclair gravelly sandy loam, 0 to 15 percent slopes (SnC). The Sinclair series consists of moderately well drained soils that formed in glacial till on glacial terraces. Vegetation is mainly Douglas fir, western redcedar, red alder, willow, rhododendron, and salal. Most of the acreage of this soil is used for the production of trees, small ranches, and rural homesites.



TOPOGRAPHY MAP
SUBJECT PROPERTY OUTLINED IN RED

Environmental Issues:	An environmental report was not provided. It is noted that there are some areas of debris on the subject property, including an old trailer, vehicle and general debris. I am not aware of any adverse environmental issues that would impact the highest and best use of the subject property.
Easements/ Encroachments:	A title report relevant to the subject property was provided. There do not appear to be any easements encumbering the subject property that would adversely impact the highest and best use of the site.
Surrounding Uses:	Surrounding uses in the vicinity of the subject property includes residential uses on larger acreage properties and sites that are managed for the commercial harvest of timber.
Views:	The site has territorial views.

ZONING

The subject property consists of one Jefferson County assessor's parcel (701153003). The zoning for the subject property is Rural Residential 5 (RR-5), per the Jefferson County Code. The purpose of this district is to

> *"Allow for continued residential development in areas of Jefferson County consisting of relatively high-density pre-existing patterns of development, along the county's coastal areas, and within areas within or adjacent to rural centers and rural crossroads. In addition, this district seeks to support and foster Jefferson County's existing rural residential landscape and character by restricting new land divisions to a base density of one unit per five acres."*

This zoning designation allows for a base density of one dwelling unit per five acres.

Outright permitted uses include, but are not limited to, single-family residences, duplexes, home businesses, bed and breakfast residences, mineral extraction activities, parks and playfields, recreational facilities, and aquaculture activities and uses. The subject property contains a reported area of 6.38 acres. The subject is improved with a small cabin and carport. While this is a legal use of the subject site, more permanent/conventional residential development would likely require a well be installed and that the existing septic either be approved by Jefferson County (the outcome of which would be speculative to assume) or a new system installed.

TAXES AND ASSESSMENTS

The subject property is carried on the Jefferson County Tax and Assessment roll under one assessor's parcel number. Tax and assessment information for the subject property is summarized in the chart below.

Parcel Number	Land Value	Improve. Value	Total Value	2025 Taxes
701153003	$105,644	$18,613	$124,257	$1,016.62

The 2025 taxes are based on the 2024 assessed values and result in an amount of $1,016.62 as shown in the above chart. Experience has shown that the assessed value of a property is often an unreliable indicator of market value, despite the assessor's mandate to assess all properties at 100% of market value. This appears to be the case with the subject as the assessed value is lower than the appraised value herein. According to Jefferson County Assessor records, the taxes for the subject are paid current.

IMPROVEMENTS DESCRIPTION

The subject is improved with a cabin and carport structure. The structure is of wood frame construction and was built in 1999. The enclosed cabin contains one room and has a total area of 168 square feet, according to measurements taken during the physical observation. The interior is sparsely finished and has electrical service; however, the site does not contain a well nor access to public water, nor is there an approved septic system. The carport is adjacent to the cabin and contains an area of 126 square feet. The site is further improved with a rainwater catchment system, as well as a storage shed containing 120 square feet.

The structures are overall in average condition.

HIGHEST AND BEST USE

"As Though Vacant"

Considering the limited allowed legal uses according to zoning, as well as the physical characteristics of the site, the highest and best use of the property "as though vacant" is for development of the site with one single-family residence.

"As Improved"

The subject is improved with a small cabin and carport structure; however, there is no well or approved septic system in place. The structure has utilitarian value to the site for recreational use. Therefore, the highest and best use as improved is for continued use of the existing recreational improvement in the interim, with the potential for single-family residential development in the future, as dictated by demand.

PROPERTY VALUATION

The subject site is a rural residential site and is improved with a cabin/carport structure. Although all three approaches to value were considered, based on the characteristics of the subject property, the only applicable and relevant approach to value is the Sales Comparison Approach. The Sales Comparison Approach is considered to provide sufficient data to arrive at a reasonable and supportable value conclusion for the subject property.

SALES COMPARISON APPROACH

The Sales Comparison Approach involves the process of comparing improved properties which have recently sold, with the subject property, noting and adjusting for similarities and dissimilarities between the property being appraised and the sale comparables. This approach to value considers a physical unit of comparison, the price per site in this case. Within this approach, I will evaluate comparable sales data to formulate a value estimate for the subject property.

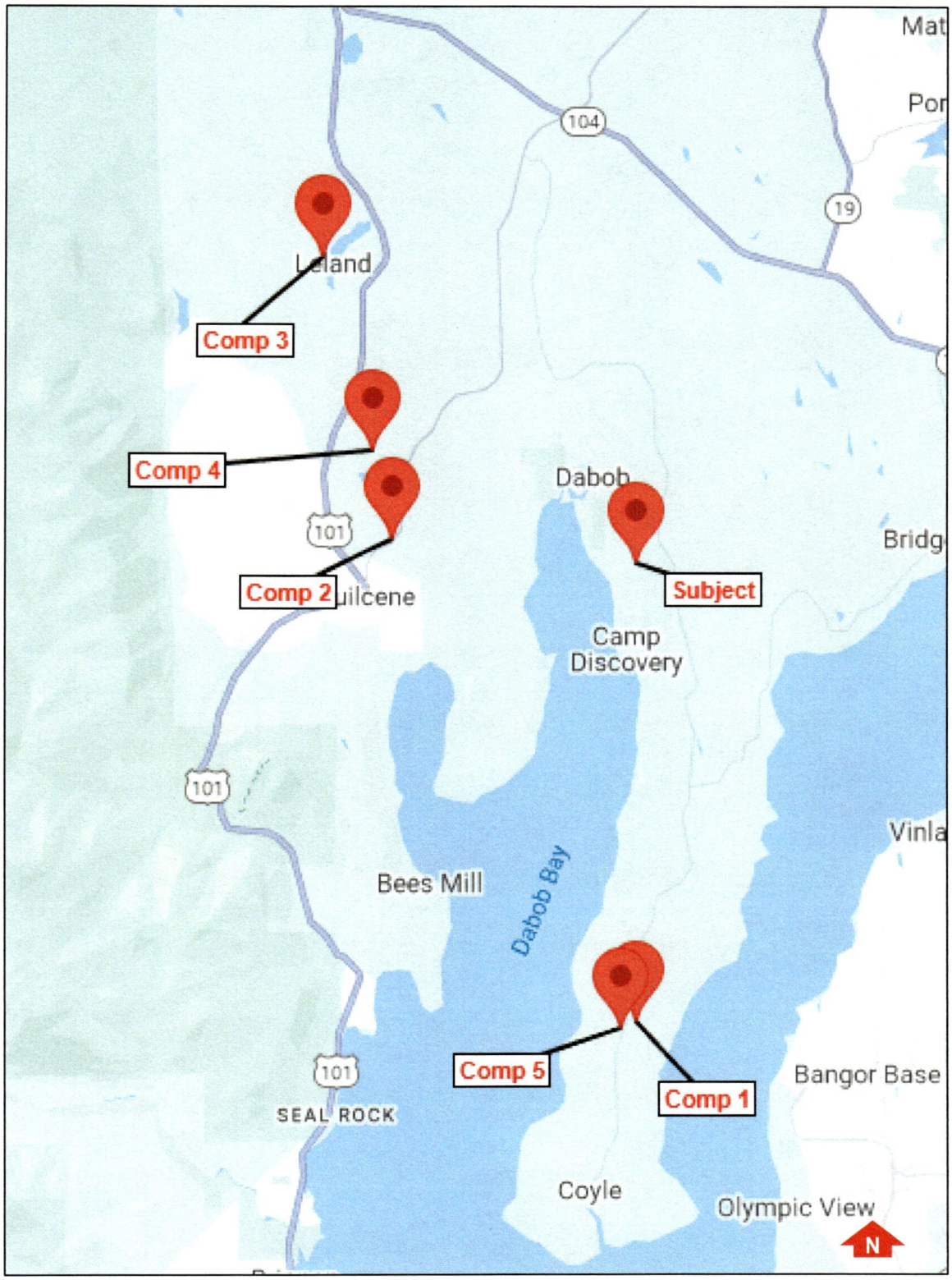
The research for comparable sales focused on rural residential properties with similar use potential as the subject. The search first focused on the sale of rural properties that contained outbuildings and/or small residential/cabin structures. Two sales were identified (L-2 and L-4). The search was then expanded to include unimproved properties with similar development potential as the subject. To that end, two additional closed sales were identified (L-3 and L-5), as well as one current listing (L-1).

All of the comparables are located within the subject's general neighborhood of Quilcene, and all of the closed sales have occurred within the past six months.

A total of four closed comparable sales and one current listing were selected for the analysis of the subject property. The exhibit below summarizes the comparables utilized, with a location map shown on the page after the chart. Following the map, more detailed information for the comparables is presented, together with a parcel map. In this instance, the most appropriate unit of comparison is the price per site.

SALE COMPARABLES

Sale	Location	Sale Date	Size (Acres)	Sales Price
L-1	11573 Coyle Road Quilcene	Listing	4.67	$89,000
L-2	82 Camelot Road Quilcene	Jul-24	7.10	$120,000
L-3	24XX Munn Road Quilcene	Oct-24	5.51	$135,000
L-4	771 Lakenes Road Quilcene	Nov-24	5.05	$150,000
L-5	4 Mt. Walker View Drive Quilcene	Jan-25	4.97	$150,000



COMPARABLE LAND SALES MAP

Land Listing No. 1

Property Identification

Record ID	15925
Property Type	Residential
Address	11573 Coyle Road, Quilcene, Jefferson County, Washington 98376
Location	Toandos Peninsula
Assessor's Parcel Number	601222007
Instrument	Statutory Warranty Deed

Sale Data

Grantor	Brian L. Spain
Survey Date	February 24, 2025
Property Rights	Fee Simple
Verification	Tim Horvath, listing agent (360) 531-0980
Listing Price	$89,000

Land Data

Zoning	RR5, Jefferson County
Topography	Sloped & forested
Utilities	Electric in street; approved septic design
Shape	Rectangular

Land Size Information

Gross Land Size	4.670 Acres or 203,425 SF

Indicators

List Price/Site	$89,000

Remarks

This is the listing of a rural residential site located along Coyle Road, in the Toandos Peninsula area outside of Quilcene, in unincorporated Jefferson County. The site contains 4.67 acres, is sloped and heavily forested and is rectangular in shape. There is electrical service available in the street. There is an approved 5-bedroom septic permit; however, installation of the septic system, along with a well, are required for development. A GeoTech study has been completed for the property and has identified adequate buildable space for a single-family residential development.

The property has been listed for sale multiple times over the past few years. According to the listing agent, the buildable area of the site is greatly diminished due to significant sloping; however, a small portion is buildable.



TOANDOS PENINSULA



11573 COYLE ROAD

Land Sale No. 2

Property Identification	
Record ID	15926
Property Type	Residential
Address	82 Camelot Road, Quilcene, Jefferson County, Washington 98376
Location	Easterly of SR 101
Assessor's Parcel Number	702131023
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Steven & Bernita Moul
Grantee	David Metoyer & Anthony Metoyer
Sale Date	July 24, 2024
Auditor's File Number	667019
Property Rights	Fee Simple
Financing	Cash
Sale History	Sold 11/2020 for $75,000
Verification	Kalan Hatton, selling agent; 360-531-4419
Sale Price	$120,000
Land Data	
Zoning	RR5, Jefferson County
Topography	Sloped & heavily forested
Utilities	See remarks
Shape	Triangular
Land Size Information	
Gross Land Size	7.100 Acres or 309,276 SF
Front Footage	980 ft Center Road
Indicators	
Sale Price/Site	$120,000

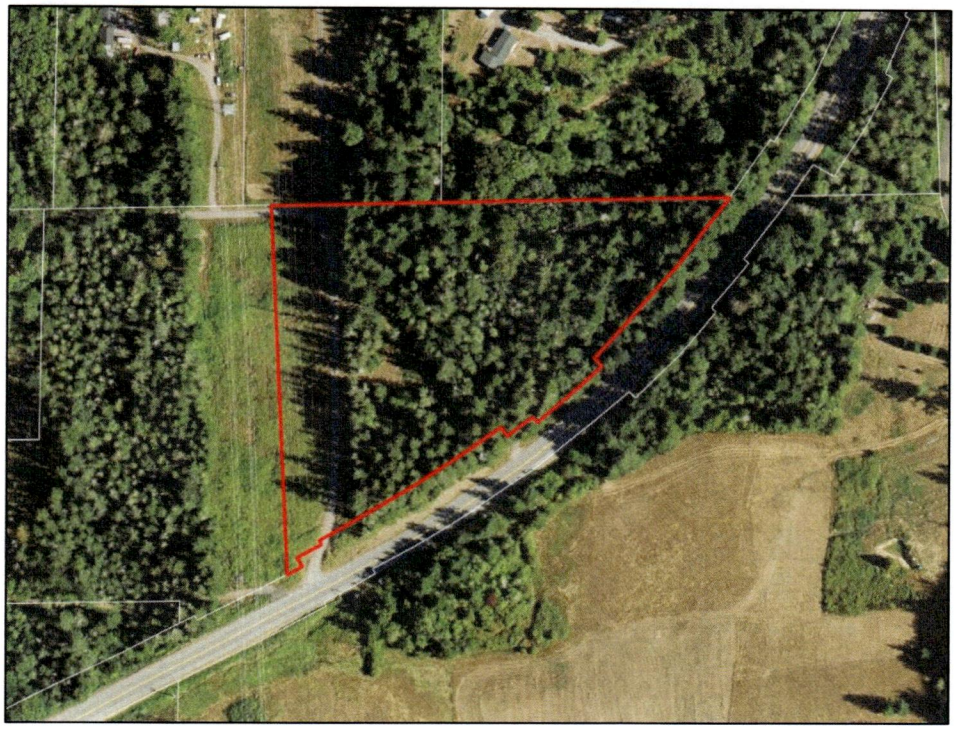
Land Sale No. 2 (Cont.)

Remarks

This is the July 2024 sale of a rural residential site located in the Quilcene area of unincorporated Jefferson County. There is access to the site by way of Camelot Road, a gravel access easement extending northerly off of Center Road, as well as a gated driveway extending off of Center Road. The triangular site has approximately 980 feet of frontage along Center Road. The site contains 7.1 acres and is sloped and heavily forested. Electrical service is available in Center Road. There is a low producing well at the top end of the allowable chloride level. Septic is needed for development.

The site is improved with an enclosed metal shed/garage containing 300 square feet with a gravel floor and a seven-foot high garage door. There is also an open walled carport. According to the selling broker, both outbuildings are in average condition.

The site was listed for sale for $135,000 and was on the market for 257 days before selling for $120,000, or 89% of its list price.



EASTERLY OF SR 101



82 CAMELOT ROAD

Land Sale No. 3

Property Identification	
Record ID	15927
Property Type	Residential
Address	24XX Munn Road, Quilcene, Jefferson County, Washington 98376
Location	Lake Leland area
Assessor's Parcel Number	802261019
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Sara Brown
Grantee	Virginia Navrides
Sale Date	October 22, 2024
Auditor's File Number	668485
Property Rights	Fee Simple
Financing	Seller financed at typical terms
Verification	Sher Kirkpatrick, selling agent; 360-909-8636
Sale Price	$135,000
Land Data	
Zoning	RR 20, Jefferson County
Topography	Portions steeply sloped & forested
Utilities	Electric in the street
Shape	Rectangular
Land Size Information	
Gross Land Size	5.510 Acres or 240,016 SF
Indicators	
Sale Price/Site	$135,000

Remarks

This is the October 2024 sale of a rural residential site located near Lake Leland, in the Quilcene area of unincorporated Jefferson County. The site contains 5.51 acres. The topography is a combination of steeply sloped and level site area. It is heavily forested; however, there is reportedly no merchantable timber. Electrical service is available at the property line and well and septic are needed for development. There is a clear-cut dirt road extending from Munn Road to a buildable area.

The property was listed for $135,000 and was on the market for 85 days before selling it for its full list price. According to the selling agent, there was nothing atypical about the property or transaction, which was seller financed, which is common in the area.



LAKE LELAND AREA



24XX MUNN ROAD

Land Sale No. 4

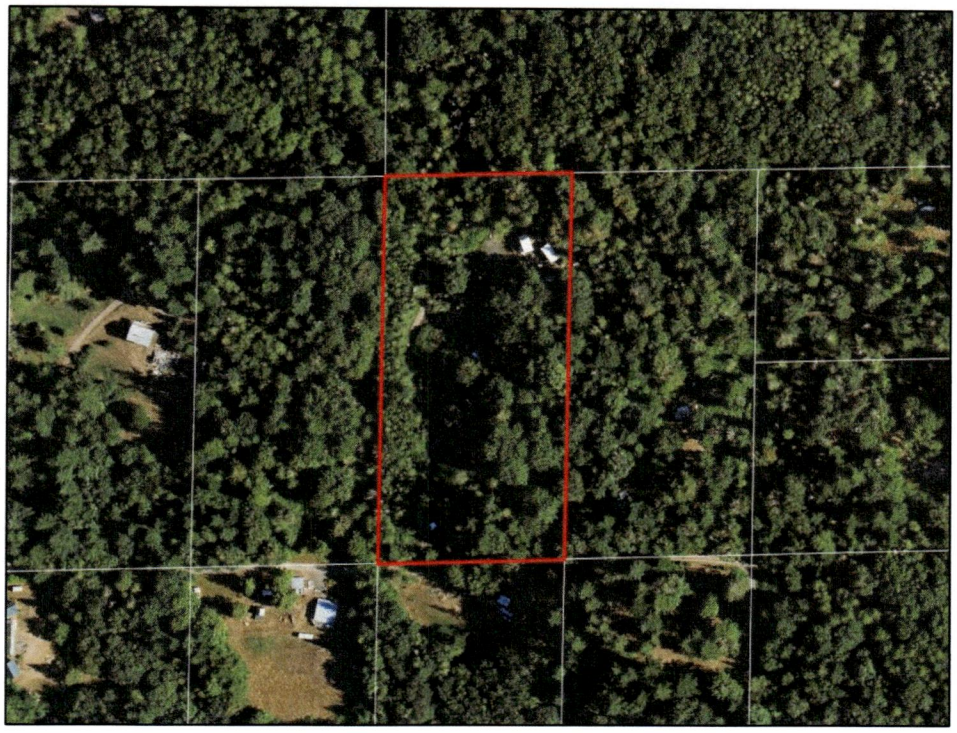
Property Identification	
Record ID	15928
Property Type	Residential
Address	771 Lakenes Road, Quilcene, Jefferson County, Washington 98376
Location	Lords Lake area
Assessor's Parcel Number	702121003
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Peter L. Tennigkeit
Grantee	Andrew & Kimberly Luly
Sale Date	November 06, 2024
Auditor's File Number	668694
Property Rights	Fee Simple
Verification	Jenn Forest, selling agent; 360-316-1147
Sale Price	$150,000
Land Data	
Zoning	RR5, Jefferson County
Topography	Sloped upward SW to NE, forested
Utilities	See remarks
Shape	Rectangular
Land Size Information	
Gross Land Size	5.050 Acres or 219,978 SF
Indicators	
Sale Price/Site	$150,000

Remarks

This is the November 2024 sale of a rural residential site located in the Lords Lake area, off of Lakenes Road, in the Quilcene area of unincorporated Jefferson County. The site contains 5.05 acres and has a view of the Olympic Mountains. The topography is sloped upward in a southwesterly to a northeasterly direction, with adequate level site area for development. It is forested. Electrical service is available a few parcels down Lakenes Road. Septic and well are needed for development.

The site is improved with an unpermitted tiny home in average/good, newer condition. The tiny home contains a kitchenette and loft sleeping area. There is a solar power system, a composting toilet and a rainwater catchment system in place. The site is improved with multiple smaller outbuildings used for storage and small animal husbandry.

The property was listed for $185,000 and sold for $150,000 after being on the market for 67 days.



LORDS LAKE AREA



771 LAKENES ROAD

Land Sale No. 5

Property Identification	
Record ID	15931
Property Type	Residential
Address	Mt Walker View Drive, Quilcene, Jefferson County, Washington 98376
Location	Toandos Peninsula
Assessor's Parcel Number	601225012
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Jason & Cheryl Wright
Grantee	Keith Mast, Jacob & Emily Moushey
Sale Date	January 25, 2025
Auditor's File Number	669834
Property Rights	Fee Simple
Financing	Typical
Verification	Tim Horvath, listing agent (360) 531-0980
Sale Price	$150,000
Land Data	
Zoning	RR5, Jefferson County
Topography	Gently sloped & forested
Utilities	Electric in street; well & septic needed
Shape	Rectangular
Land Size Information	
Gross Land Size	4.970 Acres or 216,493 SF
Indicators	
Sale Price/Site	$150,000

Remarks

This is the January 2025 sale of a rural residential site located in the Mt Walker View subdivision. The property is located at the end of Mt. Walker View Drive (Starry Night Place), which is identified on a plat map as a small, cul-de-sac subdivision. The site is located on the Toandos Peninsula, outside of the Quilcene area, in unincorporated Jefferson County. The site contains 4.97 acres and is gently sloped and forested. There is a view of Mt. Walker. Electrical service is available in the street, and septic and well are needed for development.

The property was listed for $159,950 and sold for $150,000 after being on the market for 170 days. The site has an approved Site Development Review in place.



TOANDOS PENINSULA



MT WALKER VIEW DRIVE

Analysis of Land Sales

A basic principle in the valuation of real estate is that no two properties are identical, which means that adjustments are necessary to reflect the various differences of the properties being considered. An adjustment process is applied to the comparables, with an adjustment chart presented following the discussion of the comparables. The adjustment process allows the appraiser to consider the thought process often followed by buyers and sellers in comparing different properties. Within the discussion of each sale detailed herein, the sales' characteristics are noted and compared to the subject, resulting in conclusions requiring adjustments to the indicated unit prices of the comparables. Qualitative adjustments are applied, either positive or negative, to account for physical differences between the comparables and the subject property. In this instance, the price per site has been utilized for analysis purposes.

Quantitative Adjustments

The property rights conveyed, financing, conditions of sale, and buyer expenditures/other do not require any quantitative adjustments for the comparables.

Market Conditions

In analyzing the influence of the market conditions at the time of sale of the comparables in relation to the market conditions as of the date of appraisal, the key factor is the passage of time. More specifically, the question to be answered in its simplest form is whether there is any trend in general prices through time. The date of sale for the comparables ranges from July 2024 to January 2025, as well as a current listing. All of the closed sales have occurred within the last six months, with one of the sales occurring a few weeks before the date of inspection for the subject. The rural residential market in Jefferson County has historically exhibited gradual signs of growth. Therefore, due to the relatively recent dates of sale, no market conditions adjustments are applied to the comparables.

After quantitative adjustments, the comparables indicate a range on a price per site basis from $89,000 to $150,000 per site. The next step is to consider the appropriate qualitative adjustments to apply to the comparables for the analysis of the subject.

Qualitative Adjustments

The individual comparable sales are now compared to the subject as it relates to qualitative adjustments, including *Location*, *Site Size (Acres)*, *Site Utility, Utilities in Place,* and *Improvements.*

An adjustment grid has been prepared, as shown on the following page, simulating the thought process a prudent and knowledgeable purchaser might use if involved in comparing the comparables to the subject property. This chart is presented as an aid in depicting the positive and negative influences that impact the market value of properties in this market segment.

Location

The subject is located on the Toandos Peninsula, off of Toandos Road, which is a private, gated road finished with gravel and dirt. L-1 and L-5 are also located on the Toandos Peninsula, but are accessed off of Coyle Road, which is a finished and county-maintained arterial. Additionally, L-5 is located in a subdivision plat. These comparables are therefore adjusted downward for location. L-2 contains a considerable amount of frontage along a higher trafficked arterial (Center Road), which is a less desirable attribute for a rural residential property. Thus, this comparable is adjusted upward for location. The remaining sales are similar enough when compared to the subject in location that no adjustment is needed for this factor.

Site Size

The subject contains 6.38 acres. All of the comparables are similar enough in size to forgo an adjustment.

Site Utility

The subject property has a combination of sloped and level topography. L-1 and L-2 have more sloped topography and are adjusted upward, with L-1 reported to have a very confined potential homesite due to topography. Thus, upward adjustments are appropriate for this factor, with a stronger adjustment applied to L-1. L-5 has less areas of sloping than the subject and is adjusted downward. The remaining comparables are generally similar to the subject in site utility and no adjustments are applied.

Comparable Number		L-1	L-2	L-3	L-4	L-5
Sale Price	n/a	$89,000	$120,000	$135,000	$150,000	$150,000
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Financing	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Conditions of Sale	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Buyer Expenditures/Other		None	None	None	None	None
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Date of Sale	Feb-25	Listing	Jul-24	Oct-24	Nov-24	Jan-25
Months Since Sale		0	6	3	3	0
Adjustment		0.00%	0.00%	0.00%	0.00%	0.00%
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Adjusted Price/Site		$89,000	$120,000	$135,000	$150,000	$150,000
Qualitative Adjustments						
Location		Superior	Inferior	Similar	Similar	Superior
Adjustment		-	+			-
Size (Acres)	6.38	4.67	7.10	5.51	5.05	4.97
Adjustment						
Site Utility		Inferior	Inferior	Similar	Similar	Superior
Adjustment		+ +	+			-
Utilities in Place		Superior	Superior	Similar	Inferior	Similar
Adjustment		-	-		+	
Improvements		Inferior	Similar	Inferior	Superior	Inferior
Adjustment		+		+	- -	+
Total Adjustment		Upward	Upward	Upward	Downward	Downward

Utilities in Place

The subject has electrical service, but a well and septic system are needed for conventional residential development. Although the subject currently has a septic system in place, it was not approved at the time of installation and the ability to legally utilize this infrastructure is speculative. Therefore, the property is essentially viewed as not having a septic system for analysis purposes. The historical functionality of the existing system, however, suggests that the site's soils are capable of supporting such a system. L-1 also has electrical service and there is an approved septic design in place. This comparable is adjusted downward for utilities. L-2 has electrical service as well as a drilled well and is also adjusted downward for this factor. L-4 does not have electrical service and is adjusted upward. L-3 and L-5 are similar to the subject in this regard and no adjustments are needed.

Improvements

The subject is improved with a small cabin/carport structure, as well as a storage shed. L-4 has a newer tiny home in average/good condition; thus, a strong downward adjustment is applied to this comparable. L-2 is improved with some outbuildings; thus, no adjustment is applied to this comparable. L-1, L-3 and L-5 do not contain improvements or outbuildings. These comparables are adjusted upward for this factor.

Conclusion

The five comparables indicate a range from $89,000 to $150,000 per site. Predicated upon the previous discussion and taking into consideration the location and quality of the subject property, a value higher than L-3 ($135,000/site), but lower than L-4 ($150,000) and L-5 ($150,000/site) is reasonable. Based on my analysis and discussion herein, a value estimate of **$145,000**, as bracketed and supported by the central tendencies of L-3 and L-4, is concluded for subject property, resulting in an overall value, as follows:

VALUE BY THE SALES COMPARISON APPROACH

Acres	Value
6.38	$145,000

Predicated upon the previous analysis, the opinion of value for the subject property by the Sales Comparison Approach is as follows:

Market Value Indication by the Sales Comparison Approach, as of February 20, 2025: $145,000

Reconciliation

Only the Sales Comparison Approach is utilized for this appraisal assignment. The Sales Comparison Approach allows for the comparison of similar type properties to the subject, noting for similarities and differences between the comparables and the subject property. This approach contributes a credible value conclusion and is the most (and only) relevant approach for this type of property.

Based upon the preceding data and discussions, the "as is" market value of the subject property, as of the date of inspection, February 20, 2025, is estimated at:

ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS

$145,000

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and represent my personal, impartial and unbiased professional analyses, opinions, and conclusions.

3. I have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.

4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. I have made personal inspections of the property that is the subject of this report.

8 Katherine E. Tiffany, License Number 1002112, provided significant real property appraisal assistance to the person signing this report relevant to the subject research, market research, comparable confirmation, analysis and/or report preparation.

9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.

12. I am competent and qualified to perform the appraisal assignment.

13. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

14. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.



Chad C. Johnson, MAI
State of Washington Certification 1101662

CHAD C. JOHNSON, MAI

GENERAL EDUCATION

BA, Business Administration, Option in Real Estate, Washington State University

Relevant Coursework
- Real Estate Principles
- Real Estate Finance
- Real Estate Valuation
- Real Estate Investment
- Real Estate Law

CERTIFICATIONS

Washington State Certified General Real Estate Appraiser
Certification 1101662
Issue Date: March 31, 2005

PROFESSIONAL DESIGNATION

MAI, Appraisal Institute

PROFESSIONAL EXPERIENCE

Real Estate Appraiser and Consultant
SH&H Valuation and Consulting (formerly Strickland, Heischman & Hoss, Inc.)
June 2001 to Present

SELECTED APPRAISAL INSTITUTE COURSES

Course 310, Basic Income Capitalization (February 2002)
Course 320, General Applications (December 2004)
Course 410, Standards of Professional Practice, Part A (September 2001)
Course 420, Standards of Professional Practice, Part B (September 2001)
Course 510, Advanced Income Capitalization (December 2002)
Course 520, Highest & Best Use and Market Analysis (September 2006)
Course 530, Advanced Sales Comparison and Cost Approaches (September 2008)
Course 540, Report Writing and Valuation Analysis (August 2003)
Course 550, Advanced Applications (January 2009)
Uniform Appraisal Standards for Federal Land Acquisitions – Practical Applications (May 2017)
Eminent Domain and Condemnation (August 2018)
Fundamentals of the Uniform Appraisal Standards for Federal Land Acquisitions (October 2020)
Various Continuing Education Courses and Seminars

PARTIAL LIST OF PROPERTY TYPES APPRAISED

Apartments
Agricultural Properties
Aquaculture Properties
Automobile Dealerships
Automobile Repair Facilities
Banks
Bowling Alleys
Business Parks
Cardlock Fueling Facilities
Carwashes
Churches
Commercial Land
Commercial Subdivisions
Condominium Developments
Conservation Easements
Daycare Centers
Food Processing Plants
Gas Station/Convenience Stores
Golf Courses
Health Clubs
Hotels/Motels
Industrial Properties
Industrial Subdivisions
Institutional Properties
Leasehold Interests
Medical Offices
Mineral Extraction Operations
Mixed-Use Properties
Natatoriums
Nurseries
Private Schools
Professional Offices
Recreational Properties
Religious Retreats
Residential Land
Residential Subdivisions
Resource and Forest Land Properties
Restaurants
Retail Properties
Right-of-Way Acquisitions
Self-Storage Facilities
Shellfish Processing Plants
Single-Family Residences
Waterfront Properties

APPRAISAL EXPERIENCE IN THE FOLLOWING WASHINGTON COUNTIES

Benton County
Clallam County
Clark County
Cowlitz County
Franklin County
Grant County
Grays Harbor County
Island County
Jefferson County
King County
Kitsap County
Kittitas County
Lewis County
Mason County
Okanogan County
Pacific County
Pierce County
San Juan County
Skagit County
Snohomish County
Spokane County
Thurston County
Whatcom County
Yakima County

PARTIAL LIST OF CLIENTS FOR WHICH I HAVE COMPLETED APPRAISALS

1st Security Bank (formerly Anchor Bank)
Alaska USA Federal Credit Union
Bank of America
Bank of the Pacific
Bank of the West
Bank of Washington
BECU
Capitol Land Trust
Center for Natural Lands Management
Central Kitsap School District
City of Enumclaw
City of Kent
City of Tacoma
City of University Place
City of Yakima
Columbia Bank
Commencement Bank
Community National Bank & Trust
CUSG/CU Services Group
First Federal
Forterra
Grays Harbor County
Great Peninsula Conservancy
Harborstone Credit Union
Heritage Bank
HomeStreet Bank
Hood Canal Salmon Enhancement Group
Jefferson County
Jefferson Land Trust
Key Bank
Kitsap Bank
Kitsap Credit Union
Mountain Pacific Bank
Native American Bank, NA
Nature Conservancy of Washington
Nisqually Land Trust
North Kitsap School District
North Olympic Land Trust
Northwest Christian Credit Union
Northwest Farm Credit Services
Northwest Watershed Institute
O Bee Credit Union
Olympia Federal
Pierce County
Peoples Bank
Port of Silverdale
Portage Bank
PUD No. 1 of Clallam County
Puyallup School District
Quinault Nation Enterprise Board
Security State Bank
Snohomish County
South Whidbey Parks & Recreation District
Sportsmen's National Land Trust
Sunwest Bank
TAPCO Credit Union
Thurston County
Thurston First Bank
Timberland Bank
Trust for Public Lands
Tukwila School District
Umpqua Bank
UniBank
US Bank
US Department of Agriculture – Forest Service
US Department of the Interior (DOI-AVSO)
Washington Department of Fish and Wildlife
Washington Department of Natural Resources
Washington Farm Service Agency
Washington Parks & Recreation Commission
Washington Business Bank
Washington Trust Bank
WCLA Credit Union
WSECU
Wells Fargo Bank
Wells Fargo Wealth Management
Whidbey Camano Land Trust
Yakima County Public Services
Zions First National Bank
Various Attorneys, Accountants & Individuals

ASSUMPTIONS AND LIMITING CONDITIONS

Unless noted otherwise in the body of the report, this appraisal is subject to the following assumptions and limiting conditions.

1. No responsibility is assumed for legal or title considerations. Title to the subject property is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is assumed to be under responsible ownership and competent management and is assumed available for its highest and best use.

2. There are no existing judgments or pending or threatened litigation that impact the value of the property.

3. There are no hidden or undisclosed conditions of the land or of the improvements that impact the value of the property.

4. Information, public and private, relevant to sale price indications is assumed to be correct.

5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.

6. Information, estimates and opinions contained in the report, obtained from others, including third-party sources, are assumed to be reliable and have not been independently verified and no warranty is given for accuracy.

7. An appraisal is inherently subjective and represents my opinion as to the value of the property appraised.

8. The conclusions stated in my appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.

9. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.

10. When environmental impact studies are not provided in conjunction with the appraisal, I reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.

11. Unless otherwise agreed to in writing, I am not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

12. I have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

13. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and I have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in my appraisal.

14. I accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.

15. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.

16. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.

17. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

18. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.

19. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.

20. The current purchasing power of the dollar is the basis for the value stated herein. I have assumed that no extreme fluctuations in economic cycles will occur.

21. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by my analysis will vary from my estimates, and the variations may be material. The *Americans with Disabilities Act (ADA)* became effective in the 1990s. I have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the *ADA* accessibility guidelines. I claim no expertise in *ADA* issues, and render no opinion regarding compliance of the subject with *ADA* regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

22. No studies have been provided to me indicating the presence or absence of hazardous materials on the subject property or in the improvements, and my valuation is predicated upon the assumption that the subject property is free and clear of any environmental hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because I am not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.

23. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. I am not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

24. The appraisal report and the value conclusion within the appraisal is predicated upon the assumption that the satisfactory completion of construction, repairs or alterations will be performed in a workmanlike manner.

25. It is expressly acknowledged that in any action which may be brought against SH&H Valuation and Consulting, or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "SH&H Valuation and Consulting Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the "SH&H Valuation and Consulting Parties" shall not be responsible or liable for an incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the "SH&H Valuation and Consulting Parties" in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

26. SH&H Valuation and Consulting, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless I provide my prior written consent. I expressly reserve the unrestricted right to withhold my consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless my prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

27. The conclusions contained in this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. SH&H Valuation and Consulting and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While I am of the opinion that my findings are reasonable based on current market conditions, I do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, I assume competent and effective management and marketing for the duration of the projected holding period of this property.

28. Any prospective value estimates presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of my estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

29. The value estimate herein is subject to these and to any other assumptions or conditions set forth in the body of this report, but which may have been omitted from this list of Assumptions and Limiting Conditions.

EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

1. **Extraordinary Assumption:** *"an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."*[5] Extraordinary assumptions assume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis.

   There are no extraordinary assumptions relevant to this appraisal.

2. **Hypothetical Conditions:** *"a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."*[6] A hypothetical condition assumes conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis.

   There are no hypothetical conditions relevant to this appraisal.

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[5] *Uniform Standards of Professional Appraisal Practice, 2024 Edition,* Appraisal Standards Board, The Appraisal Foundation, Washington D.C., p. 4.

[6] *Ibid,* p. 4.

ADDENDA

STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION

WASHINGTON STATE DEPARTMENT OF LICENSING

THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER SUPERVISOR

CHAD CARTER JOHNSON

1101662	03/31/2005	12/15/2026
License Number	Issue Date	Expiration Date

Marcus J Glasper, Director

(R/4/23)

First American Title Insurance Company

ALTA COMMITMENT FOR TITLE INSURANCE
issued by
FIRST AMERICAN TITLE INSURANCE COMPANY

NOTICE

IMPORTANT – READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I – Requirements; Schedule B, Part II – Exceptions; and the Commitment Conditions, First American Title Insurance Company, a Nebraska corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I – Requirements have not been met within 180 days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

COMMITMENT CONDITIONS

1. DEFINITIONS
   a. "Discriminatory Covenant": Any covenant, condition, restriction, or limitation that is unenforceable under applicable law because it illegally discriminates against a class of individuals based on personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or other legally protected class.
   b. "Knowledge" or "Known": Actual knowledge or actual notice, but not constructive notice imparted by the Public Records.
   c. "Land": The land described in Item 5 of Schedule A and improvements located on that land that by State law constitute real property. The term "Land" does not include any property beyond that described in Schedule A, nor any right, title, interest, estate, or easement in any abutting street, road, avenue, alley, lane, right-of-way, body of water, or waterway, but does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
   d. "Mortgage": A mortgage, deed of trust, trust deed, security deed, or other real property security instrument, including one evidenced by electronic means authorized by law.
   e. "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
   f. "Proposed Amount of Insurance": Each dollar amount specified in Schedule A as the Proposed Amount of Insurance of each Policy to be issued pursuant to this Commitment.
   g. "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.

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h. "Public Records": The recording or filing system established under State statutes in effect at the Commitment Date under which a document must be recorded or filed to impart constructive notice of matters relating to the Title to a purchaser for value without Knowledge. The term "Public Records" does not include any other recording or filing system, including any pertaining to environmental remediation or protection, planning, permitting, zoning, licensing, building, health, public safety, or national security matters.

i. "State": The state or commonwealth of the United States within whose exterior boundaries the Land is located. The term "State" also includes the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam.

j. "Title": The estate or interest in the Land identified in Item 3 of Schedule A.

2. If all of the Schedule B, Part I – Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

a. the Notice;
b. the Commitment to Issue Policy;
c. the Commitment Conditions;
d. Schedule A;
e. Schedule B, Part I – Requirements;
f. Schedule B, Part II – Exceptions; and
g. a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company is not liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

a. The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
   i. comply with the Schedule B, Part I – Requirements;
   ii. eliminate, with the Company's written consent, any Schedule B, Part II – Exceptions; or
   iii. acquire the Title or create the Mortgage covered by this Commitment.
b. The Company is not liable under Commitment Condition 5.a. if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
c. The Company is only liable under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
d. The Company's liability does not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Condition 5.a. or the Proposed Amount of Insurance.
e. The Company is not liable for the content of the Transaction Identification Data, if any.
f. The Company is not obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I – Requirements have been met to the satisfaction of the Company.
g. The Company's liability is further limited by the terms and provisions of the Policy to be issued to the Proposed Insured.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT; CHOICE OF LAW AND CHOICE OF FORUM

a. Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
b. Any claim must be based in contract under the State law of the State where the Land is located and is restricted to the terms and provisions of this Commitment. Any litigation or other proceeding brought by the Proposed Insured against the Company must be filed only in a State or federal court having jurisdiction.

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c. This Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.

d. The deletion or modification of any Schedule B, Part II – Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.

e. Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.

f. When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT IS ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for closing, settlement, escrow, or any other purpose.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. CLAIMS PROCEDURES

This Commitment incorporates by reference all Conditions for making a claim in the Policy to be issued to the Proposed Insured. Commitment Condition 9 does not modify the limitations of liability in Commitment Conditions 5 and 6.

10. CLASS ACTION

ALL CLAIMS AND DISPUTES ARISING OUT OF OR RELATING TO THIS COMMITMENT, INCLUDING ANY SERVICE OR OTHER MATTER IN CONNECTION WITH ISSUING THIS COMMITMENT, ANY BREACH OF A COMMITMENT PROVISION, OR ANY OTHER CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THE TRANSACTION GIVING RISE TO THIS COMMITMENT, MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY. NO PARTY MAY SERVE AS PLAINTIFF, CLASS MEMBER, OR PARTICIPANT IN ANY CLASS OR REPRESENTATIVE PROCEEDING. ANY POLICY ISSUED PURSUANT TO THIS COMMITMENT WILL CONTAIN A CLASS ACTION CONDITION.

FIRST AMERICAN TITLE INSURANCE COMPANY
1 First American Way, Santa Ana, CA 92707

By:_____
Kenneth D. DeGiorgio, President

By:_____
Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:
Issuing Agent: Horizon Title Group, Inc.
Issuing Office: 2424 South Park Avenue, PO Box 598
Port Townsend, WA 98368
Issuing Office's ALTA® Registry ID: 1167581
Loan ID Number:
Commitment Number: 05-5234-TTJ
Issuing Office File Number: 05-5234-TTJ
Property Address: 1125 Toandos Road, Quilcene, WA 98376

SCHEDULE A

1. Commitment Date: September 16, 2024 8:00 AM

2. Policy to be issued:

		AMOUNT	PREMIUM	TAX	TOTAL
a.	2021 ALTA Owner's Standard Policy	$	$0.00	$	$0.00

PROPOSED INSURED: **Northwest Watershed Institute Inc., a Washington nonprofit corporation**
The estate or interest to be insured: **fee simple**

3. The estate or interest in the Land at the Commitment Date is:
fee simple

4. The Title is, at the Commitment Date, vested in**:**
Thomas J. Hough, a single man

5. The Land is described as follows:
See Exhibit A attached hereto and made a part hereof.

HORIZON TITLE GROUP, INC.
2424 South Park Avenue, PO Box 598, Port Townsend,
WA 98368
Telephone: (360) 385-1322

Countersigned by:

HORIZON Title Group

Rochelle Lewis
Horizon Title Group, Inc., License #603575523

FIRST AMERICAN TITLE INSURANCE COMPANY
1 First American Way, Santa Ana, CA 92707

By:_____
Kenneth D. DeGiorgio, President

By:_____
Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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SCHEDULE B, PART I – Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.

2. Pay the agreed amount for the estate or interest to be insured.

3. Pay the premiums, fees, and charges for the Policy to the Company.

4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

   Duly authorized and executed Deed from Thomas J. Hough, a single man, to Northwest Watershed Institute Inc., a Washington nonprofit corporation, to be executed and recorded at closing.

5. Lien of the real estate excise sales tax and surcharge upon any sale of said Land, if unpaid.

6. General Taxes. The first portion $441.77 becomes delinquent after April 30th. The second portion $441.17 becomes delinquent after October 31st.
   Year: 2024
   Amount Billed: $882.94
   Amount Paid: $882.94
   Amount Due: $0.00, plus interest and penalty, if delinquent
   Tax Account No.: 701 153 003
   Assessed value: $110,654.00
   PID No.: 17274

7. The Company has been asked to issue a policy(ies) without disclosure of the liability amount. This commitment shall be effective only when the amount of the policy(ies) committed for has been inserted in Schedule "A" hereof. The forthcoming policy must be issued in an amount at least equal to the full value of the estate insured in accordance with our rating schedule on file in the office of the Washington State Insurance Commissioner.

   The Company may have further requirements if the undisclosed amount to be insured exceeds the current assessed valuation.

8. The Land described in this commitment appears to be residential in nature and may be subject to the provisions of RCW 6.13.010, et seq. (homestead statute) if the Land is occupied as a primary residence. If the Land is occupied as a primary residence, RCW 6.13.060 requires that all documents conveying or encumbering the Land must be executed by each spouse or domestic partner, individually. Alternatively, the company will accept a deed identifying the non-vested spouse occupying the Land as the Grantor and the vested spouse as the Grantee. This applies if the non-vested spouse currently resided in the residence or if the vested spouse resides in the residence and the non- vested spouse doesn't reside in the residence but has lived there within the previous 6 months. In the event that the company receives documents to insure that are not executed as required, the company may be unable to record or to insure the transaction. Please contact your Title Officer if you have any questions.

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SCHEDULE B, PART II – Exceptions

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.

2. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records.

3. Any facts, rights, interest, or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.

4. Easements, claims of easements, or encumbrances which are not shown by the Public Records.

5. Discrepancies, conflicts in boundary lines, shortages in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the Public Records.

6. (a) Unpatented mining claims; (b) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Water rights, claims or title to water, ditch or ditch right, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records; (d) Indian Tribal Codes or Regulations, Indian Treaty or Aboriginal Rights, including easements or equitable servitudes.

7. Any lien or right to a lien for services, labor, equipment or material or medical assistance, unless such lien is shown by the Public Records as of Date of Policy.

8. Any service, installation, connection, maintenance, construction, tap or reimbursement charges/costs for sewer, water, garbage or electricity.

9. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records.

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10. Easement, including terms and provisions contained therein:
    Disclosed by: Decree entered in Jefferson County Superior Court Cause No. 7222
    For: Ingress and egress over road as it existed on October 06, 1966

11. Easement, including terms and provisions contained therein:
    Recorded: December 30, 1969
    Recording No.: 203763
    For: Road purposes

12. Easement, including terms and provisions contained therein:
    Recorded: June 12, 1990
    Recording No.: 331591
    For: Underground electric transmission and/or distribution system

13. Easement, including terms and provisions contained therein:
    Recorded: September 19, 2011
    Recording No.: 562353
    For: Electric transmission and/or distribution system

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EXHIBIT "A"

The Land referred to herein below is situated in the County of Jefferson, State of Washington and is described as follows:

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;
thence along said Myers Tract, South 15° 42' S4" East, 19.22 feet;
Thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet; .
thence continuing along said Easterly line of Myers Tract, South 34° 96' 24" East, 190.24 feet;
thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

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INFORMATIONAL NOTES

1. The Company requires the proposed insured to verify that the Land covered by this commitment is the Land intended to be conveyed in this transaction. The description of the Land may be incorrect, if the application for title insurance contained incomplete or inaccurate information. Notify the Company well before closing if changes are necessary. Closing instructions must indicate that the legal description has been reviewed and approved by all parties.

2. As of the date hereof there are no matters against Northwest Watershed Institute Inc., a Washington nonprofit corporation, which would appear as exceptions in the policy to issue, except as shown herein.

3. Abbreviated Legal Description: PTN E1/2 SW S15 T27 R1W (TAX 2)

4. The vestee(s) herein acquired title by deed recorded July 10, 1991 under Auditor's File No. 341821 .pdf). The record discloses no other conveyances of the property herein described within the last 24 months.

5. The situs address of the Land herein described is: 1125 Toandos Road, Quilcene, WA 98376

6. Map

7. Combined Exception Documents

8. **RECORDING PACKAGE INSTRUCTIONS:**

   Jefferson, Clallam, Kitsap, Mason, and **San Juan** County recording packages must be sent to the following address:
   Horizon Title Group, Inc.
   2424 South Park Avenue
   Port Townsend, WA 98368

   Pacific County recording packages must be sent to the following address:
   Horizon Title Group, Inc.
   1308 37th Street
   Seaview, WA 98644

9. PLEASE NOTE: THERE WILL BE A FEE OF $5.00 + TAX PER E-RECORDED DOCUMENT INCLUDED ON ALL RECORDING INVOICES.

10. NOTE: A FEE MAY BE CHARGED UPON THE CANCELLATION OF THIS COMMITMENT PURSUANT TO WASHINGTON STATE INSURANCE CODE AND THE FILED RATE SCHEDULE OF THIS COMPANY.

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TRANSAMERICA
TITLE INSURANCE COMPANY

Transamerica
Title Insurance Company

THIS SPACE PROVIDED FOR RECORDER'S USE

VOL 341 PAGE 556-557
OF OFFICIAL RECORDS
REQUEST OF
JEFFERSON TITLE
1991 JUL 10 AM 11:26
MARY E. GADBURY
JEFFERSON COUNTY AUDITOR
BY _____ DEPUTY

341821

FILED FOR RECORD AT REQUEST OF
JEFFERSON TITLE COMPANY, INC.
37546-R/E#6580-SM

WHEN RECORDED RETURN TO
Name THOMAS J. HOUGH
Address P.O. Box 92
City, State, Zip Nordland, WA 98358

Statutory Warranty Deed

THE GRANTOR GLENN R. WOOD, Trustee of DISCOVERY INVESTMENTS, a Trust

for and in consideration of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION

in hand paid, conveys and warrants to THOMAS J. HOUGH, a single man

the following described real estate, situated in the County of Jefferson, State of Washington:

SEE EXHIBIT "A" AS ATTACHED HERETO AND MADE A PART HEREOF.

SUBJECT TO: Easement established in decree entered in Jefferson County Superior Court Cause No. 7222; Easement under Auditor's File No. 203763; Easement under Auditor's File No. 331591.

JEFFERSON COUNTY EXCISE TAX
Aff. No. 66029
Date Paid 7-10-91 Amt. 250.92
By C M Mallory Deputy
TREASURER

Dated July 3, 19 91

DISCOVERY INVESTMENTS
BY: Glenn R Wood
GLENN R. WOOD, Trustee

STATE OF WASHINGTON)
) ss
COUNTY OF JEFFERSON)

On this 5th day of July, 19 91, personally appeared Glenn R. Wood to me known to be the individual described in and who executed the within and foregoing instrument, and on oath stated that he was authorized to execute the instrument and acknowledged it as the Trustee of DISCOVERY INVESTMENTS to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Susan Patricia Monroe
Notary Public in and for the State of Washington, residing at Chimacum
My commission expires: 10/6/92

JUL 10 1991 VOL 341 PAGE 558

My appointment expires _____

LPB-10

Form 3159-4 Rev. 4-76

Unofficial Document

EXHIBIT A

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;
thence along said Myers Tract, South 15° 42' 54" East, 19.22 feet;
thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet;
thence continuing along said Easterly line of Myers Tract, South 34° 06' 24" East, 190.24 feet;
thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

Unofficial Copy

Pioneer National
Title Insurance Company
WASHINGTON TITLE DIVISION

208162

A-1944

REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 14th day of December, 1970

between Lowell R. Day and Edith Day, his wife,

hereinafter called the "seller," and Gene Jay Myers and Elizabeth F. Myers, his wife,

hereinafter called the "purchaser,"

WITNESSETH: That the seller agrees to sell to the purchaser and the purchaser agrees to purchase from the seller the following described real estate, with the appurtenances, in Jefferson County, State of Washington:

A tract of land situated in the east half of the Southwest Quarter of Section 15, Township 27 North, Range 1 West, W.M., Jefferson County, Washington, described as:
Beginning at the Northwest corner of said subdivision; thence South 89°40'30" East 378.13 feet along the North line of said subdivision; thence South 5°14'56" East 218.89 feet; thence South 14°43'51" East 202.05 feet; thence South 24°41'28" East 173.94 feet; thence South 15°42'54" East 218.66 feet; thence South 33°56'38" East 209.75 feet; thence South 34°06'24" East 359.00 feet; thence South 25°45'10" East 350.50 feet; thence South 19°46'48" East 65.96 feet; thence West 1080.54 feet to the West line of said subdivision; thence North 0°12'56" East along the west line of said subdivision 1633.00 feet to the point of beginning

The terms and conditions of this contract are as follows: The purchase price is ----------
Eighteen thousand seven hundred fifty and no/100 ($18750.00) Dollars, of which
Five thousand and no/100----------($5000.00) Dollars have been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:
One hundred thirty-five and no/100----------($135.00) Dollars, or more at purchaser's option, on or before the 1st day of April , 1971 , and One hundred thirty-five and no/100---------- ($135.00) Dollars, or more at purchaser's option, on or before the 1st day of each succeeding calendar month until the balance of said purchase price shall have been fully paid. The purchaser further agrees to pay interest on the diminishing balance of said purchase price at the rate of eight per cent per annum from the 1st day of March , 1971 , which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal. All payments to be made hereunder shall be made at OLYMPIC INVESTMENTS, Chimacum, Wash., 98325 or at such other place as the seller may direct in writing.

NO. 2020
JEFFERSON COUNTY
TRANSACTION EXCISE TAX
PAID
COUNTY TREASURER
AMOUNT 187.50

As referred to in this contract, "date of closing" shall be March 1, 1971

(1) The purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate; and if by the terms of this contract the purchaser has assumed payment of any mortgage, contract or other encumbrance, or has assumed payment of or agreed to purchase subject to, any taxes or assessments now a lien on said real estate, the purchaser agrees to pay the same before delinquency.

(2) The purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on said real estate insured to the actual cash value thereof against loss or damage by both fire and windstorm in a company acceptable to the seller and for the seller's benefit, as his interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to the seller.

(3) The purchaser agrees that full inspection of said real estate has been made and that neither the seller nor his assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall the purchaser or seller or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or is in writing and attached to and made a part of this contract.

(4) The purchaser assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon, and of the taking of said real estate or any part thereof for public use; and agrees that no such damage, destruction or taking shall constitute a failure of consideration. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to the seller and applied as payment on the purchase price herein unless the seller elects to allow the purchaser to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless purchaser elects that said proceeds shall be paid to the seller for application on the purchase price herein.

(5) The seller has delivered, or agrees to deliver within 15 days of the date of closing, a purchaser's policy of title insurance in standard form, or a commitment therefor, issued by Pioneer National Title Insurance Company, insuring the purchaser to the full amount of said purchase price against loss or damage by reason of defect in seller's title to said real estate as of the date of closing and containing no exceptions other than the following:

a. Printed general exceptions appearing in said policy form;
b. Liens or encumbrances which by the terms of this contract the purchaser is to assume, or as to which the conveyance hereunder is to be made subject; and
c. Any existing contract or contracts under which seller is purchasing said real estate, and any mortgage or other obligation, which seller by this contract agrees to pay, none of which for the purpose of this paragraph (5) shall be deemed defects in seller's title.

March 8, 1971

(6) If seller's title to said real estate is subject to an existing contract or contracts under which seller is purchasing said real estate, or any mortgage or other obligation, which seller is to pay, seller agrees to make such payments in accordance with the terms thereof, and upon default, the purchaser shall have the right to make any payments necessary to remove the default, and any payments so made shall be applied to the payments next falling due the seller under this contract.

(7) The seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchaser a statutory warranty fulfillment deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through any person other than the seller, and subject to the following:

Easements and restrictions presently of Public Record.

(8) Unless a different date is provided for herein, the purchaser shall be entitled to possession of said real estate on date of closing and to retain possession so long as purchaser is not in default hereunder. The purchaser covenants to keep the buildings and other improvements on said real estate in good repair and not to permit waste and not to use, or permit the use of, the real estate for any illegal purpose. The purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date purchaser is entitled to possession.

(9) In case the purchaser fails to make any payment herein provided or to maintain insurance, as herein required, the seller may make such payment or effect such insurance, and any amounts so paid by the seller, together with interest at the rate of 10% per annum thereon from date of payment until repaid, shall be repayable by purchaser on seller's demand, all without prejudice to any other right the seller might have by reason of such default.

(10) Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect to declare all the purchaser's rights hereunder terminated, and upon his doing so, all payments made by the purchaser hereunder and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller shall have right to re-enter and take possession of the real estate; and no waiver by the seller of any default on the part of the purchaser shall be construed as a waiver of any subsequent default.

Service upon purchaser of all demands, notices or other papers with respect to forfeiture and termination of purchaser's rights may be made by United States Mail, postage pre-paid, return receipt requested, directed to the purchaser at his address last known to the seller.

(11) Upon seller's election to bring suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, which sums shall be included in any judgment or decree entered in such suit.

If the seller shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder, and judgment is so entered, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, and also the reasonable cost of searching records to determine the condition of title at the date such suit is commenced, which sums shall be included in any judgment or decree entered in such suit.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first written above.

× Gene Jay Myers (SEAL)

× Elizabeth G Myers (SEAL)

Lowell R. Day (SEAL)

Edith H. Day (SEAL)

STATE OF WASHINGTON, } ss.

County of Jefferson }

On this day personally appeared before me Lowell R. Day and Edith Day

to me known to be the individual s described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of March, 1971

Anne Day

Notary Public in and for the State of Washington

residing at Chimacum

ANNE DAY NOTARY PUBLIC STATE OF WASHINGTON

TO Gene Jay Myers
4348 - 91st Ave. S.E.
Mercer Island, Wash., 98040

Pioneer National Title Insurance Company
WASHINGTON TITLE DIVISION

Filed for Record at Request of

'71 MAR 8 PM 3:42

PIONEER NATIONAL TITLE INSURANCE CO.

BETTY J. TEMPLE
JEFFERSON COUNTY AUDITOR
BY _____ DEPUTY

RECORDED - INDEXED - PROOF READ

THIS SPACE RESERVED FOR RECORDER'S USE

RECORDED IN VOLUME 24 OF OFFICIAL RECORDS PAGE 189 REQUEST OF

VOL 24 PAGE 189

March 8, 1971

15-27-1W

RECORDED ___ 9:25 P.M.
Vol. 16 Official Record
Page 611-18 Request of
PLANSAMERICA TITLE INSURANCE CO.
JAN 19 1970
BETTY J. TEMPLE, Jefferson County Auditor
By N. Hartfield
Recorded ___ Indexed ___ Proof Read ___

203763

EASEMENT

THIS AGREEMENT made and entered into this 30th day of December, 1969, by and between Harold Pederson and Ruby A. Pederson, husband and wife, Walter A. Pederson and Janet Pederson, husband and wife, and Lowell R. Day and Edith Day, husband and wife, hereinafter known as the party of the first part, and Marie Workman, a widow, hereinafter known as party of the second part.

The first parties are the owners of the following described real estate, to-wit:

The East half of the Southwest quarter of Section 15, Township 27 North, Range 1 West, W.M., Jefferson County, Washington;

The second party is the owner of:

The Northwest quarter of the Southwest quarter of said Section 15;

Each party is desirous of securing an easement over and across the land of the other party as hereinafter set forth , and in consideration of each party granting to the other respective easements, the parties grant as follows:

Party of the first part hereby grants to party of the second part an easement for road purposes by the most feasible route to connect with existing road which runs in a general Northerly and Southerly direction across the east half of the southwest quarter of said section, also an easement to use the existing road.

Party of the second part grants unto party of the first part an easement for road purposes over and across the Northwest quarter of the southwest quarter of said section, following the general course of an existing road.

The road easements herein granted are thirty (30) feet in width, and permanent and perpetual.

The road easements herein granted will be used jointly by

NO REAL ESTATE
SALES TAX REQUIRED
COUNTY TREASURER
Arthur Swanson

A. CLEMENS GRADY
ATTORNEY AT LAW
115 TAYLOR STREET
PORT TOWNSEND,
WASHINGTON

both the party of the first part and party of the second part, and will connect with each other.

All parties making use of the easement agree to share in the upkeep and maintenance of the road in proportion to their use thereof.

Both grantors and grantees, their successors and assigns reserve the right to use the said road, AND Easements for ingress and egress to all such properties as may be owned by the respectiva parties in either Section 15 or 22, Township 27 North, Range 1, West W.M., Jefferson County, Washington.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their signaturesthis 30th day of December, 1969.

Marion G. Workman

Harold Pederson

Ruby A Pederson

Wallis Pederson

Janet Pederson

Lowell R Day

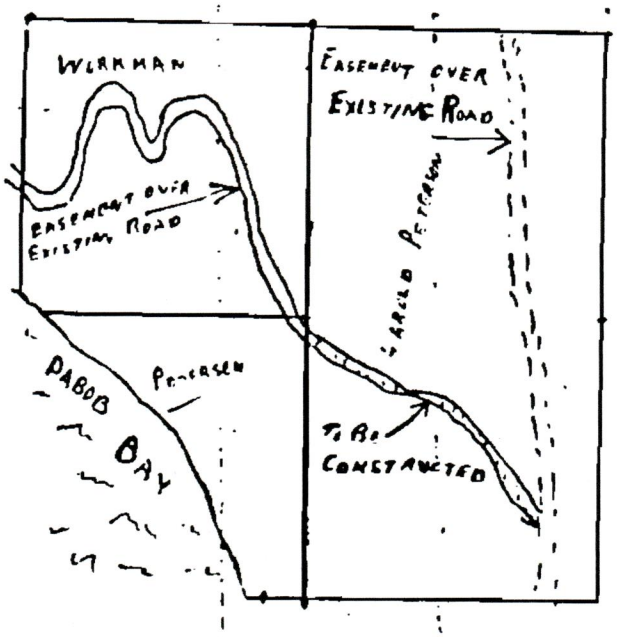
Edith H. Day

A rough plat of the granted easements, not drawn to scale, is attached to show the general course of the respective easements herein conveyed.

A. GLENDON GRADY
ATTORNEY AT LAW
[illegible] TAYLOR STREET
PORT TOWNSEND,
WASHINGTON

Dec. 19, 1970

S. W. 1/4 of SEC. 15 T. W. P. 27 N. R. 1 W. W. M.



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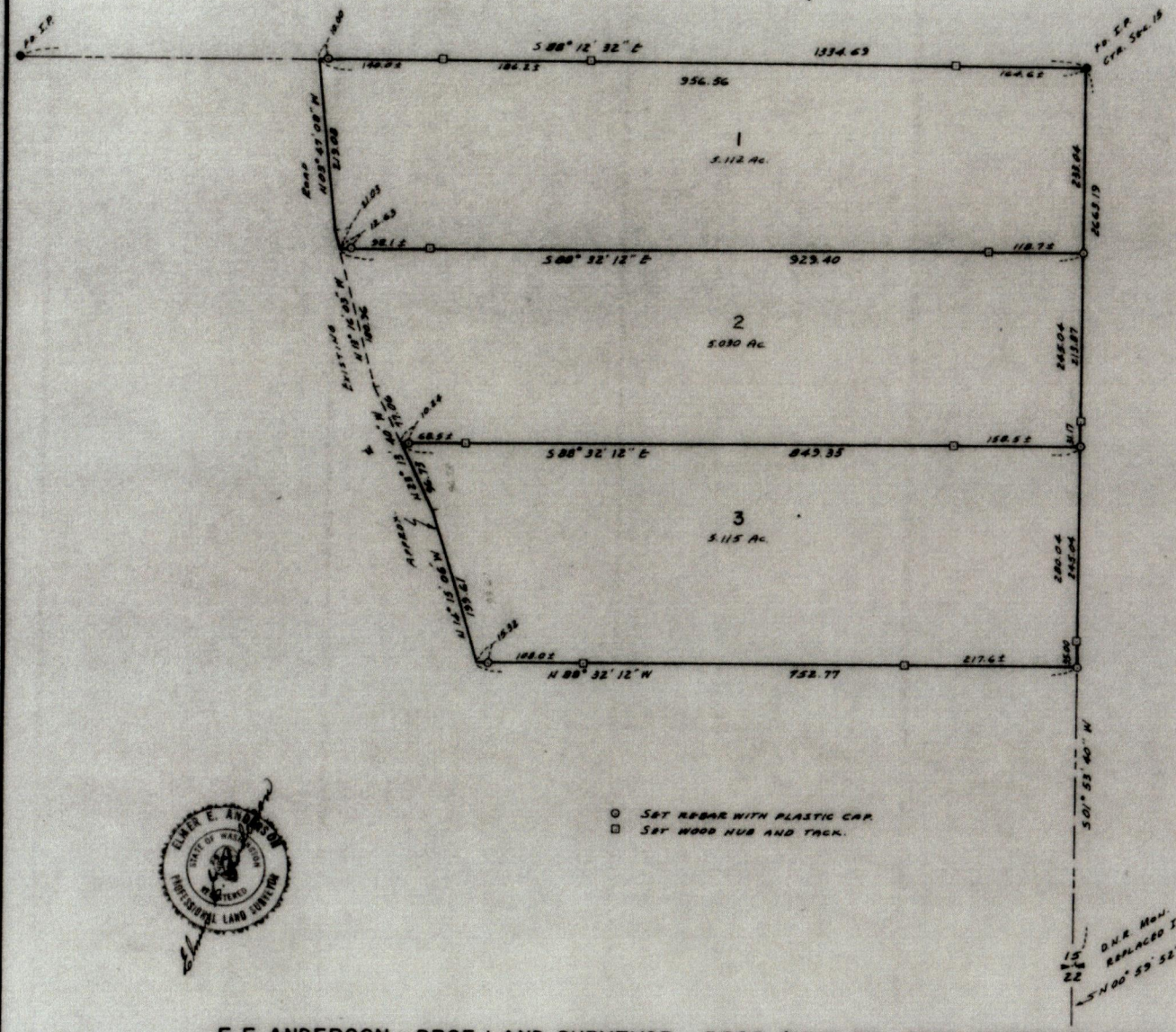

1" = 100'

- ○ Set rebar with plastic cap.
- □ Set wood hub and tack.

Basis of Bearings

North and South centerline of Sec. 22 per D.N.R.

Tract subdivision by R.F. Millpointer, dated Feb., 1971.

ELMER E. ANDERSON — STATE OF WASHINGTON — REGISTERED PROFESSIONAL LAND SURVEYOR

E.E. ANDERSON - PROF. LAND SURVEYOR - 5528 KUHN ST., PORT TOWNSEND, WASH. 98368 (206) 385-1225

AUDITOR'S CERTIFICATE

261138

Filed for record this 5 day of Oct., 1979 at 2 P.M. in book 3 of Surveys page 156 at the request of E.E. Anderson

Doris Caufield
County Auditor

SURVEYOR'S CERTIFICATE

This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Survey Recording Act at the request of Stanley Brooks in Aug., 1979.

E.E. Anderson
Certificate No. 11520

Survey of Tracts 1 and 3.

Sec. 15, Twp 27 N., R 1 W, W.M.

STANLEY BROOKS
1617 IRONSIDES
BREMERTON, WASH. 98310

DWN BY	DATE	JOB NO.
E.E.A.	8/28/79	
CHKD BY	SCALE	SHEET
E.T.F.	1" = 100'	1 OF 1

DEPUTY COUNTY AUDITOR

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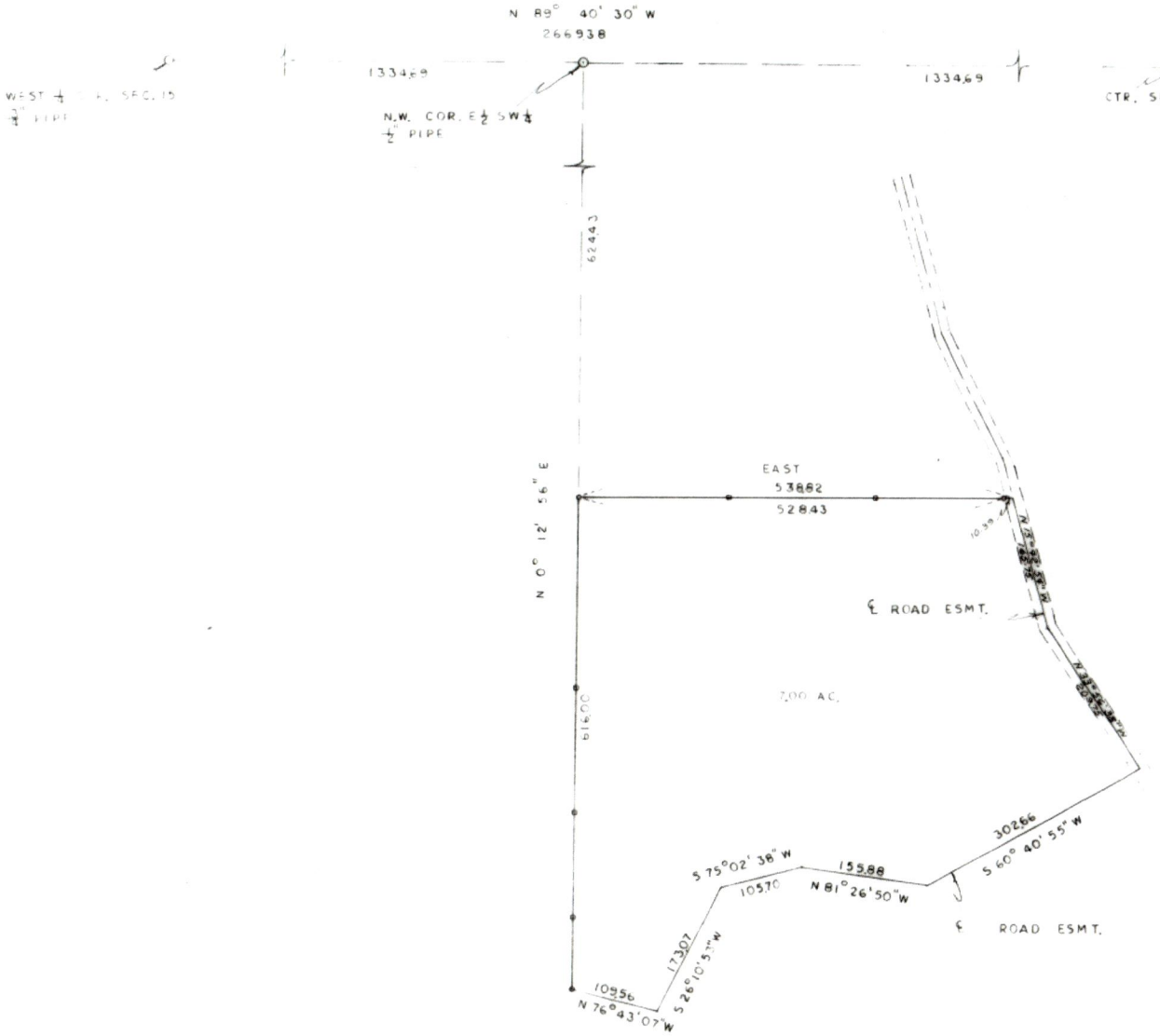

MERIDIAN: EAST WEST ℄ SEC. 15

SCALE: 1" = 100'

○ SET ½" RE-ROD

□ SET 1" X 2" LINE STAKE

LEGAL DESCRIPTION

A TRACT OF LAND IN THE E½ SW¼ OF SEC. 15, T 27 N, R 1 W, W.M., DESCRIBED AS BEG. AT A POINT ON THE WEST LINE OF SAID SUBD. WHICH IS S 0° 12' 56" W 624.43' FROM THE N.W. COR. THEREOF, TH S 0° 12' 56" W 616' TO THE N.W. COR. OF A TRACT OF LAND DESC. UNDER A.F.N. 224-02, TH. S 76° 43' 07" E 109.56'; TH. N 26° 10' 53" E 173.07'; TH. N 75° 02' 38" E 105.70'; TH. S 81° 26' 40" E 155.88'; TH. N 60° 40' 55" E 302.66' TO THE N.E. COR. OF SAID TRACT DESC. UNDER A.F.N. 224-02; TH N 33° 56' 38" W 209.75'; TH. N 15° 42' 54" W 165.75'; TH. WEST 538.82' TO THE P.O.B. TOGETHER WITH & SUBJECT TO ESMTS. OF RECORD.

SURVEY FOR: GENE MYERS

R. F. MILLPOINTER
LAND SURVEYOR
MARCH 26, 1980

ROBERT F. MILLPOINTER
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL LAND SURVEYOR

G. MYERS MAR. 80
7172

R.F. Millpointer

265499

9.64 4 19 May 80
Survey 70
R. F. Millpointer
N. Gartfield
Deputy

331591

9001555 NJ
SW 35-27-1W
95-97
JEFFERSON TITLE COMPANY
12 AM 11:36

PUGET POWER

EASEMENT FOR UNDERGROUND ELECTRIC SYSTEM

For and in consideration of One Dollar ($1.00) and other valuable consideration, the receipt of which is hereby acknowledged,

GLENN R. WOOD, Trustee of Discovery Investments

("Grantor" herein), grants, conveys and warrants to PUGET SOUND POWER & LIGHT COMPANY, a Washington corporation ("Grantee" herein), for the purposes hereinafter set forth a perpetual easement under, across and over the following described real property (the "Property" herein) Jefferson County, Washington.

See Exhibit "A" attached hereto and by this reference made a part hereof.

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property (the "Right-of-Way" herein) described as follows:

~~A Right-of-Way _____ feet in width having _____ feet of such width on each side of a center line described as follows:~~

The easement roadway within the above-described property.

NO REAL ESTATE
SALES TAX REQUIRED
COUNTY TREASURER
BY J. Bishop, Deputy

No Monetary Consideration

1. **Purpose.** Grantee shall have the right to construct, operate, maintain, repair, replace and enlarge an underground electric transmission and/or distribution system upon and under the Right-of-Way together with all necessary or convenient appurtenances therefor, which may include but are not limited to the following: underground conduits, cables, communication lines; vaults, manholes, switches, and transformers; and semi-buried or ground mounted facilities. Following the initial construction of its facilities, Grantee may from time to time construct such additional facilities as it may require.

2. **Access.** Grantee shall have the right of access to the Right-of-Way over and across the Property to enable Grantee to exercise its rights hereunder, provided, that Grantee shall compensate Grantor for any damage to the Property caused by the exercise of said right of access.

3. **Obstructions; Landscaping.** Grantee may from time to time remove trees, bushes, or other obstructions within the Right-of-Way and may level and grade the Right-of-Way to the extent reasonably necessary to carry out the purposes set forth in paragraph 1 hereof, provided, that following any such work, Grantee shall, to the extent reasonably practicable, restore the Right-of-Way to the condition it was immediately prior to such work. Following the installation of Grantee's underground facilities, Grantor may undertake any ordinary improvements to the landscaping of the Right-of-Way, provided that no trees or other plants shall be placed thereon which would be unreasonably expensive or impractical for Grantee to remove and restore.

4. **Grantor's Use of Right-of-Way.** Grantor reserves the right to use the Right-of-Way for any purpose not inconsistent with the rights herein granted, provided: that Grantor shall not construct or maintain any building or other structure on the Right-of-Way which would interfere with the exercise of the rights herein granted; that no digging, tunneling or other form of construction activity shall be done on the Property which would disturb the compaction or unearth Grantee's facilities on the Right-of-Way, or endanger the lateral support to said facilities; and that no blasting shall be done within 15 feet of the Right-of-Way.

5. **Indemnity.** By accepting and recording this easement, Grantee agrees to indemnify and hold harmless Grantor from any and all claims for injuries and/or damages suffered by any person which may be caused by the Grantee's exercise of the rights herein granted; provided, that Grantee shall not be responsible to Grantor for any injuries and/or damages to any person caused by acts or omissions of Grantor.

6. **Abandonment.** The rights herein granted shall continue until such time as Grantee ceases to use the Right-of-Way for a period of five (5) successive years, in which event this easement shall terminate and all rights hereunder shall revert to Grantor, provided that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its facilities on the Right-of-Way within any period of time from the date hereof.

7. **Successors and Assigns.** The rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

#788 37 1 79 JUN 12 1990 VOL 309 PAGE 95

Unofficial Copy

DATED this 6th day of March, 1996.

GRANTOR

Glenn R. Wood, Trustee of
Discovery Investments
Glenn R Wood

STATE OF WASHINGTON)
SS
COUNTY OF Jefferson)

On this day personally appeared before me Glenn R. Wood
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of March, 19 96.

Susan Patricia Monroe
Notary Public in and for the State of Washington.
residing at Chimacum
My Commission Expires 10/6/97

STATE OF WASHINGTON)
SS
COUNTY OF)

On this day personally appeared before me _____
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 19 _____.

Notary Public in and for the State of Washington.
residing at _____
My Commission Expires _____

STATE OF WASHINGTON)
SS
COUNTY OF)

On this day personally appeared before me _____
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 19 _____.

Notary Public in and for the State of Washington.
residing at _____
My Commission Expires _____

STATE OF WASHINGTON)
SS
COUNTY OF)

CORPORATE ACKNOWLEDGMENT

On this _____ day of _____, 19 _____, before me, the undersigned, personally appeared _____ and _____ to me known to be the _____ and _____, respectively, of _____ the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Notary Public in and for the State of Washington.
residing at _____
My Commission Expires _____

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Unofficial Copy

9001555 NJ
SW 15-27-1W
G.R. Wood

Tract 4, described as follows:

That portion of the East half of the Southwest quarter of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
thence South, along the North and South centerline of said Section, 758 feet to the True Point of Beginning;
thence West, a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;
thence along said Myers Tract, South 15°42'54" East, 19.22 feet;
thence continue along said Easterly line of Myers Tract South 33°56'38" East 209.75 feet;
thence continuing along said Easterly line of Myers Tract, South 34°06'24" East 190.24 feet;
thence East a distance of 521.44 feet to intersect the North and South centerline of said Section 15, at a point 350 feet South of the Point of Beginning;
thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

Unofficial Copy

562353 PGS: 2 EASE
09/19/2011 03:57 PM $63.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Donna Eldridge, Auditor

RETURN ADDRESS:
Puget Sound Energy, Inc.
Attn: ROW Department
3130 S. 38th Street
Tacoma, WA 98409
KO

NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURER
BY: [signature] Deputy

EASEMENT

JEFFERSON TITLE COMPANY has placed this document of record as a customer courtesy and accepts no liability for the accuracy or validity of the document.

REFERENCE #:
GRANTOR: **HOUGH**
GRANTEE: **PUGET SOUND ENERGY, INC.**
SHORT LEGAL: **NE-SW-15-27N-01W**
ASSESSOR'S PROPERTY TAX PARCEL: **701-153-003**

No Monetary Consideration

For and in consideration of One Dollar ($1.00) and other valuable consideration in hand paid, **THOMAS J. HOUGH, a single man,** ("Grantor" herein), hereby conveys and warrants to **PUGET SOUND ENERGY, INC.,** a Washington Corporation ("Grantee" herein), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along across and through the following described real property ("Property" herein) in **JEFFERSON** County, Washington:

TRACT 4 - THAT PORTION OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 27 NORTH, RANGE 1 WEST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT THE CENTER OF SAID SECTION; THENCE SOUTH ALONG THE NORTH AND SOUTH CENTER LINE OF SAID SECTION, 758 FEET TO THE TRUE POINT OF BEGINNING; THENCE WEST A DISTANCE OF 752.77 FEET TO INTERSECT THE EASTERLY LINE OF THAT CERTAIN TRACT OF LAND SOLD TO GENE RAY MYERS BY REAL ESTATE CONTRACT RECORDED MARCH 8, 1971, AUDITOR'S NO. 208162; THENCE ALONG SAID MYERS TRACT, SOUTH 15°42'54" EAST, 19.22 FEET; THENCE CONTINUE ALONG SAID EASTERLY LINE OF MYERS TRACT, SOUTH 33°58'38" EAST, 209.75 FEET; THENCE CONTINUING ALONG SAID EASTERLY LINE OF MYERS TRACT, SOUTH 34°06'24" EAST, 190.24 FEET; THENCE EAST A DISTANCE OF 521.44 FEET TO INTERSECT THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 15 AT A POINT 350 FEET SOUTH OF THE POINT OF BEGINNING; THENCE NORTH TO THE POINT OF BEGINNING. SITUATE IN THE COUNTY OF JEFFERSON, STATE OF WASHINGTON.

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property ("Easement Area" herein) described as follows:
An Easement Area **TEN (10)** feet in width having **FIVE (5)** feet of such width on each side of a centerline described as follows:

THE CENTERLINE OF GRANTEE'S FACILITIES AS NOW CONSTRUCTED, TO BE CONSTRUCTED, EXTENDED OR RELOCATED LYING WITHIN THE ABOVE DESCRIBED PROPERTY.

1. Purpose. Grantee shall have the right to use the Easement Area to construct, operate, maintain, repair, replace, improve, remove, and enlarge one or more utility systems for purposes of transmission, distribution and sale of electricity. Such systems may include, but are not limited to:

Underground Facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing.

Following the initial construction of all or a portion of its systems, Grantee may, from time to time, construct such additional facilities as it may require for such systems. Grantee shall have the right of access to the Easement Area over and across the Property to enable Grantee to exercise its rights hereunder. Grantee shall compensate Grantor for any damage to the Property caused by the exercise of such right of access by Grantee.

2. Easement Area Clearing and Maintenance. Grantee shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in the Easement Area. Grantee shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area.

3. Grantor's Use of Easement Area. Grantor reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted, provided, however, Grantor shall not construct or maintain any buildings, structures or other objects on the Easement Area and Grantor shall do no blasting within 300 feet of Grantee's facilities without Grantee's prior written consent.

4. Indemnity. Grantee agrees to indemnify Grantor from and against liability incurred by Grantor as a result of Grantee's negligence in the exercise of the rights herein granted to Grantee, but nothing herein shall require Grantee to indemnify Grantor for that portion of any such liability attributable to the negligence of Grantor or the negligence of others.

5. Abandonment. The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area for a period of five (5) successive years, in which event, this easement shall terminate and all rights hereunder, and any improvements remaining in the Easement Area, shall revert to or otherwise become the property of Grantor; provided, however, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

6. Successors and Assigns. Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

DATED this 29 day of August, 2011.

GRANTOR:

BY: Thomas J. Hough
THOMAS J. HOUGH

BY: _____

STATE OF WASHINGTON)
) SS
COUNTY OF JEFFERSON)

On this 29th day of AUGUST, 2011, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **THOMAS J. HOUGH**, to me known to be the individual(s) who executed the within and foregoing instrument, and acknowledged that HE signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal hereto affixed the day and year in this certificate first above written.

KERRY L. ROBINSON NOTARY PUBLIC 6-25-2013 STATE OF WASHINGTON

Robinson
(Signature of Notary)

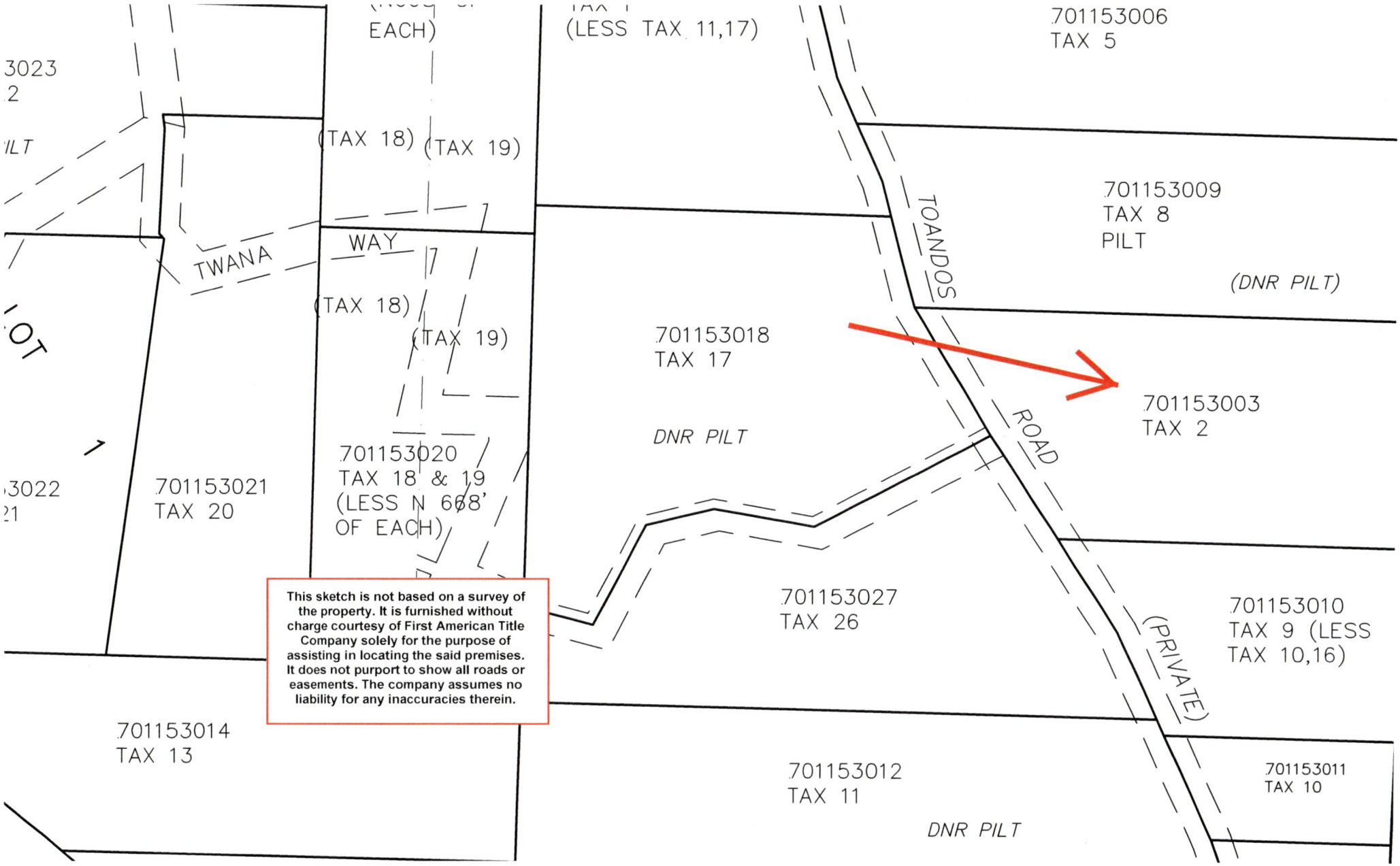
KERRY L. ROBINSON
(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington

Residing at PORT TOWNSEND, WA

My Appointment Expires: 6/25/2013

Notary seal, text and all notations must not be placed within 1" margins



This sketch is not based on a survey of the property. It is furnished without charge courtesy of First American Title Company solely for the purpose of assisting in locating the said premises. It does not purport to show all roads or easements. The company assumes no liability for any inaccuracies therein.

AGREEMENT FOR CONTINGENT
PURCHASE AND SALE OF VACANT REAL ESTATE

(Dabob Bay Natural Area - Hough)

THIS AGREEMENT FOR CONTINGENT PURCHASE AND SALE OF VACANT REAL ESTATE (the "Agreement") is made as of the 15th day of November, 2024, by and between the NORTHWEST WATERSHED INSTITUTE, a Washington non-profit corporation and/or assigns (hereinafter referred to as the "Buyer") and THOMAS J. HOUGH, as his separate estate, (hereinafter referred to as "Seller") (collectively, the "Parties").

WHEREAS, Seller is the owner of certain real property consisting of approximately 6.38 acres at 1125 Toandos Road, Quilcene in Jefferson County, Washington; and

WHEREAS, Seller desires to convey said real property to Buyer, and Buyer desires to acquire said real property;

NOW, THEREFORE, in exchange for the mutual promises and covenants herein contained, and other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged by Seller and Buyer, it is agreed as follows:

SECTION 1 PROPERTY

Seller shall sell and convey to Buyer, and Buyer shall purchase and accept from Seller, all subject to the terms and conditions of this Agreement, that certain real property located in Jefferson County, Washington, the legal description of which is set forth on Exhibit A attached hereto and incorporated by this reference herein, together with the following:

(i) All rights, tenements, hereditaments, easements, associated tidelands, and appurtenances, including, but not limited to, any rights, title and interest of Seller in and to all trees, crops, oil, gas, sand, gravel, water rights, or mineral rights;

(ii) All improvements, if any, and other items located upon or within said real property;

(iii) All easements, rights-of-way and other rights used in connection with said real property, including but not limited to the following: maintenance easements, rights to adjacent streets, roads, alleys and rights-of-way;

(iv) All permits, plans, licenses, surveys, consultant's reports on all matters, including

but not limited to soils, engineering, traffic, environmental matters, and wetlands made by, for or on behalf of Seller with respect to the property, and an assignment of all representations and warranties made therein to Seller.

The parcel of land, together with the improvements, rights and interests described above, are collectively referred to herein as the "Property."

SECTION 2 PURCHASE PRICE

2.1 Amount. The purchase price ("Purchase Price") to be paid for the Property shall be the greater of the sum of ONE HUNDRED AND TWENTY THOUSAND U.S. Dollars ($120,000.00) or the Fair Market Value of the Property as determined by a qualified appraiser in an appraisal commissioned and paid for by Buyer. If the Fair Market Value exceeds $120,000, the Parties agree to amend this Agreement to make such amount the Purchase Price. Buyer's obligation to purchase the Property is contingent on the availability of funding to the Buyer. If Buyer does not obtain sufficient funding to purchase the Property and complete the Agreement prior to the closing date, then Buyer may terminate this Agreement without further obligation other than loss of its Deposit as provided herein.

2.2 Earnest Money Deposit. Within ten (10) days following the execution and delivery of this Agreement, Buyer shall open escrow with First American Title of Jefferson County in Port Townsend, Washington (the "Escrow Agent"), by depositing with Escrow Agent a copy of this Agreement and the sum of One Thousand Dollars ($1,000.00) (the "Deposit"), in the form of a personal check payable to Escrow Agent. In the event that this transaction is consummated as contemplated by this Agreement, the Deposit shall be applicable to the Purchase Price. In the event that this transaction is not consummated as contemplated by this Agreement, the Deposit shall be returned to Buyer; provided, however, that in the event that this transaction is not consummated as contemplated by this Agreement because Buyer has not obtained sufficient funding to purchase the Property, the Deposit shall be paid over to Seller.

2.3 Payment. Purchase Price shall be paid into escrow by a Buyer warrant or wire transfer payable to the Escrow Agent on the Closing Date as defined below.

2.4 Compensating Tax. If the property is in forest land designation under chapter 84.33 RCW, this transaction is exempt from the payment of compensating tax as provided by RCW 84.33.140 (13)(c), or if the property is in open space, agricultural, or timberland classification under chapter 84.34 RCW, this transaction is exempt from the payment of additional tax as provided by RCW 84.34.108 (6)(f).

SECTION 3 CLOSING

3.1 Closing Date. "Closing," "Closing Date" or "Date of Closing" as those terms are used herein, shall mean the date upon which all documents are recorded and monies paid to complete

the purchase contemplated herein. The Date of Closing shall be as soon as practical to facilitate an orderly closing but no later than June 30, 2025 unless otherwise agreed in writing by the Parties.

3.2 Escrow. This transaction shall be closed in escrow at First American Title of Jefferson County, 2424 S. Park Ave, Port Townsend WA 98368 ("Escrow Company"), which shall be arranged by Buyer within ten (10) days of execution of this Agreement. The Parties shall deposit the necessary documents and funds in escrow sufficiently in advance of the Closing Date to facilitate an orderly closing. Buyer and Seller shall each pay one-half of the Escrow Company's fee.

SECTION 4 CONVEYANCE, TITLE INSURANCE, AND POSSESSION

4.1 Possession. Buyer shall be entitled to possession of the Property on the Closing Date, but Buyer shall have a right of entry pursuant to Section 5 below.

4.2 Form of Deed. On the Closing Date, Seller shall convey title to the Property to Buyer by Statutory Warranty Deed, free and clear of all assessments, monetary liens or encumbrances securing the payment of money, and subject only to any other encumbrances or defects accepted by Buyer in writing.

4.3 Preliminary Commitment.

(a) Seller has obtained a preliminary commitment for an ALTA Owner's Standard Coverage Policy of title insurance (hereafter "Preliminary Commitment") from First American Title of Jefferson County. Seller further warrants that title shall be good, marketable and insurable subject only to the exceptions approved by Buyer pursuant to subsection 4.3(b).

(b) Within thirty (30) days of execution of this Agreement, the Buyer shall notify the Seller in writing of any exceptions thereto which are wholly or conditionally acceptable to the Buyer (hereafter "Title Notice"). Following giving of Title Notice, if additional encumbrances affecting the Property arise, Buyer shall have twenty (20) days from receipt thereof to review and approve these additional items. Failure of the Buyer to so approve in writing any exception to Seller's title shown in the Preliminary Commitment or arising thereafter shall be deemed to be a disapproval of such exception.

4.4 Policy Condition of Closing. Seller shall, prior to or at the Closing Date, at its sole cost and expense, undertake (by the exercise of its reasonable efforts and with due diligence) to remove, eliminate or modify any exceptions not acceptable to Buyer. Closing shall be conditioned upon Title Company issuing its ALTA Owner's Standard Coverage Policy insuring fee title to the Property in the name of Buyer in the amount of the Purchase Price, subject only to (i) the printed form exceptions contained in the ALTA Owner's policy and (ii) such exceptions accepted by Buyer.

4.5 Use of Purchase Price. Purchase Price to be paid by Buyer to Seller at Closing may be used in whole or in part by Seller by and through the Escrow Company to remove any liens, liabilities, or encumbrances which Seller is to have removed.

4.6 Cost of Policy. Seller shall be responsible for the cost of the title insurance policy. Buyer shall be responsible for requesting and for paying the cost of any additional endorsements, co-insurance policies and reinsurance certificates issued by Title Company at Buyer's request.

SECTION 5 BUYER'S RIGHT AFTER ACCEPTANCE

5.1 Inspection Contingency. After the date of this Agreement, Seller shall permit Buyer and/or its designated agents to enter upon the Property at all reasonable times for the purpose of conducting environmental assessments and investigating the Property and the physical condition thereof, including, without limitation, soil, water, and air conditions, and the condition of improvements, if any, upon the Property. Inspections by Buyer, if any, shall not be construed as estopping actions upon any warranty made herein.

5.2 Buyer's Waiver of Disclosure Statement. Buyer and Seller acknowledge that the Property may or may not be considered "commercial real estate" as defined in Chapter 64.06 RCW, and hereby waive all rights, obligations, and remedies (including, without limitation, the right of rescission) which may be applicable or available to the parties hereto. Buyer acknowledges that Buyer has been advised of Buyer's right (to the extent applicable to the subject transaction) to receive a completed Seller Disclosure Statement pursuant to Chapter 64.06 RCW and that Buyer hereby waives that right, whether or not applicable, provided, however, that Seller shall complete and deliver to Buyer Section 6 (Environmental) of the Seller Disclosure Statement relating to the Property within five (5) days after the execution and delivery of this Agreement.

5.3 Studies.

(a) Seller Studies. Within five days of the date of this Agreement, Seller shall deliver to Buyer true copies of all studies, reports, surveys, soils tests, reviews, correspondence with all governmental entities, environmental checklists and reports, plans and other printed or written material (all of which are collectively referred to as the "Seller's Studies") prepared or received by, or on behalf of, Seller with respect to the Property and

any part thereof. Seller authorizes Buyer to speak with any person preparing Seller's Studies with respect to the contents thereof. Buyer shall not be responsible for any cost associated with Seller's Studies, except for the cost of any additional inquiry or investigation that Buyer deems necessary with respect to the Seller's Studies.

(b) Buyer Studies. Buyer shall have the right to prepare, or have prepared, appraisals, market and engineering studies, soils tests, feasibility studies, surveys, resurveys or survey updates, environmental investigations and such other tests, studies or investigations (all of which are collectively referred to as the "Buyer's Studies") with respect to the Property. Buyer shall be solely responsible for costs of all Buyer's Studies.

(c) Termination. If the Buyer determines at its sole discretion that the Seller Studies or Buyer's Studies indicate the Property is not suitable for the intended use by Buyer or the Property presents risk of liability unacceptable to Buyer, Buyer may terminate this Agreement without further obligation so long as such termination is provided to Seller in writing within 120 days of this Agreement. If no such notice is provided to Seller, Buyer's inspection contingency shall be deemed waived. Should Buyer timely terminate this Agreement under his Inspection Contingency, Buyer shall be entitled to a refund of any earnest money funds paid into escrow.

5.4 Subsequent Acts. Between the date of this Agreement and the Closing Date, Seller shall maintain the Property and keep the Property in condition at least as good as on the date of this Agreement. Seller shall not remove any timber, harvestable crop, improvements, minerals, sand, gravel, or other item from the Property after the date of this Agreement without prior, written approval by Buyer**.** At least ten (10) calendar days prior to the Closing Date, Seller shall have removed all junked vehicles, mobile homes, outhouses, temporary structures or personal property that are not intended to be a part of this transaction, and equipment, machines, other solid waste and trash from the Property to the satisfaction of Buyer.

SECTION 6 CONTINGENCIES

6.1 Conditions. Buyer's obligations under this Agreement are subject to and contingent upon the following:

(a) The truth and accuracy as of the Closing Date of all representations and warranties of Seller set forth in this Agreement or in any instrument or document delivered by Seller to Buyer.

(b) The delivery by Seller to Buyer on or prior to the Closing Date of all documents and instruments required by the terms of this Agreement.

(c) The performance on or prior to Closing by Seller of all acts required under this Agreement.

(d) The absence at Closing of any violation of any federal, Buyer or local law, rule, regulation or ordinance affecting the use, occupancy or condition of the Property.

(e) The absence at Closing of any failure to comply with the order of any court, government authority or agency pertaining to the Property or the use, occupancy or condition of the Property.

(f) The absence at Closing of any proceeding or threat of any proceeding to condemn all or any part of the Property by a proceeding in eminent domain.

(g) Conveyance of acceptable title as provided in Section 4.

(h) Approval of Seller's and Buyer's Studies pursuant to subsection 5.2.

(i) The availability of funding to purchase the Property and complete the Agreement.

6.2. Waiver. If any condition specified in Section 6.1 is not met at Closing, Buyer may waive such condition in writing, or Buyer may terminate this Agreement without any further liability, subject to paragraphs 5.2 and 2.2. Upon such termination, the Deposit and any monies deposited by Buyer pursuant to this Agreement, together with all interest earned thereon shall be promptly returned to Buyer; provided, however, that if the termination is due only to the unavailability of funding to purchase the Property and complete the Agreement, the Deposit, together with all interest earned thereon, shall be paid over to Seller as liquidated damages and as Seller's sole remedy and not as a forfeiture or penalty. Upon disbursement of the Deposit by the Escrow Agent as provided herein, neither Buyer nor Seller shall have any further liability to the other under this Agreement, except for all indemnity provisions set forth herein which shall survive for such term as provided for in this Agreement

SECTION 7 REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer. Each of these representations and warranties is material and is relied upon by Buyer. Each of the representations and warranties shall be deemed accurate through Closing and shall survive Closing.

7.1 Title. Title to the Property is vested in Seller.

7.2 No Liabilities. There exists upon the Property no condition which is in violation of any statute, ordinance, regulation or administrative or judicial order or holding, whether or not appearing in the public records pertaining to the Property.

7.3 Correctness. All information furnished by Seller to Buyer with respect to the Property is

accurate and true.

7.4 Litigation. To the best of Seller's knowledge, there is no pending or threatened litigation affecting the Property or any portion thereof, including but not limited to alleged violation of federal, Buyer or local environmental laws. Neither Seller nor its predecessors have received any notice relating to a breach or suspected breach of any environmental laws.

7.5 Condition of Property. To the best of Seller's knowledge, Seller represents and warrants the following: there are no apparent or latent defects in the Property; the Property does not contain any underground storage tanks, surface impoundments, asbestos or asbestos-containing material, or polychlorinated biphenyls (PCBs) or PCB-containing materials, past or present refuse dump sites, chemical storage sites, areas of heavily stained soil, or sites of known hazardous material releases other than those indicated and described by exhibit attached hereto; and the Property is free from the presence of hazardous waste or materials and no hazardous waste or materials have been generated, stored, released, disposed of, or transported over, on or within the Property. The term "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, Buyer or local statute, regulation, rule or ordinance now in effect, including but not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et seq., and the Model Toxics Control Act, RCW 70A.305D. Seller has no undisclosed knowledge of any fact or condition that would materially impair the market value of the Property, would materially increase the cost of operating the Property or would be inconsistent with the terms of this Agreement.

7.6 Authorization. Seller has the right and authority to enter into this Agreement and all documents contemplated by this Agreement, to make the representations and warranties set forth herein and to perform this Agreement in accordance with its terms. Neither the execution of this Agreement nor its performance by Seller will conflict with or result in the breach of any mortgage, deed of trust, encumbrance, restriction, covenant, agreement or other undertaking whatever.

7.7 Vacancy. No one is presently occupying the Property, either with or without Seller's permission.

SECTION 8 INDEMNITY AND HOLD HARMLESS

Seller agrees to indemnify, defend with counsel acceptable to Buyer, and hold harmless Buyer, its agencies, employees, officers and agents from (a) all liabilities, losses, claims, demands, damages, assessments, costs and expenses (including reasonable attorneys' and consultants' fees) of every kind (hereafter "Liabilities") resulting from, arising out of or relating to the breach by Seller of any of its warranties, representations or covenants contained in this Agreement and (b) all Liabilities arising under, resulting from or arising out of any activities of Seller, its agents, employees, contractors, subcontractors, permittees, or licensees at the Property prior to or at

Closing, including but not limited to the use, disposal, transportation, generation, or sale of hazardous material as defined in subsection 7.5.

SECTION 9 DESTRUCTION OR CONDEMNATION

Seller shall bear the risk of loss prior to Closing. If, on or before the Closing Date, either the Property is materially damaged, or condemnation proceedings are commenced with respect to the Property, Buyer shall have the right, at its sole election, by giving notice to Seller, either to terminate this Agreement or to purchase the Property in accordance with this Agreement. If Buyer elects to terminate this Agreement, all rights and obligations of Seller and Buyer shall terminate. If Buyer elects to purchase the Property in accordance with this Agreement, Buyer shall be entitled to all insurance proceeds or condemnation awards payable by reason of such damage or condemnation. In the event there is no insurance or inadequate insurance to cover the damage, Buyer shall be entitled to a reduction in the Purchase Price equal to the market value of the Property destroyed or damaged. Seller shall immediately give notice to Buyer upon the occurrence of any damage to the improvements on the Property or the initiation of any condemnation proceedings affecting the Property. The term "material damage" as used in this section shall mean any damage or destruction that cannot be repaired or replaced within ninety (90) days.

SECTION 10 CLOSING AND CLOSING COSTS

Prior to or on the Closing Date, Seller and Buyer shall deposit the following documents and funds in escrow, and the Escrow Company shall close the escrow in accordance with the instructions of Buyer and Seller consistent with this Agreement:

10.1 Seller Obligations. Seller shall deposit the following:

(a) duly executed and acknowledged Statutory Warranty Deed conveying the Property to Buyer and a Real Estate Excise Tax Affidavit;

(b) escrow instructions, as required of Seller to close this transaction in accordance with this Agreement;

(c) if Seller is a corporation or partnership, a certified resolution authorizing the execution of all documents delivered at the Closing;

(d) pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, a nonforeign affidavit, stating that Seller is not a foreign person and providing Seller's United Buyers taxpayer identification number. If Seller is not able to certify that it is not a "foreign person," Buyer is authorized to withhold a portion of the purchase price at closing for U. S. Income Tax purposes; and

(e) such other instruments or documents as may be required pursuant to the provisions hereof or as mutually agreed by Seller and Buyer to be necessary to fully consummate the transaction contemplated hereby.

10.2 Buyer Obligations. Buyer shall deposit the following:

(a) The Purchase Price; and

(b) such other funds and documents, including without limitation, escrow instructions as are required of Buyer, to close the purchase in accordance with this Agreement.

10.3 Prorations. All rents and other income, if any, and water, sewer, utility and maintenance charges, and any other expenses with respect to the operation of the Property shall be prorated between Seller and Buyer as of the Closing Date, and to the extent information then available, such proration shall be made as of the Date of Closing. Such proration shall be adjusted and completed after the Closing Date as and when complete information becomes available, and Buyer and Seller agree to cooperate and use their best efforts to complete such prorations not later than sixty (60) days after the Closing Date. No insurance prorations shall be made. Seller shall pay any assessments charged against the Property in full prior to or at Closing. Seller shall pay all real estate taxes and personal property taxes, if any, through the Date of Closing. In the event Seller has prepaid any real estate taxes, Seller may seek a refund from the appropriate county official; Buyer shall have no obligation to refund or pay any such amount to Seller. Seller shall pay any real property excise tax due, and the cost of any revenue stamps, if applicable, required to complete this transaction. Buyer will pay recording fees.

SECTION 11 SURVIVAL

The representations, warranties, indemnification and obligations (to the extent such obligations are not fully performed at closing) contained herein are intended to be operative after delivery of Seller's deed to the Property in order to be fully effective and shall be deemed not to have merged in the deed.

SECTION 12 REAL ESTATE COMMISSION

Seller shall pay any real estate commission payable in connection with this transaction. Any real estate agent or broker acting in this transaction shall be deemed to be the sole agent of Seller.

SECTION 13 NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be deemed given upon personal service or receipt after deposit in the United Buyers first class mail addressed as follows:

To Seller:

Thomas J. Hough
1125 Toandos Road
Quilcene, WA 98376

With copy to Barbara Hough-Hood by email to bhood1996@gmail.com

To Buyer:

Peter Bahls, Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

The foregoing addresses may be changed by written notice.

SECTION 14 MISCELLANEOUS

14.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties. No other prior and contemporaneous negotiations, understandings and agreements, whether oral or written shall be deemed to exist or bind any of the Parties hereto.

14.2 Binding Nature. All rights and obligations arising out of this Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, assigns, administrators, executors and marital communities, if any, of the Parties hereto.

14.3 Washington Law. This Agreement shall be construed, interpreted and enforced pursuant to the laws of the Buyer of Washington. Venue shall be in Jefferson County, unless this Agreement is assigned to a state agency in which case venue shall be in Thurston County. The terms of this Agreement shall be given their ordinary meaning and shall not be presumed construed in favor of or against either party hereto.

14.4 Time of the Essence. Time is of the essence of this Agreement. No waiver or consent to any breach or other default in the performance of any of the terms of this Agreement shall be deemed to constitute a waiver of any subsequent breach of the same or any other term or condition hereof. In the event time for performance falls on a weekend or legal holiday designated by the United Buyers or Washington Buyer, performance shall be deemed to be timely rendered if so rendered on the next business day.

14.5 Captions. The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

14.6 Invalidity. If any provisions of this Agreement shall be invalid, void or illegal, it shall in no way affect, impair or invalidate any of the other provisions hereof.

14.7 Counterparts. This Agreement may be signed in counterparts, any one of which shall be deemed an original.

14.8 Date of Agreement. The date of this Agreement shall be the date on which the last party executes this Agreement. Said date shall be inserted on the first page hereof when such date is determined.

14.9 Good Faith. Both Parties shall act reasonably and in good faith in order to consummate this transaction, and Seller shall neither sell nor dispose of any of the Property nor cause or suffer the creation of any matter of record, or defect in the title to the Property for the purpose of avoiding its obligation to close.

14.10 Default. In the event that either party defaults in the performance of any of that party's obligations under this Agreement, the non-defaulting party shall have all remedies available in law or equity, but neither party shall be liable for consequential damages.

14.11 Attorneys' Fees and Costs. If either party is required to retain an attorney to bring suit or seek arbitration to interpret or enforce any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, paralegal fees, accountant and other expert witness fees and all other fees, costs and expenses actually incurred and reasonably necessary in connection therewith, including those incurred on appeal, in addition to all other amounts provided by law, regardless of whether the matter proceeds to judgment or is resolved by the defaulting party curing the default.

14.12 Assignability. This Agreement shall not be assigned without the prior written consent of the other party except as otherwise provided in this Agreement. Seller may wish to gain certain tax benefits available to Seller under I.R.C.§1031 by using a qualified intermediary to facilitate a delayed exchange for the Property to be conveyed under this Agreement. The qualified intermediary shall be released from any obligations under this Agreement. Seller shall remain fully liable to perform all obligations under this Agreement, including but not limited to Seller's representations, warranties and indemnification regarding the Property. Seller shall convey the Property directly to Buyer. The success or failure of the anticipated tax consequences from the I.R.C.§1031 delayed exchange shall not be deemed a term, condition, or contingency of this Agreement, nor shall such tax consequences be deemed a legal excuse for nonperformance by Seller.

14.13 Advice of Counsel. Seller acknowledges that it has had an opportunity to seek independent legal advice regarding the transaction.

14.14 Submission. This Agreement must be executed by Seller, and an original delivered to

Buyer, at the address set forth in this Agreement, on or before 4:00 p.m. on February 9, 2024, to be considered by Buyer. This Agreement shall not be binding upon Buyer until signed by an authorized representative of Buyer.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date and year set forth opposite their respective names.

SELLER:

Thomas J. Hough

Dated: T.J.H. Nov. 15, 2024

Thomas J Hough

BUYER:

NORTHWEST WATERSHED INSTITUTE

Dated: Nov 20 2024

By: Pete Bahls

PETER BAHLS
Executive Director

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF JEFFERSON)

On this 15th day of November, 2024, before me personally appeared THOMAS J. HOUGH, to me known to be the person that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said person for the uses and purposes therein mentioned.

Dated: November 15, 2024

Notary Public
Print Name Anna C Brown
My commission expires 06-22-25

ANNA C BROWN
Notary Public
State of Washington
Commission # 77938
My Comm. Expires Jun 22, 2025

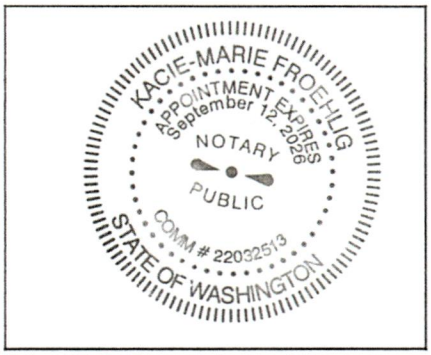
(Use this space for notarial stamp/seal)

BUYER ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss:
COUNTY OF JEFFERSON)

On this 20th day of November, 2024, before me personally appeared PETER BAHLS, to me known to be the Executive Director of Northwest Watershed Institute that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that the execution of the instrument was duly authorized and that the seal affixed, if any, is the corporate seal of said corporation.

In witness whereof I have hereunto set my hand and affixed my official seal this 20th day of November 2024



Kacie Marie Froehlig
Notary Public
Print Name Kacie-Marie Froehlig
My commission expires 09-12-2026

(Use this space for notarial stamp/seal)

EXHIBIT A
Legal Description of the Property
(HOUGH)

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
Thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
Thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;thence along said Myers Tract, South 15° 42' S4" East, 19.22 feet;
Thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet;
thence continuing along said Easterly line of Myers Tract, South 34° 96' 24" East, 190.24 feet;
Thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
Thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.



3609 Market Place West, Suite 201, University Place, WA 98466
p. 253.564.3230 | f. 253.564.3143

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 24 2006

NORTHWEST WATERSHED INSTITUTE
3407 EDDY STREET
PORT TOWNSEND, WA 98368-0000

Employer Identification Number:
93-1325820
DLN:
17053259778026
Contact Person:
CLINTON L FORTNER ID# 31163
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated JANUARY 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	1,500,000.00	
4020 · Foundation	2,000.00	
4030 · State Funds	42,000.00	
Total Grant Revenue		1,544,000.00
Contributed Income		
4040 · Restricted	131,000.00	
4050 · Unrestricted	120,000.00	
Contributed Income - Other	0.00	
Total Contributed Income		251,000.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	18,000.00	
4182 · Rental Income - Yarr Caretaker	6,000.00	
Total Rental/Lease Income		28,000.00
Consulting/Miscellaneous		
4210 · Consulting Fees	2,000.00	
Total Consulting/Miscellaneous		2,000.00
Total Income		1,825,000.00
Gross Profit		1,825,000.00
Expense		
Health benefits		
6096 · Health insurance	34,000.00	
6094 · HSA Contribution	10,600.00	
Total Health benefits		44,600.00
6041 · Paypal Fees		300.00
6010 · Advertising		100.00
6030 · Automobile Expense		2,500.00
6040 · Bank Service Charges		500.00
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,000.00	
6093 · Liability Insurance	4,000.00	
Total Insurance		8,000.00
Land Acquisition		
6170 · Closing Expenses	40,000.00	
6150 · Land	1,300,000.00	
Land Acquisition - Other	0.00	
Total Land Acquisition		1,340,000.00
6180 · Licenses and Permits		0.00
6210 · Miscellaneous		0.00
Payroll Expenses		
Gross wages		
6237 · Education Director	24,000.00	
6231 · Director	90,000.00	
6232 · Stewardship Director	36,000.00	
6233 · Project Assistant	7,000.00	
6234 · Field Crew	88,000.00	
Total Gross wages	245,000.00	

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Payroll Taxes		
6246 · Paid Family and Medical Leave	0.00	
6240 · Medicare	3,500.00	
6241 · Social Security	15,000.00	
6243 · Workers Comp	11,000.00	
6245 · WA State Unemployment	3,600.00	
Total Payroll Taxes	33,100.00	
Payroll Expenses - Other	0.00	
Total Payroll Expenses		278,100.00
6250 · Postage and Delivery		750.00
6260 · Printing and Reproduction		750.00
Professional Fees		
6271 · Accounting	1,500.00	
6274 · Legal Fees	2,000.00	
Total Professional Fees		3,500.00
Program Expense		
6284 · Student Stipend	2,000.00	
6282 · Fees	1,600.00	
6283 · Project subcontractors	40,000.00	
6286 · Overrun	0.00	
Total Program Expense		43,600.00
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	0.00	
6310 · Building Repairs	50,000.00	
6320 · Computer Repairs	250.00	
6330 · Equipment Repairs	3,000.00	
Repairs and Maintenance - Other	500.00	
Total Repairs and Maintenance		53,750.00
Supplies		
6420 · Field Supplies	30,000.00	
6440 · Office Supplies	2,000.00	
Total Supplies		32,000.00
Taxes		
6510 · Property Taxes	5,000.00	
Total Taxes		5,000.00
Telephone/Communications		
6650 · Mobile phone	1,800.00	
6610 · Internet Server	800.00	
6620 · Telephone - Local	0.00	
Telephone/Communications - Other	0.00	
Total Telephone/Communications		2,600.00
Travel & Ent		
6720 · Meals	140.00	
Total Travel & Ent		140.00
Utilities		
6810 · Gas and Electric	600.00	
Utilities - Other	0.00	
Total Utilities		600.00

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25
9000 · Suspense	0.00
Total Expense	1,830,390.00
Net Ordinary Income	-5,390.00
Other Income/Expense	
Other Income	
7010 · Interest Income	10,000.00
Total Other Income	10,000.00
Other Expense	
8016 · Conservation Ease/Deed Restri	0.00
Total Other Expense	0.00
Net Other Income	10,000.00
Net Income	**4,610.00**

Northwest Watershed Institute

BOARD OF DIRECTORS 2024-25

Board Members and Officers	**Affiliation and Term on the Board of Directors**
Peter Bahls President, Vice-President, Treasurer 3407 Eddy Street Port Townsend, WA 98368	Peter Bahls is currently full time Executive Director and Conservation Biologist for Northwest Watershed Institute. Term – 2023-2025
Jean Ball Board Member 10221 Center Road, Quilcene, WA 98368	Jean Ball is a farmer and naturalist in Quilcene, Washington. Term – 2024-2026
Scott Calhoun Board Member 5710 59th Ave NE Seattle, WA 98105	Scott Calhoun studied biology and geology in college and graduate school where he specialized in shorelines and watersheds. He owns forestland in the Tarboo watershed. Term – 2024-2026
Janis Henry Secretary 14445 SE 55th Street Bellevue, WA 98006	Janis Henry is a retired biotech patent attorney and chemist with over 30 years of experience. She is a life-long nature enthusiast and embraces adventure travel. Term – 2023-2025
Gene Jones Board Member 5860 NE Totten Road Poulsbo, WA 98370	Gene Jones is a member of the Port Gamble S'Klallam Tribe and spiritual leader for four Tribes in the Olympic Peninsula region. Term – 2023-2025
Liz Hoenig Kanieski 1005 Lawrence Street Port Townsend, WA 98368	Liz Hoenig Kanieski has over 25 years of experience as a field biologist, environmental educator, and environmental planner. Much of her work has focused on watershed protection, citizen engagement and water resources. Term – 2023-2025
Keith Lazelle Board Member PO Box 192 Quilcene, WA 98376	Keith Lazelle is an award-winning nature photographer who lives on Dabob Bay. His work has been used by many environmental organizations including Audubon, Hoh River Trust, The Nature Conservancy, and NWI. Term – 2024-2026

Northwest Watershed Institute

STAFF ROSTER 2025

Peter Bahls, Executive Director

Wesley Meyers, Stewardship Director

Megan Brookens, Education and Outreach Director

Robin Enge, Administrative Assistant

Eva Ellis, Field Crew

Bernt Goodson, Field Crew

Zack Hawkes, Field Crew

Hanna Petersen, Field Crew

Veronica Phelan, Field Crew

Grace Rabbitt Burke, Field Crew

Trevor Williams, Field Crew

Abel Dances, Carpenter

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	2,057,763.40	
4020 · Foundation	1,614.27	
4030 · State Funds	41,710.22	
Total Grant Revenue		2,101,087.89
Contributed Income		
4040 · Restricted	130,710.00	
4050 · Unrestricted	116,423.00	
Contributed Income - Other	520.00	
Total Contributed Income		247,653.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	7,673.37	
4182 · Rental Income - Yarr Caretaker	4,139.46	
Total Rental/Lease Income		15,812.83
Consulting/Miscellaneous		
4210 · Consulting Fees	1,155.00	
Total Consulting/Miscellaneous		1,155.00
Total Income		2,365,708.72
Gross Profit		2,365,708.72
Expense		
Health benefits		
6096 · Health insurance	31,075.72	
6094 · HSA Contribution	10,300.00	
Total Health benefits		41,375.72
6041 · Paypal Fees		289.80
6010 · Advertising		127.05
6030 · Automobile Expense		2,033.19
6040 · Bank Service Charges		499.77
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,130.00	
6093 · Liability Insurance	4,059.45	
Total Insurance		8,189.45
Land Acquisition		
6170 · Closing Expenses	0.00	
Total Land Acquisition		0.00
6180 · Licenses and Permits		15.00
6210 · Miscellaneous		163.37
Payroll Expenses		
Gross wages		
6237 · Education Director	23,754.50	
6231 · Director	73,333.48	
6232 · Stewardship Director	33,682.00	
6233 · Project Assistant	6,119.00	
6234 · Field Crew	86,245.20	
Total Gross wages	223,134.18	

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Payroll Taxes		
6246 · Paid Family and Medical Leave	1.19	
6240 · Medicare	3,305.81	
6241 · Social Security	14,169.09	
6243 · Workers Comp	10,942.09	
6245 · WA State Unemployment	3,687.53	
Total Payroll Taxes	32,105.71	
Payroll Expenses - Other	4,853.32	
Total Payroll Expenses		260,093.21
6250 · Postage and Delivery		744.74
6260 · Printing and Reproduction		758.11
Professional Fees		
6271 · Accounting	1,375.00	
6274 · Legal Fees	324.50	
Total Professional Fees		1,699.50
Program Expense		
6284 · Student Stipend	0.00	
6282 · Fees	1,553.89	
6283 · Project subcontractors	82,835.44	
6286 · Overrun	68.55	
Total Program Expense		84,457.88
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	9,769.44	
6310 · Building Repairs	9,207.34	
6320 · Computer Repairs	248.20	
6330 · Equipment Repairs	2,868.14	
Repairs and Maintenance - Other	474.37	
Total Repairs and Maintenance		22,567.49
Supplies		
6420 · Field Supplies	8,204.99	
6440 · Office Supplies	1,951.11	
Total Supplies		10,156.10
Taxes		
6510 · Property Taxes	4,963.81	
Total Taxes		4,963.81
Telephone/Communications		
6650 · Mobile phone	1,567.40	
6610 · Internet Server	758.50	
6620 · Telephone - Local	81.26	
Telephone/Communications - Other	142.28	
Total Telephone/Communications		2,549.44
Travel & Ent		
6720 · Meals	144.65	
Total Travel & Ent		144.65
Utilities		
6810 · Gas and Electric	696.03	
Utilities - Other	770.16	
Total Utilities		1,466.19

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24
9000 · Suspense	267.06
Total Expense	456,161.53
Net Ordinary Income	1,909,547.19
Other Income/Expense	
Other Income	
7010 · Interest Income	9,952.06
Total Other Income	9,952.06
Other Expense	
8016 · Conservation Ease/Deed Restri	782,040.09
Total Other Expense	782,040.09
Net Other Income	-772,088.03
Net Income	**1,137,459.16**

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

		Jun 30, 24
ASSETS		
Current Assets		
Checking/Savings		
First Fed CD -3090		51,430.51
First Federal CD -3091		51,523.58
First Fed Savings		52,417.11
1020 · Checking - Kitsap		59,986.66
Total Checking/Savings		215,357.86
Accounts Receivable		
1200 · Accounts Receivable		22,048.75
Total Accounts Receivable		22,048.75
Other Current Assets		
1250 · Prepaid Insurance		2,115.50
1300 · Employee advance		163.88
1499 · Undeposited Funds		111,313.33
Total Other Current Assets		113,592.71
Total Current Assets		350,999.32
Fixed Assets		
1513 · Vehicle - 2001 Ford xtra Cab		8,000.00
1554 · Trailers		4,000.00
1512 · Vehicle - Ford pickup		4,150.00
1530 · Kubota Tractor		16,709.10
1590 · Accumulated Depreciation		-28,592.08
Property		
1555 · Capital Improvements	3,035.20	
1551 · Land	2,197,217.48	
Total Property		2,200,252.68
Total Fixed Assets		2,204,519.70
TOTAL ASSETS		**2,555,519.02**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable		5,965.77
Total Accounts Payable		5,965.77
Other Current Liabilities		
2100 · Payroll Liabilities		
2105 · Fica, Medicare, FWH Payable	5,148.22	
2109 · WA - Paid Fam Med Leave Emp.	446.33	
2120 · Workers Comp Payable	5,013.23	
2130 · SUTA & EAF Payable	1,663.44	
2125 · FUTA Payable	267.06	
2100 · Payroll Liabilities - Other	489.77	
Total 2100 · Payroll Liabilities		13,028.05
2250 · Rental Security Deposit		3,000.00
Total Other Current Liabilities		16,028.05
Total Current Liabilities		21,993.82
Total Liabilities		21,993.82

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

	Jun 30, 24
Equity	
1110 · Retained Earnings	1,396,066.04
Net Income	1,137,459.16
Total Equity	2,533,525.20
TOTAL LIABILITIES & EQUITY	**2,555,519.02**

Northwest
Watershed Institute

3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 *fax* 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

Memo

To: Tarboo Creek Conservation Project File

From: Peter Bahls, Executive Director

CC:

Date: February 25, 2025

Re: Executive Committee Resolution to Submit Jefferson County Conservation Futures 2025 Application for the *Toandos Forest* project.

At its Annual Board Meeting of June 21, 2024, the Board of Directors of Northwest Watershed Institute unanimously approved the following resolution –

An executive committee comprised of Peter Bahls and Janis Henry shall serve as an executive committee to have the power to make on-going decisions between Board meetings per the existing by-laws.

On February 25, 2025 the executive committee approved the following resolution –

DECIDED – Northwest Watershed Institute shall sponsor and submit a grant application for Jefferson County Conservation Futures 2025 Program for the Toandos Forest project within the boundaries of the state's Dabob Bay Natural Area.

Priority: The Toandos Forest property is 6x the size of the Upper Yarr property and is at high risk of development if JCCF funding is not awarded, so it is considered the top priority for NWI.

Peter Bahls
President

Janis Henry
Secretary

February 27, 2025

Peter Bahls, Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

Dear Mr. Bahls:

I understand that Northwest Watershed Institute is applying for Jefferson County Conservation Futures (JCCF) grant funding to acquire and protect **Toandos Forest**, 6.38 acres of forestland within the state's Dabob Bay Natural Area boundaries. If successful, the grant funding will protect the forest under county deed restrictions and allow older forest habitats to develop, while permitting some limited harvest of trees and other forest products. We strongly support this project and want to convey the importance of the forest as a cultural resource to the Tribes.

The JCCF grant application states that cultural resources include "...traditional, religious, ceremonial, and social uses and activities of affected Indian Tribes...". I want to make it clear that the Toandos Forest is a cultural resource under this definition and the proposed plan for protection and restoration would help grow its importance.

Four tribes - Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe - are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon the forests of the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious.

Currently, the Tribe is enjoying a renaissance of weavers and artists using traditional methods and materials; especially materials from the cedar tree. For example, tribal members harvest the inner bark of large cedar trees for weaving baskets and clothing used for ceremonial purposes. They also harvest wood from cedar, big leaf maple, and alder trees to make large box drums, masks, and other traditional objects that the Tribes have used for thousands of years for religious and social ceremonies. However, with the conversion of vast areas to private industrial tree farms and development projects, it is increasing difficult for the Tribes to access forests suitable for traditional cultural uses.

The proposed project will protect an important cultural resource for the Tribes: a growing native forest where, with good stewardship, the benefits to the Tribes will continue to grow as the forest develops into an older, biologically diverse forest with a large variety of indigenous plants and trees of cultural importance. The Tarboo forest is significant not just for the materials it can offer over time, but the opportunity for the Tribe to harvest locally; the process of harvesting itself is infused with traditional, social and religious meaning that we want to pass on to the coming generations.

Sincerely,

Laura L. Price

Laura Price
Cultural Resources Director
Port Gamble S'Klallam Tribe
31912 Little Boston RD NE
Kingston WA 98346
Office: 360-297-9655
Cell: 360-509-7723

EXAMPLE OF RE-RECORD OF SWD FOR CONSERVATION FUTURES PURPOSES

AFTER RECORDING RETURN TO:

Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

DOCUMENT TITLE: Statutory Warranty Deed – Re-Record

GRANTOR: Rosie L. von Engel

GRANTEE: Northwest Watershed Institute

ABBREVIATED LEGAL DESCRIPTION (Complete description on Page 1): S29 T28 R1W Tax 2

ASSESSOR'S TAX PARCEL NUMBER(S): 801 293 003

REFERENCE NUMBERS OF RELATED DOCUMENTS: 658592

The parties are re-recording the Statutory Warranty Deed, recorded on 01/17/2023 in the official records of Jefferson County, Washington, under Auditor's File No. 658592 (a copy of which is attached hereto as Exhibit A), for the sole purpose of including language required by Jefferson County providing funding to Grantee Northwest Watershed Institute's acquisition of the property described in said Statutory Warranty Deed, and without additional consideration from Grantee to Grantor.

STATUTORY WARRANTY DEED
(RE-RECORD)

THE GRANTOR Rosie L. von Engel, now according to the application for title insurance Rose/Marie Ludmilla von Engel, as her separate estate for an in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION in hand paid, conveys and warrants to Northwest Watershed Institute, a Washington nonprofit corporation the following described real estate, situated in the County of Jefferson, State of Washington (the "Property"):

Tax Parcel Number(s): 801 293 003

That portion of the North 100 feet of the Southeast ¼ of the Southwest ¼ of Section 29, Township 28 North, Range 1 West, W.M. and that portion of the Northeast ¼ of the Southwest ¼ of said Section 29 lying Easterly of the Quilcene-Center County Road right of way as conveyed by Deed recorded March 13, 1956 under Auditor's File No. 149069 and Southerly of the Old Tarboo Lake Road as conveyed by Deed recorded March 1, 1948 under Auditor's File No. 112974, in Jefferson County, Washington;

Together with the West 158 feet of the North 100 feet of the Southwest ¼ of the Southeast ¼ in said Section 29.

Situate in the County of Jefferson, State of Washington.

SUBJECT TO: Covenants, Conditions, Restrictions, Easements, Plats and Surveys, if any, affecting title, which may appear in the public record

Grantee's costs of acquiring the Property were provided in part by grant funding from the Jefferson County Conservation Futures property tax authorized by Washington law. Grantee hereby agrees to be bound by Jefferson County Code (JCC) 3.08.030(9), the uses authorized under RCW 84.34.230, including the obligation to ensure the long-term conservation of the Property in accordance with the terms and conditions of this Notice of Grant Restrictions and Restrictive Covenants for Conservation Purposes, and to obtain the consent of Jefferson County prior to any conveyance of any interest acquired hereby. Consistent with JCC 3.08.030(9), the Property shall not be converted to a different use unless and only if other equivalent lands or interest in lands within Jefferson County are received by Grantee in exchange.

{Signature page(s) to follow}

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTOR:

_____
Rosie L. von Engel

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Rosie L. von Engel, known to me or proved by satisfactory evidence to be the individual described in this instrument, acknowledged before me that she signed this instrument as her free and voluntary act and deed for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

IN WITNESS WHEREOF, Grantee has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTEE:

NORTHWEST WATERSHED INSTITUTE

By:_____

Its:_____

Date:_____

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Peter Bahls, known to me or proved by satisfactory evidence to be the individual described in this instrument, acting in his capacity as Executive Director of Northwest Watershed Institute, acknowledged before me that he signed this instrument as the free and voluntary act and deed of such corporation for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

EXHIBIT A

Original Statutory Warranty Deed

{attached}

2025 Jefferson County Conservation Futures Fund 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 (360) 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. Project Title: **Upper Yarr Creek Protection**

2. Conservation Futures Acquisition Request: **$26,000**

   Conservation Futures O&M Request: **$0**

3. Total Conservation Futures Request: **$26,000**

4. Please indicate the type of interest contemplated in the acquisition process.
   X Warranty Deed OR Easement __ Other (*Please describe below.)*

   In whose name will the property title be held after acquisition? **Northwest Watershed Institute**

5. Applicant Information

Name of Applicant or Organization: **Northwest Watershed Institute**

Contact: **Peter Bahls**

Title: **Executive Director/Conservation Biologist**

Address: **3407 Eddy Street, Port Townsend, WA 98368**

Phone: **(360) 821-9566, ext.** ____ _____ Fax: ____ ext. ____

Email: **peter@nwwatershed.org**

6. Sponsor Information: *(if different than applicant)* **Same**

Organization Name:

Contact:

Title:

Address:

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

This application was approved by the sponsor's legally responsible body (*e.g., board, council, etc.)* on **February 25, 2025**

7. Project Location

Street Address or Description of Location: **12 Old Tarboo Road, Quilcene**
Driving Directions from Port Townsend: **South on Center Road, left at Old Tarboo Road and park**
Section: **29** Township: **28 N** Range: **1 W**

Assessor's Parcel Number(s): **801-293-003**

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. **The parcel is to be acquired with CF funds**

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

801-293-003 = $34,125

8. Existing Conditions

New Site: **Yes** No _____ Number of Parcels: **1**

Addition to Existing Site: Yes **No** _____ Acres to Be Acquired: **1.03**

Total Project Acreage (if different):_____ Current Zoning: **1 per 5**

Existing Structures/Facilities: **No**

Any current covenants, easements or restrictions on land use: **No**

Current Use: **Vacant land**

Waterfront *(name of body of water):* **Yarr Creek, tributary to Tarboo Creek**

Shoreline (*linear feet*): **NA**

Owner Tidelands/Shorelands: **NA**

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, and why you think preserving this property is important. Name three top objectives for the property (other than those related to funding). Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Fund 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.

Background, goals, and objectives

Since 2002, Northwest Watershed Institute (NWI), Jefferson Land Trust, and over 40 partnering organizations have been working on a landscape scale project to protect and restore the Tarboo-Dabob Bay watershed, with over 4,000 acres conserved to date. The three main objectives of the conservation effort are to: 1) protect and restore the stream and wetland corridor, from the headwaters of Tarboo Creek to Dabob Bay, 2) conserve uplands for sustainable forestry, 3) preserve lands within the Dabob Bay Natural Area.

For this project, NWI proposes to permanently protect a one acre parcel of critical stream and riparian habitat along Upper Yarr Creek. NWI purchased the property in 2023 to prevent development that would have impacted water quality, wildlife habitat, and downstream salmon habitat in Yarr Creek and Tarboo Creek.

The Jefferson County Conservation Futures Manual does not appear to prevent a conservation organization from securing reimbursement toward a property purchased prior to the grant agreement being in place. The manual does require that a Statutory Warranty Deed (SWD) be placed on the property that includes a paragraph of specific deed restriction language required by the county. Since this property was purchased by NWI in 2023, NWI is requesting county approval for reimbursement toward the fee simple appraised value of the property through one of two methods: 1) after the Conservation Futures grant agreement is in place, NWI re-records the Statutory Warranty Deed and includes the county's required language (see Supplemental information for example of the re-record of deed restriction), or 2) prior to signing a Conservation Futures grant agreement, NWI sells the property to an interim private buyer, then after the grant agreement is place, NWI purchases the property back and records a new SWD with the addition of the county's deed restrictions.

<u>Proposed uses</u>

The Property will be owned and stewarded by NWI as a unit of the Tarboo Wildlife Preserve. The property will serve as one of the places NWI brings students and other groups for field tours and educational trips to learn about the Tarboo watershed and stream habitats.

<u>Critical dates and urgency</u>

To afford permanent protection and stewardship of the property, NWI needs to secure at least partial reimbursement for the purchase made in 2023. The property has no deed restriction on it at present and NWI may need to sell the property in the future without funding to help fund the purchase and long term stewardship.

11. Estimate costs below, including the estimated or appraised value of the propert(ies) or property right(s) to be acquired, even if Conservation Futures Fund 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.

	JCCF Request	Match to JCCF	Total Cost	Timeline
Acquistion				
NWI Upper Yarr Ck property	20,000	20,000	40,000	Aug-25
Acquisition Related Costs:				Aug-25
Deed recording/legal/closing costs	1,000		1,000	
Appraisal	5,000		5,000	
Operations and Maintenance (O&M)				
Stewardship Plan		3,400	3,400	Sep-25
Project management and administration		2,600	2,600	Mar-25-Sept 25
Total Project Costs	26,000	26,000	52,000	
Percent match to JCCF		50%		

Estimated or Appraised Value of Propert(ies) to be Acquired: $**40,000**

Total Estimated Acquisition-related Cost (*see Conservation Futures Manual for eligible costs*): **$8,600**

Total Operation and Maintenance Cost: **$3,400**

Total Project Cost: **$52,000**

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):

Estimate of fee simple fair market value is based on a sale of property to NWI in 2023 for $37,000 and some increase since then.

Scored Questions

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

Sponsors or other organizations are required to contribute to acquisition of the proposed site and/or operation and maintenance activities.

1 a. Please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures Fund program funds.

Describe

1 b. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	**$26,000**	**$0**	**50%**
Matching Funds/Resources*	**$22,600**	**$3,400**	**50%**
Total Project Acquisition Cost	**$48,600**	**$3,400**	**100%**

** 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 c. Source of matching funds/resources	Amount of contribution	Contribution approved?		If not, when?	Contribution available now?		If not, when?
NWI land match	**$20,000**	**Yes**	No	**2025**	**Yes**	No	**2025**
NWI labor donation	**$6,000**	**Yes**	No	**2025**	**Yes**	No	**2025**

NOTE: Fifty-percent (50%) matching funds are required, and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right can 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 has the project sponsor identified the long-term stewardship issues for the proposed project?

2 a. Identify any factors, threats, or stressors that could negatively affect the conservation values and/or community benefits for which the property would be conserved.

No major stewardship issues. Property boundaries have been surveyed and marked. Adjoining property on two sides is permanently protected for forestry under conservation easement by Leopold-Freeman Forests.

2 b. Describe the management strategies that the stewardship plan will include to address the identified factors, threats, or stressors, including any actions planned to make these negative outcomes or impacts less likely.

Stewardship plan will the following management strategies: baseline assessment and restoration and stewardship plan to include: debris cleanup, annual monitoring for weed control and encroachment issues, road decommission and revegetation, potential selective thinning (non-commercial), and tree planting as needed to help restore older forest habitat and species and structural diversity.

2 c. Describe any existing water rights, and current uses of water. Identify any conservation values currently being protected that are dependent on these sources of water.

No water rights and no use of water on the property.

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.

Northwest Watershed Institute is a nonprofit conservation organization that provides scientific, technical and on-the-ground support for watershed restoration and has been conducting habitat stewardship and restoration projects in the Tarboo watershed for over 20 years. NWI employs

conservation biologists and professional restoration field crew and has extensive experience stewarding and managing the Tarboo Wildlife Preserve and private and state conservation properties using professional staff, experienced field crew, contractors, and volunteers.

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

_____No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures Fund funds.

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

Yes. NWI has been involved in eleven previous successful Conservation Futures funded projects in the Tarboo watershed including nine conservation easement projects proposed jointly by NWI and JLT and two fee simple projects. NWI is now completing the West Slope Forest acquisition funded in 2024.

4. 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:

X is specifically identified in an adopted open space, conservation, or resource preservation program or plan, or community conservation effort, that provided opportunities for public review and comment. *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 that was open to public review, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*

__is a stand-alone project, or part of a project that was not open to public review.

Jefferson Land Trust's *Jefferson County Conservation Plan* (2010) generally identifies the Property as within a priority forest conservation area. https://www.saveland.org/wp-content/uploads/2016/06/2010_JLT_ConservationPlan_LoRes.pdf

More specifically, the Property is within two mapped priority areas of the *Tarboo Creek/Dabob Bay Implementation Strategy*, a Sub-Plan of JLT's *Jefferson County Conservation Plan (2010)*. Those priority areas are: 1) the priority habitat stream corridor area and 2) the priority forests area.

The Property is a top priority in Northwest Watershed Institute's *Tarboo Watershed Conservation Strategy* to protect and restore the stream and wildlife corridor of Tarboo Creek (Objective 1) and also fits within the Forestland protection objective (objective 3) http://www.nwwatershed.org/tarboo-watershed-conservation-strategy.html

The proposed properties are within a large priority terrestrial conservation area identified and mapped in the *Willamette Valley- Puget Trough- -Georgia Basin Ecoregional Assessment* (2004 Floberg et al). This priority area includes much of the Tarboo and Thorndyke watersheds. The Ecoregional plan, developed by Washington Department of Fish and Wildlife and The Nature Conservancy, is one of the primary conservation plans for Puget Sound and has received extensive public and scientific review.

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

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

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

NWI purchased the property in 2023 in a bidding war with another potential buyer who wanted to move onto the property with a trailer and storage containers that would likely have caused severe impacts to Yarr Creek, its riparian habitat, and downstream habitat on Tarboo Creek and NWI's Tarboo Wildlife Preserve. The property is comprised mostly of critical habitat of Yarr Creek, its riparian forest and associated steep slope ravines. If NWI cannot secure funding to protect the property under county deed restriction and help fund long term stewardship, NWI may need to sell the parcel and it could be heavily impacted by inappropriate residential development.

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

6 a. Summarize the project's conservation values and how the CFF funds requested support these values.

The project's conservation values are extremely high relative to CF funds requested because the project is low cost and most of the acreage represents critical stream and riparian habitat.

Upper Yarr Creek flows into Tarboo Creek on the Tarboo Wildlife Preserve, so protection of this small critical parcel helps secure water quality and important salmon habitat downstream.

The property also adjoins permanently conserved forestlands on two sides, so protection of this parcel will help long term wildlife connectivity of the larger area.

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

The project's conservation values of stream, salmon habitat, and water quality, as well as wildlife habitat and connectivity are directly served by NWI's objective to fully and permanently protect the parcel as a unit of the Tarboo Wildlife Preserve.

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

7 a. **X** 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).

7 b. **X** provides habitat for native flora and fauna. Identify the documented habitat(s) and native flora or fauna species that will be protected by the project.

7 c. **X** contributes to a wildlife corridor or migration route identified by Washington Connectivity Working Group or other peer-reviewed source.

.

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]

Priority and Listed Species on-site

Tarboo Creek tributaries	**Priority Riparian Habitat**
Western toad (nearby)	**State Candidate and Federal Species of Concern**
Pileated woodpecker (on site)	**State Candidate**

Documented observations by Peter Bahls, NWI

Listed Species benefited downstream in lower Yarr Creek and Tarboo Creek:

Puget Sound steelhead (likely)	**State Candidate and Federal Threatened**
Hood Canal coho salmon (Yarr Ck)	**Federal Species of Concern**
Western Brook lamprey (likely)	**Federal Species of Concern**

Documented in WDFW fish distribution mapping and NWI survey data

Listed Species benefited downstream in Tarboo-Dabob Bay (documented rearing habitat)

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

Documented in NWI's nearshore fish survey report - http://www.nwwatershed.org/uploads/pdf/tarbooFishSurvey.pdf

Provides habitat for a variety of native flora and fauna

The project will protect stream, riparian and forest habitats that support a high diversity of at-risk fish, bird, amphibian, and mammal species that occur in Pacific Northwest forests, including western toad, amphibians, bats, bear, cougar, blacktail deer, and neo-tropical migratory birds. The property comprises stream and riparian habitat along the Yarr Creek ravine, especially important for birds and other wildlife.

Wildlife corridor

The property is a small but critical piece of a long-term effort to protect a significant wildlife corridor from the Tarboo valley to the uplands along Yarr Creek and also directly connects with large protected forestlands. For example, during the Conservation Futures field tour, a radio collared cougar named Yenewes was on a kill site on lower Yarr Creek about ¼ mile away. She has a den with three cubs on the other side of Center Road and is frequently tracked in this area (Matt Mahan, Panthera project).

---

[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

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

8. 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.

Upper Yarr Creek is listed in DNR's stream type mapping as fish bearing, and cutthroat may occur. Lower Yarr Creek, about one-quarter mile downstream, has documented use as spawning habitat by coho salmon and coastal cutthroat trout (per NWI spawning surveys since 2002). The project will protect downstream water quality for salmon in Yarr Creek and Tarboo Creek, as well as helping protect water quality of Dabob Bay, used by juvenile rearing salmon.

Listed Species benefited in adjacent downstream Yarr Creek and Tarboo Creek:

Puget Sound steelhead (historic)	**State Candidate and Federal Threatened**
Hood Canal coho salmon	**Federal Species of Concern**
Western Brook lamprey	**Federal Species of Concern**

Listed Species benefited downstream in Tarboo-Dabob Bay (documented rearing habitat)

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

9. To what degree does the project preserve farmland for agricultural use OR preserve forestland for forest management?

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

Forest management (non-commercial) will be conducted for restoration purposes, such as weed control, hand selective thinning of young alder, planting of native tree species to restore older forest habitat. These activities will be detailed in the proposed Stewardship Plan.

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

Complete protection of the parcel will allow for full preservation and restoration of soils, water quality, and other watershed functions over time.

9 c. Does this project preserve a mix of quality farmland and forestland?

This specific project involves forestland and habitat protection and does not include agriculture. However, if the definition of agriculture is broadened to include native food foraging, the Property has potential for gathering of black truffles and other edible mushrooms and deer hunting. In addition, although this property does not include agricultural lands, within the context of the large conservation effort for the Tarboo-Dabob Bay watershed, NWI, JLT, and partners are preserving a mix of agricultural lands, forestlands, wetlands, and wildlife habitats.

10. To what degree does this project increase resiliency to and mitigation of climate change, and is the project's scale significant in regards to increasing climate resiliency?

10. Describe how this project will increase resiliency to and mitigation of climate change. Is the project's scale significant in regards to increasing climate resiliency?

This project will increase habitat and wildlife resilience to climate extremes of winter flooding and summer high temperatures by:

1) **protecting riparian vegetation and their undisturbed steep slopes that are vulnerable to increased erosion and sediment impacts to stream habitats during winter flooding, and**
2) **protecting riparian forests and their ability to provide shade that will help reduce summer stream temperatures and impacts to fish.**

11. What area does the project serve?

11 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.

Although the project acreage is small, it benefits a broad county area because it is a key part of a conservation project that extends from the headwaters of Tarboo Creek to the state's Dabob Bay Natural Area to protect and restore habitats and wildlife connectivity on a landscape scale. In particular, the project proposes protection of a critical section of Yarr Creek, where, if developed, there would likely be outsized impacts on downstream salmon habitat, adjoining protected habitats of the Leopold-Freeman Forest and the Tarboo Wildlife Preserve, and potentially the water quality of Dabob Bay, regionally important for shellfish production and public recreation.

11 b. Is the project located in an area that is under-represented by CFF 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.*

No.

12. To what degree is the applicant committing to providing educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

12. Describe the educational or interpretive opportunities that the applicant will provide for 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] Provide the time frames when each of the above will be implemented.

The Property is easily accessible from Center Road and NWI plans to use it as site for supervised field trips of the Tarboo watershed for NWI's education programs for students and community members.

As described in the letter from the Port Gamble S'Klallam Tribe, the Property will also serve an important place for the Tribes to pass on traditions of sustainable gathering of forest plants used for cultural purposes and ceremonies.

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[2] The words "education" and "interpretation" are interpreted broadly by the CFF Committee.

The Property is also available for public access by prior permission, including deer hunting, berry picking, and mushroom picking, three important recreational uses in rural areas

13. To what degree does the project preserve historic or culturally significant resources[3]?

13. The proposed acquisition

__ includes historic or culturally significant resources[4] and

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

X is recognized locally has 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.

Please see letter from Laura Price, Cultural Resources Director for the Port Gamble S'Klallam Tribe, that attests to the importance of this Property for preserving and restoring cultural resources.

The Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon a diversity of intact native plant communities in the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious. The project site's forest is easily accessible and will provide resources for tribal uses, such as cedar bark for basket weaving. If funded, the project will permanently conserve the forest while allowing sustainable harvest and gathering to maintain tribal cultural traditions.

Standalone O & M Projects

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

14. 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

[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.

Upper Yampa

values of the site and whether the proposed O & M activities will mitigate those threats and/or prevent potential future threats.

Verification

15. Sponsor commitments:

15 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.

15 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. PB Initials 2/28/25 Date

15 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.
PB Initials 2/28/25 Date

15 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. PB Initials 2/28/25 Date

15 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. PB Initials 2/28/25 Date

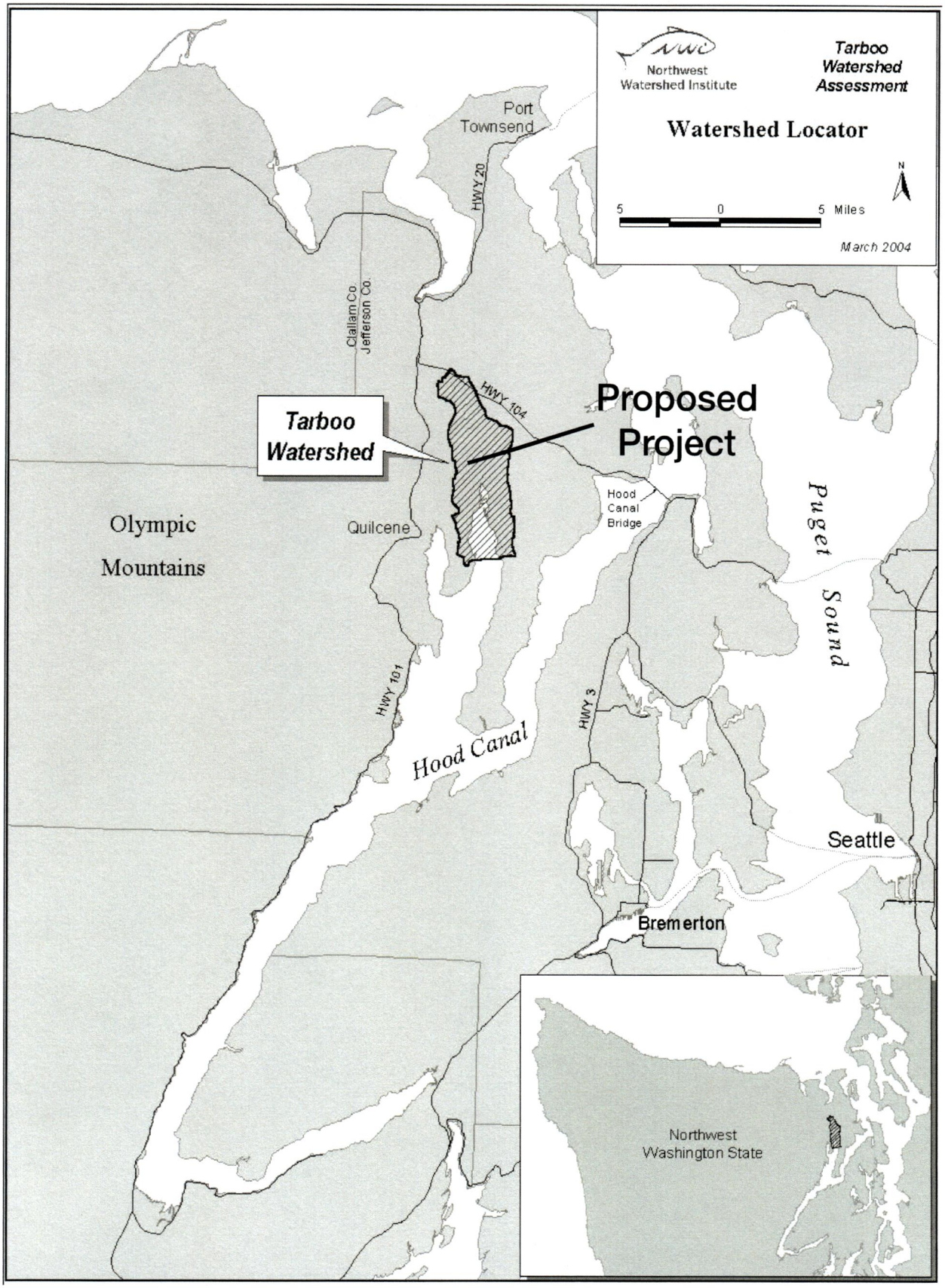


Figure 1. Project location within the Tarboo Creek-Dabob Bay and Hood Canal watersheds.

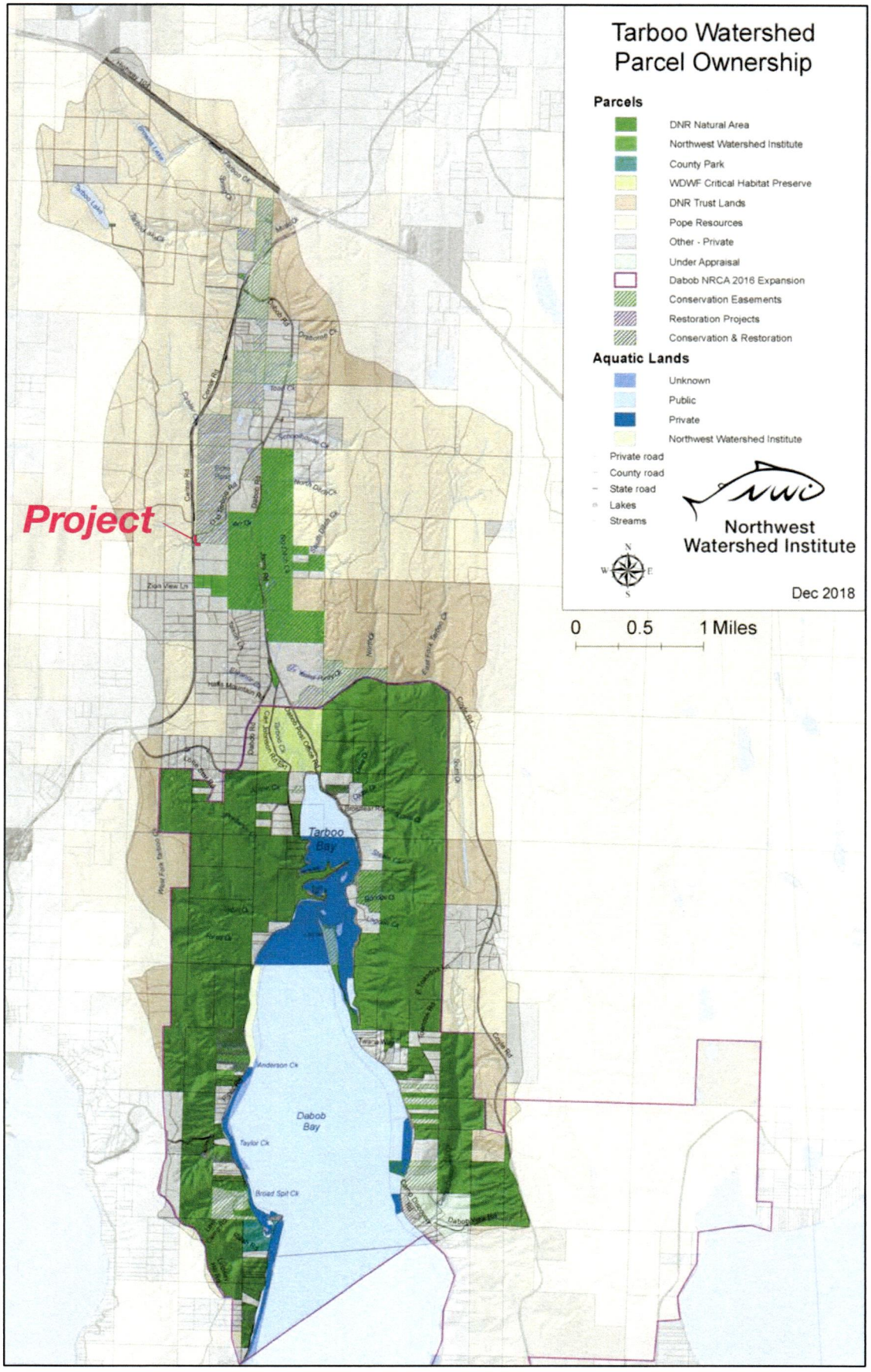


Figure 2. Project location within the Tarboo Creek watershed.

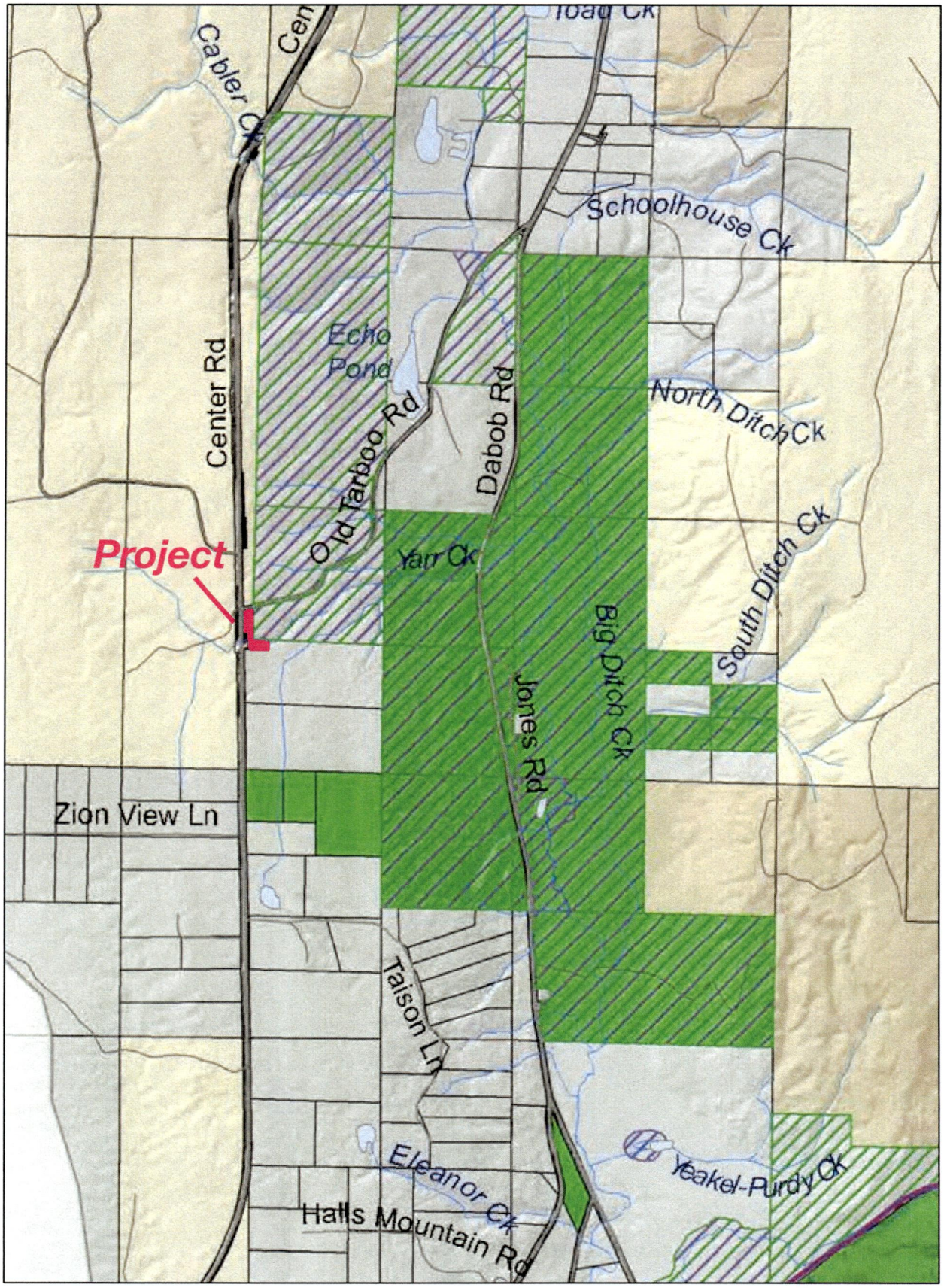


Figure 3. The proposed acquisition adjoins permanently conserved lands of the Leopold-Freeman Forests (hatched lines) and upstream of NWI's Tarboo Wildlife Preserve (green).

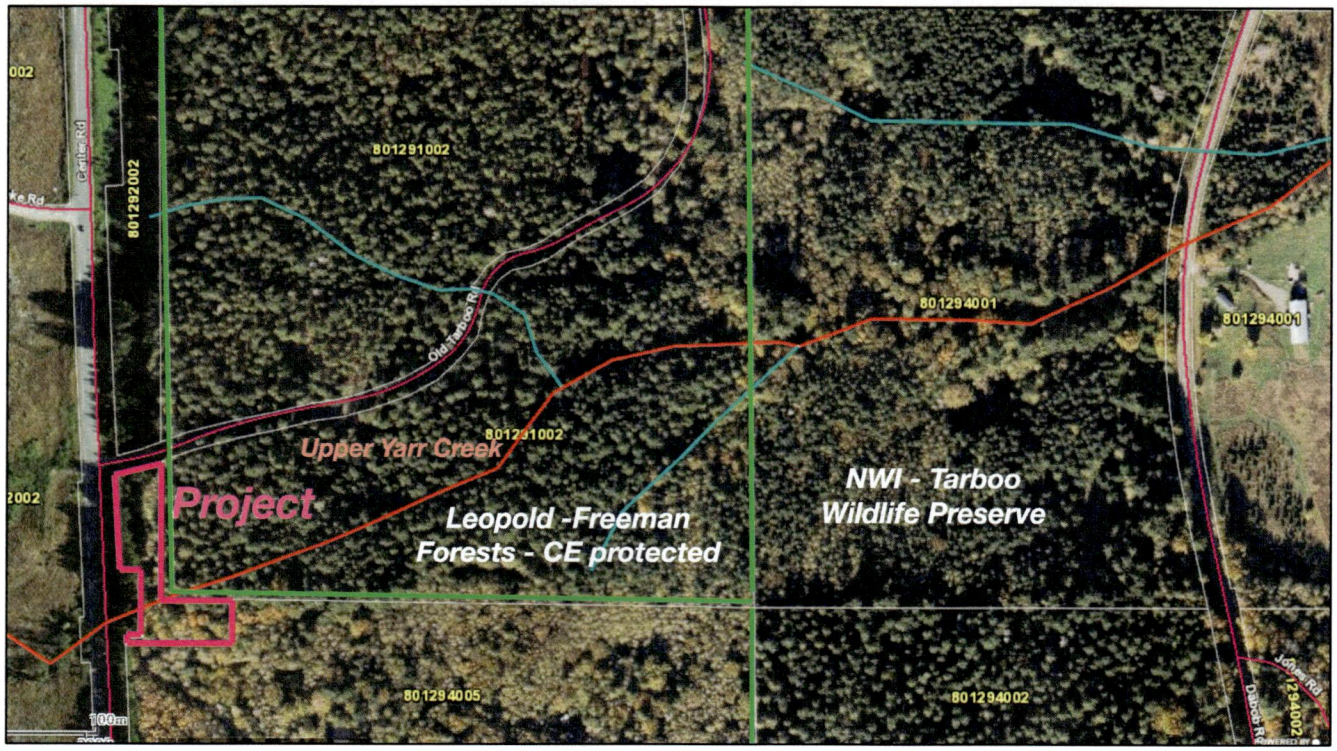


Figure 4. The project is along Upper Yarr Creek (mapped in red) that flows to the Tarboo Widllife Preserve.

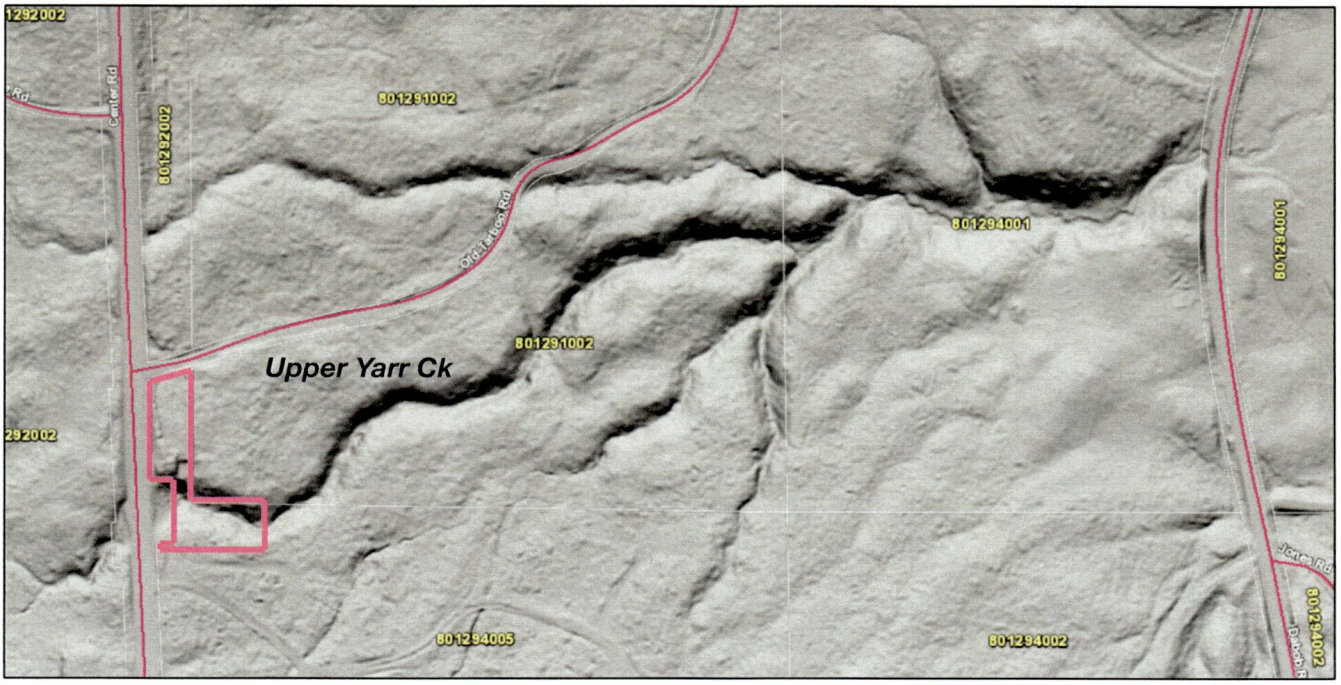


Figure 5. Lydar show the project in relation to Yarr Creek and tributaries in ravines.



Figure 6. Arial photo showing actual stream course and riparian vegetation through the property.

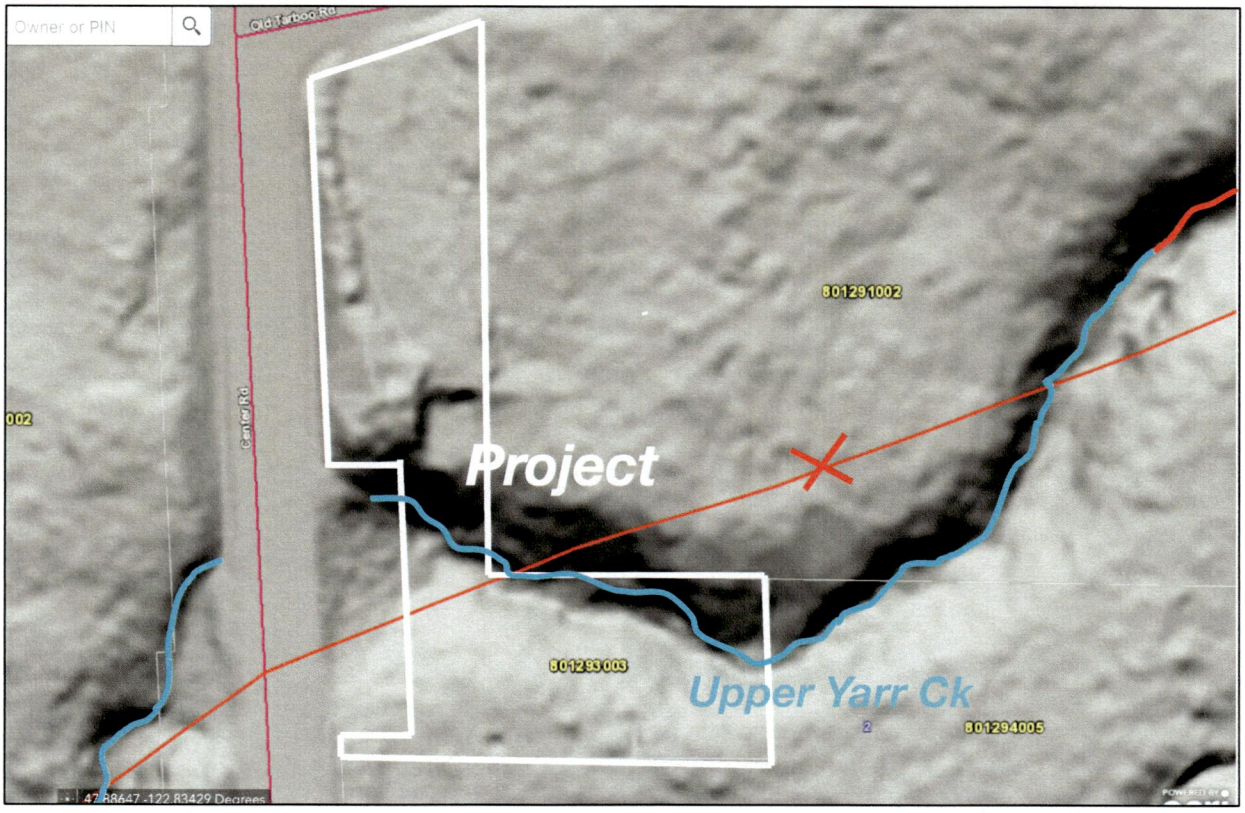


Figure 7.Lydar image showing Upper Yarr Creek in ravine that runs through the property. Orange line is incorrect stream location shown on Jefferson County GIS.



Figure 8. Upper Yarr Creek and riparian forest on the property. Most of the property is Priority Habitat.



Figure 9. Mixed mature native forest on the property.



Figure 10. Steep side slope in Upper Yarr Creek ravine.



Figure 11. The south side of property includes younger hardwood forest.



Figure 12. Western toad, a state listed at-risk species, has been found nearby and is expected to use forest habitat on the property.

Jefferson County Conservation Futures Proposal 2025
Upper Yarr Creek Acquisition Project

SUPPLEMENTAL MATERIALS

Proof of willing seller: See narrative, project sponsor proposing to sell deed restriction to property already owned by NWI.

Estimate of value: No appraisal required. Requesting $20,000 or less.

Site location map: See separate PDF, maps and photos

Critical areas map: See separate PDF, maps and photos

Project boundary map: See separate PDF, maps and photos

Color images: See separate PDF, maps and photos

Development plan or Narrative: NA

Proof of 501c3 status

Current budget: 2024-2025

Board roster: 2024-2025

Staff roster: 2025

Financial statements: last fiscal year July 2023-June 2024

Resolution to submit proposal: NWI executive committee resolution

Cultural Resources letter from Port Gamble S'Klallam Tribe, Feb 27, 2025

Northwest
Watershed Institute

3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 *fax* 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

February 27, 2025

Dear Jefferson County Conservation Futures Committee:

NWI is willing to protect the Upper Yarr Creek property through compensation to NWI for placing a permanent county deed restriction on the property that prohibits all uses incompatible with habitat conservation and restoration.

Sincerely,

Peter Bahls

Executive Director

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 24 2006

NORTHWEST WATERSHED INSTITUTE
3407 EDDY STREET
PORT TOWNSEND, WA 98368-0000

Employer Identification Number:
93-1325820
DLN:
17053259778026
Contact Person:
CLINTON L FORTNER ID# 31163
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated JANUARY 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

		Jul '24 - Jun 25
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	1,500,000.00	
4020 · Foundation	2,000.00	
4030 · State Funds	42,000.00	
Total Grant Revenue		1,544,000.00
Contributed Income		
4040 · Restricted	131,000.00	
4050 · Unrestricted	120,000.00	
Contributed Income - Other	0.00	
Total Contributed Income		251,000.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	18,000.00	
4182 · Rental Income - Yarr Caretaker	6,000.00	
Total Rental/Lease Income		28,000.00
Consulting/Miscellaneous		
4210 · Consulting Fees	2,000.00	
Total Consulting/Miscellaneous		2,000.00
Total Income		1,825,000.00
Gross Profit		1,825,000.00
Expense		
Health benefits		
6096 · Health insurance	34,000.00	
6094 · HSA Contribution	10,600.00	
Total Health benefits		44,600.00
6041 · Paypal Fees		300.00
6010 · Advertising		100.00
6030 · Automobile Expense		2,500.00
6040 · Bank Service Charges		500.00
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,000.00	
6093 · Liability Insurance	4,000.00	
Total Insurance		8,000.00
Land Acquisition		
6170 · Closing Expenses	40,000.00	
6150 · Land	1,300,000.00	
Land Acquisition - Other	0.00	
Total Land Acquisition		1,340,000.00
6180 · Licenses and Permits		0.00
6210 · Miscellaneous		0.00
Payroll Expenses		
Gross wages		
6237 · Education Director	24,000.00	
6231 · Director	90,000.00	
6232 · Stewardship Director	36,000.00	
6233 · Project Assistant	7,000.00	
6234 · Field Crew	88,000.00	
Total Gross wages		245,000.00

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Payroll Taxes		
6246 · Paid Family and Medical Leave	0.00	
6240 · Medicare	3,500.00	
6241 · Social Security	15,000.00	
6243 · Workers Comp	11,000.00	
6245 · WA State Unemployment	3,600.00	
Total Payroll Taxes	33,100.00	
Payroll Expenses - Other	0.00	
Total Payroll Expenses		278,100.00
6250 · Postage and Delivery		750.00
6260 · Printing and Reproduction		750.00
Professional Fees		
6271 · Accounting	1,500.00	
6274 · Legal Fees	2,000.00	
Total Professional Fees		3,500.00
Program Expense		
6284 · Student Stipend	2,000.00	
6282 · Fees	1,600.00	
6283 · Project subcontractors	40,000.00	
6286 · Overrun	0.00	
Total Program Expense		43,600.00
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	0.00	
6310 · Building Repairs	50,000.00	
6320 · Computer Repairs	250.00	
6330 · Equipment Repairs	3,000.00	
Repairs and Maintenance - Other	500.00	
Total Repairs and Maintenance		53,750.00
Supplies		
6420 · Field Supplies	30,000.00	
6440 · Office Supplies	2,000.00	
Total Supplies		32,000.00
Taxes		
6510 · Property Taxes	5,000.00	
Total Taxes		5,000.00
Telephone/Communications		
6650 · Mobile phone	1,800.00	
6610 · Internet Server	800.00	
6620 · Telephone - Local	0.00	
Telephone/Communications - Other	0.00	
Total Telephone/Communications		2,600.00
Travel & Ent		
6720 · Meals	140.00	
Total Travel & Ent		140.00
Utilities		
6810 · Gas and Electric	600.00	
Utilities - Other	0.00	
Total Utilities		600.00

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25
9000 · Suspense	0.00
Total Expense	1,830,390.00
Net Ordinary Income	-5,390.00
Other Income/Expense	
Other Income	
7010 · Interest Income	10,000.00
Total Other Income	10,000.00
Other Expense	
8016 · Conservation Ease/Deed Restri	0.00
Total Other Expense	0.00
Net Other Income	10,000.00
Net Income	**4,610.00**

Northwest Watershed Institute

BOARD OF DIRECTORS 2024-25

Board Members and Officers	**Affiliation and Term on the Board of Directors**
Peter Bahls President, Vice-President, Treasurer 3407 Eddy Street Port Townsend, WA 98368	Peter Bahls is currently full time Executive Director and Conservation Biologist for Northwest Watershed Institute. Term – 2023-2025
Jean Ball Board Member 10221 Center Road, Quilcene, WA 98368	Jean Ball is a farmer and naturalist in Quilcene, Washington. Term – 2024-2026
Scott Calhoun Board Member 5710 59th Ave NE Seattle, WA 98105	Scott Calhoun studied biology and geology in college and graduate school where he specialized in shorelines and watersheds. He owns forestland in the Tarboo watershed. Term – 2024-2026
Janis Henry Secretary 14445 SE 55th Street Bellevue, WA 98006	Janis Henry is a retired biotech patent attorney and chemist with over 30 years of experience. She is a life-long nature enthusiast and embraces adventure travel. Term – 2023-2025
Gene Jones Board Member 5860 NE Totten Road Poulsbo, WA 98370	Gene Jones is a member of the Port Gamble S'Klallam Tribe and spiritual leader for four Tribes in the Olympic Peninsula region. Term – 2023-2025
Liz Hoenig Kanieski 1005 Lawrence Street Port Townsend, WA 98368	Liz Hoenig Kanieski has over 25 years of experience as a field biologist, environmental educator, and environmental planner. Much of her work has focused on watershed protection, citizen engagement and water resources. Term – 2023-2025
Keith Lazelle Board Member PO Box 192 Quilcene, WA 98376	Keith Lazelle is an award-winning nature photographer who lives on Dabob Bay. His work has been used by many environmental organizations including Audubon, Hoh River Trust, The Nature Conservancy, and NWI. Term – 2024-2026

Northwest Watershed Institute

STAFF ROSTER 2025

Peter Bahls, Executive Director

Wesley Meyers, Stewardship Director

Megan Brookens, Education and Outreach Director

Robin Enge, Administrative Assistant

Eva Ellis, Field Crew

Bernt Goodson, Field Crew

Zack Hawkes, Field Crew

Hanna Petersen, Field Crew

Veronica Phelan, Field Crew

Grace Rabbitt Burke, Field Crew

Trevor Williams, Field Crew

Abel Dances, Carpenter

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	2,057,763.40	
4020 · Foundation	1,614.27	
4030 · State Funds	41,710.22	
Total Grant Revenue		2,101,087.89
Contributed Income		
4040 · Restricted	130,710.00	
4050 · Unrestricted	116,423.00	
Contributed Income - Other	520.00	
Total Contributed Income		247,653.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	7,673.37	
4182 · Rental Income - Yarr Caretaker	4,139.46	
Total Rental/Lease Income		15,812.83
Consulting/Miscellaneous		
4210 · Consulting Fees	1,155.00	
Total Consulting/Miscellaneous		1,155.00
Total Income		2,365,708.72
Gross Profit		2,365,708.72
Expense		
Health benefits		
6096 · Health insurance	31,075.72	
6094 · HSA Contribution	10,300.00	
Total Health benefits		41,375.72
6041 · Paypal Fees		289.80
6010 · Advertising		127.05
6030 · Automobile Expense		2,033.19
6040 · Bank Service Charges		499.77
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,130.00	
6093 · Liability Insurance	4,059.45	
Total Insurance		8,189.45
Land Acquisition		
6170 · Closing Expenses	0.00	
Total Land Acquisition		0.00
6180 · Licenses and Permits		15.00
6210 · Miscellaneous		163.37
Payroll Expenses		
Gross wages		
6237 · Education Director	23,754.50	
6231 · Director	73,333.48	
6232 · Stewardship Director	33,682.00	
6233 · Project Assistant	6,119.00	
6234 · Field Crew	86,245.20	
Total Gross wages	223,134.18	

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Payroll Taxes		
6246 · Paid Family and Medical Leave	1.19	
6240 · Medicare	3,305.81	
6241 · Social Security	14,169.09	
6243 · Workers Comp	10,942.09	
6245 · WA State Unemployment	3,687.53	
Total Payroll Taxes		32,105.71
Payroll Expenses - Other		4,853.32
Total Payroll Expenses		260,093.21
6250 · Postage and Delivery		744.74
6260 · Printing and Reproduction		758.11
Professional Fees		
6271 · Accounting	1,375.00	
6274 · Legal Fees	324.50	
Total Professional Fees		1,699.50
Program Expense		
6284 · Student Stipend	0.00	
6282 · Fees	1,553.89	
6283 · Project subcontractors	82,835.44	
6286 · Overrun	68.55	
Total Program Expense		84,457.88
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	9,769.44	
6310 · Building Repairs	9,207.34	
6320 · Computer Repairs	248.20	
6330 · Equipment Repairs	2,868.14	
Repairs and Maintenance - Other	474.37	
Total Repairs and Maintenance		22,567.49
Supplies		
6420 · Field Supplies	8,204.99	
6440 · Office Supplies	1,951.11	
Total Supplies		10,156.10
Taxes		
6510 · Property Taxes	4,963.81	
Total Taxes		4,963.81
Telephone/Communications		
6650 · Mobile phone	1,567.40	
6610 · Internet Server	758.50	
6620 · Telephone - Local	81.26	
Telephone/Communications - Other	142.28	
Total Telephone/Communications		2,549.44
Travel & Ent		
6720 · Meals	144.65	
Total Travel & Ent		144.65
Utilities		
6810 · Gas and Electric	696.03	
Utilities - Other	770.16	
Total Utilities		1,466.19

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24
9000 · Suspense	267.06
Total Expense	456,161.53
Net Ordinary Income	1,909,547.19
Other Income/Expense	
Other Income	
7010 · Interest Income	9,952.06
Total Other Income	9,952.06
Other Expense	
8016 · Conservation Ease/Deed Restri	782,040.09
Total Other Expense	782,040.09
Net Other Income	-772,088.03
Net Income	**1,137,459.16**

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

		Jun 30, 24
ASSETS		
Current Assets		
Checking/Savings		
First Fed CD -3090		51,430.51
First Federal CD -3091		51,523.58
First Fed Savings		52,417.11
1020 · Checking - Kitsap		59,986.66
Total Checking/Savings		215,357.86
Accounts Receivable		
1200 · Accounts Receivable		22,048.75
Total Accounts Receivable		22,048.75
Other Current Assets		
1250 · Prepaid Insurance		2,115.50
1300 · Employee advance		163.88
1499 · Undeposited Funds		111,313.33
Total Other Current Assets		113,592.71
Total Current Assets		350,999.32
Fixed Assets		
1513 · Vehicle - 2001 Ford xtra Cab		8,000.00
1554 · Trailers		4,000.00
1512 · Vehicle - Ford pickup		4,150.00
1530 · Kubota Tractor		16,709.10
1590 · Accumulated Depreciation		-28,592.08
Property		
1555 · Capital Improvements	3,035.20	
1551 · Land	2,197,217.48	
Total Property		2,200,252.68
Total Fixed Assets		2,204,519.70
TOTAL ASSETS		**2,555,519.02**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable		5,965.77
Total Accounts Payable		5,965.77
Other Current Liabilities		
2100 · Payroll Liabilities		
2105 · Fica, Medicare, FWH Payable	5,148.22	
2109 · WA - Paid Fam Med Leave Emp.	446.33	
2120 · Workers Comp Payable	5,013.23	
2130 · SUTA & EAF Payable	1,663.44	
2125 · FUTA Payable	267.06	
2100 · Payroll Liabilities - Other	489.77	
Total 2100 · Payroll Liabilities		13,028.05
2250 · Rental Security Deposit		3,000.00
Total Other Current Liabilities		16,028.05
Total Current Liabilities		21,993.82
Total Liabilities		21,993.82

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

	Jun 30, 24
Equity	
1110 · Retained Earnings	1,396,066.04
Net Income	1,137,459.16
Total Equity	2,533,525.20
TOTAL LIABILITIES & EQUITY	**2,555,519.02**

Northwest
Watershed Institute

3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 *fax* 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

Memo

To: Tarboo Creek Conservation Project File

From: Peter Bahls, Executive Director

CC:

Date: February 25, 2025

Re: Executive Committee Resolution to Submit Jefferson County Conservation Futures 2025 Application for the *Upper Yarr Creek* project.

At its Annual Board Meeting of June 21, 2024, the Board of Directors of Northwest Watershed Institute unanimously approved the following resolution –

An executive committee comprised of Peter Bahls and Janis Henry shall serve as an executive committee to have the power to make on-going decisions between Board meetings per the existing by-laws.

On February 25, 2025 the executive committee approved the following resolution –

DECIDED – Northwest Watershed Institute shall sponsor and submit a grant application for Jefferson County Conservation Futures 2025 Program to propose acquisition and restoration of the 1-acre Upper Yarr Creek project.

Priority: The Toandos Forest property is 6x the size of the Upper Yarr property and is at high risk of development if JCCF funding is not awarded, so it is considered the top priority for NWI.

Peter Bahls
President

Janis Henry
Secretary

February 27, 2025

Peter Bahls, Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

Dear Mr. Bahls:

I understand that Northwest Watershed Institute is applying for Jefferson County Conservation Futures (JCCF) grant funding to acquire and protect **Upper Yarr Creek**, 1 acre of stream and riparian forest habitat adjacent to protected lands of the Leopold-Freeman Forest and flowing into lower Yarr Creek on NWI's Tarboo Wildlife Preserve in the Tarboo valley. If successful, the grant funding will protect the forest under county deed restrictions and allow older forest habitats to develop. We strongly support this project and want to convey the importance of the forest and stream habitat as a cultural resource to the Tribes.

The JCCF grant application states that cultural resources include "...traditional, religious, ceremonial, and social uses and activities of affected Indian Tribes...". I want to make it clear that the Upper Yarr Creek property is a cultural resource under this definition and the proposed plan for protection and restoration would help grow its importance.

Four tribes - Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe - are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon the forests of the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious.

Salmon and shellfish are central to sustaining the cultural heritage of the Tribes. Yarr Creek is an important coho salmon spawning stream and these habitats are recognized by the Tribe not just as natural resources but as cultural resources vital for sustaining salmon runs, as well protecting water quality for shellfish production in Dabob Bay.

In addition, Tribal members harvest wood from cedar, big leaf maple, and alder trees to make large box drums, masks, and other traditional objects that the Tribes have used for thousands of years for religious and social ceremonies. However, with the conversion of vast areas to private industrial tree farms and development projects, it is increasing difficult for the Tribes to access forests suitable for traditional cultural uses.

The proposed project will protect important cultural resources for the Tribes: habitat that sustains salmon and shellfish and forest that provides a large variety of indigenous plants and trees of cultural importance. s.

Sincerely,

Laura L. Price

Laura Price
Cultural Resources Director
Port Gamble S'Klallam Tribe
31912 Little Boston RD NE
Kingston WA 98346
Office: 360-297-9655
Cell: 360-509-7723

EXAMPLE OF RE-RECORD OF SWD FOR CONSERVATION FUTURES PURPOSES

AFTER RECORDING RETURN TO:

Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

DOCUMENT TITLE: Statutory Warranty Deed – Re-Record

GRANTOR: Rosie L. von Engel

GRANTEE: Northwest Watershed Institute

ABBREVIATED LEGAL DESCRIPTION (Complete description on Page 1): S29 T28 R1W Tax 2

ASSESSOR'S TAX PARCEL NUMBER(S): 801 293 003

REFERENCE NUMBERS OF RELATED DOCUMENTS: 658592

The parties are re-recording the Statutory Warranty Deed, recorded on 01/17/2023 in the official records of Jefferson County, Washington, under Auditor's File No. 658592 (a copy of which is attached hereto as Exhibit A), for the sole purpose of including language required by Jefferson County providing funding to Grantee Northwest Watershed Institute's acquisition of the property described in said Statutory Warranty Deed, and without additional consideration from Grantee to Grantor.

STATUTORY WARRANTY DEED
(RE-RECORD)

THE GRANTOR Rosie L. von Engel, now according to the application for title insurance Rose/Marie Ludmilla von Engel, as her separate estate for an in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION in hand paid, conveys and warrants to Northwest Watershed Institute, a Washington nonprofit corporation the following described real estate, situated in the County of Jefferson, State of Washington (the "Property"):

Tax Parcel Number(s): 801 293 003

That portion of the North 100 feet of the Southeast ¼ of the Southwest ¼ of Section 29, Township 28 North, Range 1 West, W.M. and that portion of the Northeast ¼ of the Southwest ¼ of said Section 29 lying Easterly of the Quilcene-Center County Road right of way as conveyed by Deed recorded March 13, 1956 under Auditor's File No. 149069 and Southerly of the Old Tarboo Lake Road as conveyed by Deed recorded March 1, 1948 under Auditor's File No. 112974, in Jefferson County, Washington;

Together with the West 158 feet of the North 100 feet of the Southwest ¼ of the Southeast ¼ in said Section 29.

Situate in the County of Jefferson, State of Washington.

SUBJECT TO: Covenants, Conditions, Restrictions, Easements, Plats and Surveys, if any, affecting title, which may appear in the public record

Grantee's costs of acquiring the Property were provided in part by grant funding from the Jefferson County Conservation Futures property tax authorized by Washington law. Grantee hereby agrees to be bound by Jefferson County Code (JCC) 3.08.030(9), the uses authorized under RCW 84.34.230, including the obligation to ensure the long-term conservation of the Property in accordance with the terms and conditions of this Notice of Grant Restrictions and Restrictive Covenants for Conservation Purposes, and to obtain the consent of Jefferson County prior to any conveyance of any interest acquired hereby. Consistent with JCC 3.08.030(9), the Property shall not be converted to a different use unless and only if other equivalent lands or interest in lands within Jefferson County are received by Grantee in exchange.

{Signature page(s) to follow}

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTOR:

_____
Rosie L. von Engel

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Rosie L. von Engel, known to me or proved by satisfactory evidence to be the individual described in this instrument, acknowledged before me that she signed this instrument as her free and voluntary act and deed for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

IN WITNESS WHEREOF, Grantee has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTEE:

NORTHWEST WATERSHED INSTITUTE

By:_____

Its:_____

Date:_____

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Peter Bahls, known to me or proved by satisfactory evidence to be the individual described in this instrument, acting in his capacity as Executive Director of Northwest Watershed Institute, acknowledged before me that he signed this instrument as the free and voluntary act and deed of such corporation for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

EXHIBIT A

Original Statutory Warranty Deed

{attached}

Jefferson County Conservation Futures Fund (JCCFF)

Special Meeting: Hybrid between JCPH and Zoom Connection
April 01, 2025 from 2:00 to 4:30 PM
DRAFT Summary

Members Present: Tom Backman, District 3; Carol Bernthal, District 1; Laurie de Koch, District 3; Tom Ehrlichman, District 2; Rob Harbour, Interest – Working Lands; Richard Jahnke, Interest – Coastal Areas; Cheryl Lowe, Interest – Habitat Values; E. Ryan McMackin, Interest – Wetlands; Joanne Pontrello, Chair, District 2; Ron Rempel, Vice Chair, Interest – Wildlife Conservation Biology; Robert Simmons, Interest – Watersheds; Dave Wilkinson, District 1

Members Absent: None

County Staff Present: Tami Pokorny, Natural Resources Program Coordinator; Tressa Linquist, Clerk, Environmental Public Health

Others Present: Peter Bahls of Northwest Watershed Institute

I. Call to Order, Roll Call, Determination of Quorum

Chair Joanne Pontrello called the meeting to order at 2:05 PM. Roll call was performed. All members were present, quorum was met.

Tressa informed the group that measures were taken to increase Zoom security since the last meeting, and that a transcript was now being generated along with the Zoom recording.

II. Public Comments

None.

III. Summary of previous meeting

Tom B moved to approve the 04/01/2025 meeting summary. Bob seconded. The meeting summary was approved by consensus.

IV. Old Business

Approval of amended 02/19/2025 meeting summary: Tom E was satisfied with his requested changes to the summary. Rick moved to approve, Tom E seconded. The meeting summary was approved by consensus.

V. Sub-Committee Reports

Materials: The Sub-Committee has not met since our last meeting and had no updates.

Storymap: Sub-Committee (Rob, Cheryl, Tressa) will meet 04/23/2025 at JCPH at noon to begin site redesign. Now is a great time to join.

Note a correction to what was stated in the meeting: There are two spots available on the Storymap Sub-Committee, not one. Each Sub-Committee may have up to four members.

VI. New Business

Conflict of interest review

Tressa displayed again the three questions each CFFCOC member should ask of themselves regarding conflicts of interest and the projects/lands up for consideration (crafted in 2002 by county Chief Civil Deputy Prosecuting Attorney, David Alvarez). Time was allowed for reflection and voicing of recusal. No conflicts of interest were reported.

- Do you, as a member of the CFFCOC, stand to gain or lose any financial benefit as a result of the outcome of this hearing?
- Are you, as a CFFCOC member, unable to hear and consider this application in a fair and objective manner, i.e., without bias and without a predisposition to any particular result regarding this application?
- Have you, as a CFFCOC member, engaged in any communication outside this hearing with either a proponent or opponent of this particular application?

2025 Funding

The amount of funding available for this CFF cycle is estimated to be ~$321,000. This includes $252,000 from 2024 revenues and ~$69,000 in funds returned from the cancelled North Barry/Snow Creek project. These numbers need to be finalized with the Finance department, but with the total request this cycle being $230,500, it is safe to assume that there are sufficient funds available to grant each project in full, should the Committee vote to do so.

2025 funding requests

Deerfoot Forest	$110,000
Upper Yarr Creek	$26,000
Toandos Forest	$94,500

Robert's Rules of Order

A simplified procedure for conducting meetings using Robert's Rules of Order was displayed as a refresher for the group. Any motions made should be stated clearly, following the procedure, and each member should be given an opportunity to speak before a member may speak again. Respect and decorum are expected.

2025 Project Application Scoring Review and Ranking

Tressa displayed a workbook showing individual and cumulative scores for the three 2025 project applications. The 70% cutoff for automatic eligibility (outlined in the Manual, page 4) is 177 points (0.7*253 total points allowed). Average scores were displayed. Toandos Forest exceeded the cutoff, Deerfoot Forest and Upper Yarr Creek fell below the cutoff. %CVs for each project showed the Committee was more divided on the Deerfoot project, less so on Upper Yarr and Toandos Forest.

Project Name	Score	%CV
Deerfoot Forest	163	64%
Upper Yarr Creek	167	66%

Toandos Forest 191 70%

It was noted that projects may still be recommended for funding despite falling below the 70% cutoff, if compelling reasons are brought forward during the discussion. This has occurred many times in the past. Questions on the score sheet are up for personal interpretation. Some members score projects based on inherent values, other members score projects relative to each other. Often there are broader benefits and/or conservation values that are not captured in the scoring process.

Rob Harbour removed himself from the discussion and sat-in as a member of the public, having missed the project presentation meeting and thus being ineligible to vote this cycle.

Members were given an opportunity to revise their submitted individual scores if new perspectives had been gained. Ultimately, it was decided that a more appropriate approach would be to leave the scores as-is and make recommendations based on the arguments presented during today's discussion. Are these lands key open spaces that are worthy of public investment? Do they meet the criteria outlined in JCC for preservation of unique and valuable resources?

Discussion began with scores for **Deerfoot Forest**. Some committee members expressed that their final scores did not reflect their overall opinion on the project's value. The property is a significant area (37 acres) of mature forest surrounded by residential property and commercial forests, much of which have been recently logged. It will take the surrounding landscape many years to develop into the mature and diverse condition Deerfoot is in. An ecological "island." It has hydrologic value to two watersheds. If not conserved, the two parcels may be sold individually in the future, perhaps for development or forestry. The current owners have demonstrated a long-term commitment to stewarding diversity. They are open to having opportunities for community education. **Ryan moved to deem Deerfoot Forest worthy of funding, and Tom E seconded. The motion was passed by consensus**. There was no further discussion on the project. **Carol moved to fully fund Deerfoot Forest at $110,000. Tom B seconded. The motion to fully fund Deerfoot Forest was passed by consensus.**

Discussion moved to **Upper Yarr Creek**. This project had a lower level of deviation, meaning the committee were in greater agreement about the final score. Protecting this parcel, which has Yarr Creek flowing through it at the base of a steep hill, will protect the stream from erosion or human impacts to the hillside. It is a small parcel, but it is very vulnerable. The fact that NWI already owns the parcel was discussed – if it is owned by a conservation entity, is it actually threatened? NWI is asking to be reimbursed/rewarded for taking on the risk. The committee should consider this potential scenario in their revision of the program materials. The real estate market is dynamic and fast-paced, and CFF is not an agile program. The parcel is part of a well-managed, larger conservation plan. **Ron moved that Upper Yarr Creek be deemed worthy of funding. Ryan seconded. The committee voted 11 in favor, 1 against. The motion passed.** There was no further discussion. **Ryan moved to fully fund Upper Yarr Creek at $26,000. Laurie seconded. The committee voted 11 in favor, 1 against. The motion to fully fund Upper Yarr Creek passed.**

Toandos Forest was briefly discussed. This project met the 70% cumulative score requirement to be "automatically worthy" of funding. It also showed the least amount of variation among the group. The property is valuable and unique as it is in an area underserved by CFF (Toandos). **Bob moved to fully fund the project at $94,500. Ryan seconded. The motion to fully fund Toandos Forest passed by consensus.**

Public Comment
Peter Bahls of NWI gave thanks to the program and to the committee for their efforts this cycle, and recognized that the grant process is a lot of work for the group.

Ron asked if it could be possible to reserve a portion of the dollars for a future larger project, such as something on the West End. **Staff should investigate, and perhaps a sub-committee should be formed to deliberate.**

Formation of "Resources" Sub-Committee
This committee will generate a set of resources for the CFFCOC that are relevant to conservation in Jefferson County – habitat, cultural resources, agriculture, large scale processes, climate change, etc. What do CFFCOC members need to know to determine if a property is biologically important? What are the specific criteria in RCW and JCC that should be met? What are the biggest conservation issues faced by the county? Perhaps there could be guest lectures. **Ron, Carol, and Tom B will make up the sub-committee**.

Tom E asked that the Materials Sub-Committee consider removing or restructuring application question 14, O&M. The question is confusing and was not answered by any applicants this cycle. The Materials Sub-Committee still plans to overhaul the application this fall. What is the most efficient grant award process others have engaged in?

It would be helpful to have more training for CFF, perhaps running through a dummy proposal. Can be hard to evaluate as a new member, this will help with consistency.

VII. Next meeting date
There are no additional meetings scheduled at this time. **Joanne will present the committee's recommendations to the BoCC soon, Tressa to schedule and inform the group.** There will also be a public hearing after that where additional comments may be made. It was agreed that September would be a good time to meet again to discuss sub-committee findings.

VIII. Announcements
None.

IX. Public Comment
Thanks were given to Tressa for her work and growth over in her position over the last year.

X. Adjournment
The meeting was adjourned at 3:59 PM.
Meeting summary prepared by Tressa Linquist.

JEFFERSON COUNTY
DEPARTMENT OF COMMUNITY DEVELOPMENT
621 Sheridan Street, Port Townsend, WA 98368 | Web: www.co.jefferson.wa.us/communitydevelopment
Tel: 360.379.4450 | Fax: 360.379.4451 | Email: dcd@co.jefferson.wa.us
SquareONE Resource Center | Building Permits & Inspections | Development Review | Long Range Planning

TO: Tami Pokorny, Natural Resources Program Coordinator, Jefferson County Water Quality and Environmental Health
FROM: Joel Peterson, Associate Planner
DATE: May 23, 2025
RE: 2025 Jefferson County Conservation Futures Program Property Acquisition and/or Operations and Maintenance Project Applications

Summary of DCD Findings for 2025 Conservation Futures Program:

	Project Name	Project Type
1.	Deerfoot Forest—Two Parcels	Easements
2.	Toandos Forest	Acquisition & Restoration
3.	Upper Yarr Creek Protection	Acquisition

The Department of Community Development (DCD) has reviewed the proposed 2025 Jefferson County Conservation Futures Program *Property Acquisition and/or Operations and Maintenance Projects* and provides the following findings.

Summary:

When a local government chooses to use Conservation Futures Fund money to purchase an interest in land, it must consider and analyze whether taking land out of the 'stock' of land that can be developed leaves enough land subject to development to accommodate allocated housing and employment growth (RCW 84.34.240). From our analysis, we find that the proposals, totaling ca. 44 acres, do not negatively impact housing supply or employment growth.

Methods:

Housing Analysis: DCD reviews the estimated number of potential dwelling units that may be forgone by the Conservation Futures actions and the effect this may have on the County's ability to accommodate our projected 20-year population growth within the 2018-2038 planning period contemplated in our current comprehensive plan, and also using recently available population data from the Office of Financial Management considered in the draft 2025-2045 Comprehensive Plan Periodic Review. Any determination made in this exercise is only an estimate based on current zoning and a map review of possible site conditions, including a site development and Critical Areas review.

Employment Growth Analysis: Potential impacts resulting from the Conservation Futures program actions on Jefferson County's ability to provide for anticipated employment growth through the next 20-year planning horizon were reviewed. Observations were made of current employment conditions on the parcels and in the vicinity of the project parcels, prevalent employment sectors in the area, and consideration of any other potential effects resulting from conservation action that may limit or enhance the County's ability to provide for economic development or jobs.

Findings:

1. **Housing.** The proposed easements and acquisitions of the 2025 Conservation Futures program would be for conservation purposes. All 2025 projects have Rural Residential zoning. Extinguishing development rights could preclude the future opportunity for approximately four (4) total new theoretical residential units—including single-family residential dwelling units (SFRs) and accessory dwelling units (ADUs). The theoretical yield is primarily based on acreage, vis-à-vis the ability to develop the parcels or further subdivide. The subject parcels were not found to have Critical Areas to the extent that residential development would be restricted.

   Jefferson County has documented a surplus of vacant and underdeveloped parcels, beyond that which is necessary to accommodate the land needs of the County's projected population during the 20-year planning period (2018-2038 Comprehensive Plan Land Use Element). Also, projected growth rates for Jefferson County to 2045 remain at about the current rate of 1%. As found in past evaluations, the proposed 2025 conservation actions do not reduce the County's capacity to accommodate future planned growth.

2. **Employment Growth.** No commercial areas are included in the protected properties. Employment or business development that could be forgone by loss of residential dwelling units or employment use of the land is not directly apparent. Potential employment opportunity may include home business or cottage industry opportunities. There is no evidence to suggest that a reduction or shortage of residential parcels that could support home business or cottage industry would be caused by these Conservation Futures projects. Employment in the project areas would likely consist of home businesses, cottage industries or within agriculture and natural resources sectors.

   Jefferson County has identified natural resource conservation as playing a positive role for economic development, contributing to a draw—as opposed to a loss—of economic development interests and potential employment growth to the area due to the quality of life and healthy environment.

Additional Findings from the Jefferson County Comprehensive Plan:

3. The action is consistent with the goals and policies of the Jefferson County Comprehensive Plan for the preservation and enhancement of open space. The Jefferson County Comprehensive Plan identifies goals and policies for the preservation and enhancement of open space as follows:

a. **Policy LU-P-15.2** Protect open space consistent with the goals and policies of this plan and in cooperation with County Conservation Futures and other land conservation programs.

b. **Open Space Goal OS-G-1** guides Jefferson County to "Preserve and improve the quality, value and extent of open space lands." **Open Space Policy OS-P-1.4** "Identify and conserve critical wildlife habitat, including nesting sites, foraging areas, and migration corridors within or adjacent to natural areas, open spaces, and developed urban areas. Preserve especially sensitive habitat sites that support threatened species and wildlife habitat in developed areas."

c. **Natural Resources Goal NR-G-1** guides Jefferson County to "Encourage the conservation and long-term sustainable use of resource lands so their continued future use will not be precluded by other uses; and encourage the long-term sustainability of natural resource-based economic activities through Jefferson County.

d. **Economic Development Goal ED-G-6** guides Jefferson County to "Encourage economic development that sustains natural resources and open spaces, protects environmental quality, encourages non-motorized recreation and transportation, and enhances Jefferson County's overall quality of life."

4. None of the proposals include property in an Urban Growth Area or Rural Commercial area.

Scope of Review:

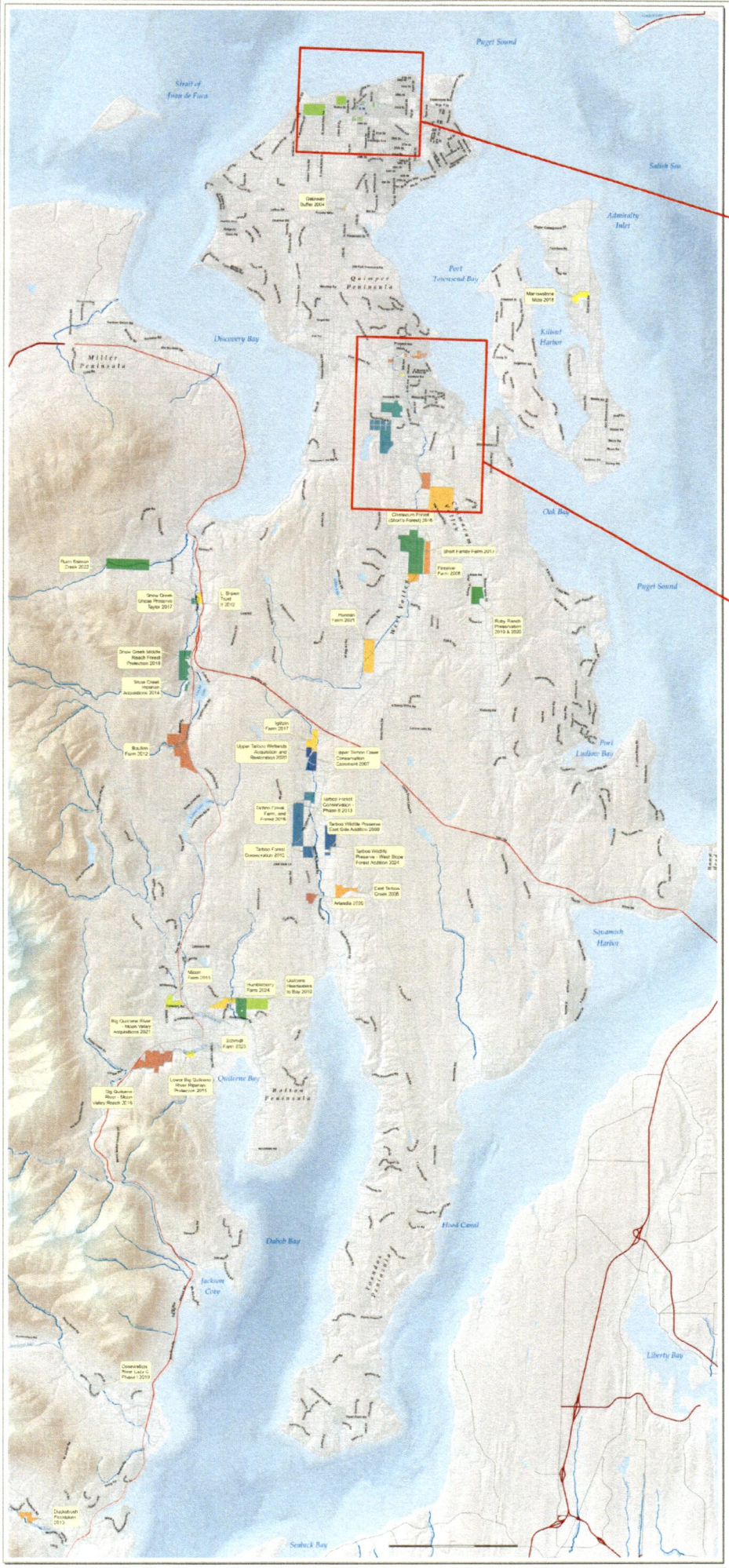
This review is conducted solely to ascertain the current Conservation Futures project's potential effect on housing supply and Employment growth. Any statements about the potential for future development or land divisions is predicated upon many factors for site suitability. All applicants are encouraged to take advantage of Community Development's customer assistance programs so that technical provisions of Jefferson County Code can be explained and applied to particular site-specific situations.

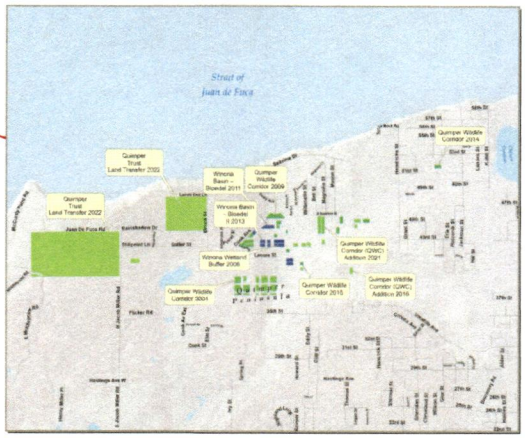
Attachment 1: 2025 Conservation Futures Housing and Employment Analysis Spreadsheet

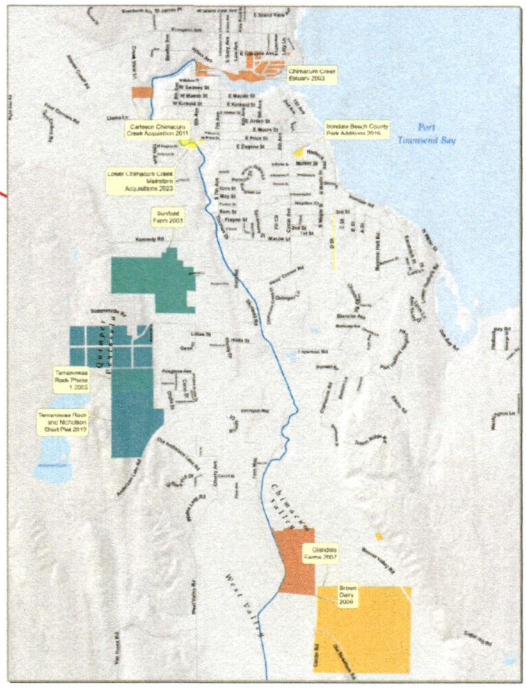
Attachment 1: CONSERVATION FUTURES HOUSING AND EMPLOYMENT ANALYSIS 2025										
PROJECT NAME	**APN**	**Zoning District**	**Project Acreage**	**Current SFR+ADU**	**Additional Theoretical SFR Yield of Project Acreage**	**ADU Allowance**	**Est. Net New Theoretical D.U./ADU**	**Site Characteristics**	**Housing**	**Employment/Jobs**
Deerfoot Forest Easement								Both parcels are forested, gently sloping from N to S, 540 to 460 feet elevation. Road access present with some site development. The northern parcel has a primary residence and an accessory residence. There are no critical areas that would preclude further residential development. Both parcels are identified by WDFW Priority Habitats and Species data to provide marbled murrelet habitat, though the area is not highlighted in the Marbled Murrelet--USFWS critical area map.		Both subject parcels are bounded by private and state timber lands, with clear-cut parcels to the east. Natural resources employment sector. Cottage Industry and Home Business allowed.
Northern parcel	701052002	RR-20	28	2	0	0	0		One house and one ADU. No additional residential capacity.	
Southern parcel	701052011	RR-5	8.89	0	1	1	2		The parcel is vacant. The road segmentation of APN 701052011 by Dabob Road at Center Road, creates an area of 0.17 acres (7381 s.f.) which is not adequate to support residential development individually.	
			36.89	2	1	1	2			
PROJECT NAME	**APN**	**Zoning District**	**Acreage**	**Current SFRs**	**Additional Theoretical SFR Yield**	**ADU Allowance**	**Est. Net New Theoretical D.U./ADU**	**Site Characteristics**	**Housing**	**Employment/Jobs**
Toandos Forest Acquisition & Restoration	701153003	RR-5	6.38	0	1	1	2	The parcel is forested, and bounded by state DNR Forest Lands. Upper watershed for fish-bearing stream. Parcel slopes W to E, 528 to 470 feet elevation. Slight landslide hazard mapped over east 2/3 of parcel (downslope). WDFW Priority Habitats and Species coverage identifies the area a Northern spotted owl habitat, but not shown on USFWS map.	Old residential structure will be removed. The theoretical D.U. count is based on a vacant parcel.	Land use/employment is characterized as forestry. Cottage Industry and Home Business allowed.
			6.38	0	1	1	2			

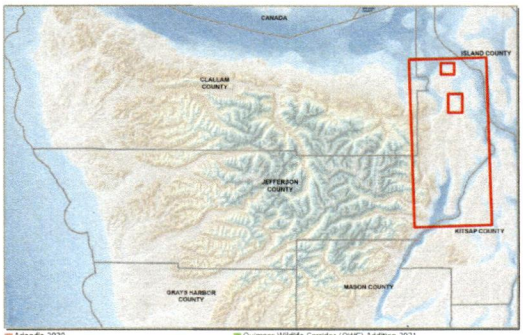
PROJECT NAME	APN	Zoning District	Acreage	Current SFRs	Additional Theoretical SFR Yield	ADU Allowance	Est. Net New Theoretical D.U./ADU	Site Characteristics	Housing	Employment/Jobs
Upper Yarr Creek Protection	801293003	RR-5	1.03	0	0	0	0	This one-acre vacant site lies along Center road ROW, and is bounded to the north by Old Tarboo Road. It is situated in the upper watershed of Tarboo Creek. There is a fish-bearing stream (Yarr Creek) which bisects the parcel. After applying road and stream buffer setbacks, there is only ca. 0.10 acre (4183 square feet) remaining--inadequate for residential development.	Parcel limited by size and critical areas for residential development.	The small parcel is adjacent to, mostly surrounded by, private forest lands. Natural resources employment sector. Cottage Industry and Home Business allowed.
			1.03	0	0	0	0			
Summary Totals:			44.3	2	2	2	4			

Conservation Futures
Jefferson County, Washington









- Arlandia 2020
- Big Quilcene River - Moon Valley Acquisitions 2021
- Big Quilcene River - Moon Valley Reach 2016
- Boulton Farm 2012
- Brown Dairy 2009
- Carlteson Chimacum Creek Acquisition 2011
- Chimacum Creek Estuary 2003
- Chimacum Forest (Short's Forest) 2018
- Dosewallips River Lazy C Phase I 2019
- Duckabush Floodplain 2013
- East Tarboo Creek 2005
- Hannhan Farm 2021
- Gateway Buffer 2004
- Glendale Farms 2007
- Hannan Farm 2021
- Humbleberry Farm 2024
- Iglitzin Farm 2017
- Irondale Beach County Park Additions 2016
- L. Brown Trust II 2012
- Lower Big Quilcene River Riparian Protection 2015
- Lower Chimacum Creek Mainstem Acquisitions 2023
- Marrowstone Mize 2018
- Moon Farm 2015
- North Sarry, Snow Creek 2023
- Quilcene Headwaters to Bay 2010
- Quimper Trust Land Transfer 2022
- Quimper Wildlife Corridor (QWC) Addition 2016
- Quimper Wildlife Corridor (QWC) Addition 2021
- Quimper Wildlife Corridor 2004
- Quimper Wildlife Corridor 2009
- Quimper Wildlife Corridor 2014
- Quimper Wildlife Corridor 2015
- Ruby Ranch Preservation 2019 & 2020
- Ruck Salmon Creek 2022
- Schmidt Farm 2023
- Short Family Farm 2013
- Snow Creek Middle Reach Forest Protection 2018
- Snow Creek Riparian Acquisitions 2014
- Snow Creek Uncas Preserve Taylor 2017
- Sunfield Farm 2003
- Tamanowas Rock Phase I 2005
- Tamanowas Rock and Nicholson Short Plat 2010
- Tarboo Creek, Farm, and Forest 2016
- Tarboo Forest Addition 2019
- Tarboo Forest Conservation - Phase II 2013
- Tarboo Forest Conservation 2012
- Tarboo Wildlife Preserve East Side Addition 2009
- Tarboo Wildlife Preserve - West Slope Forest Addition 2024
- Upper Tarboo Creek Conservation Easement 2007
- Upper Tarboo Wetlands Acquisition and Restoration 2020
- Winona Basin - Bloedel 2011
- Winona Basin - Bloedel II 2013
- Winona Wetland Buffer 2006

Produced by
Jefferson County GIS

Jefferson County Public Health

615 Sheridan Street
Port Townsend, WA 98368
www.JeffersonCountyPublicHealth.org

TO: Jefferson County Board of Commissioners

FROM: Joanne Pontrello, Chair
Conservation Futures Fund Citizen Oversight Committee

DATE:

SUBJECT: Conservation Futures Fund Citizen Oversight Committee – 2025 funding round recommendations

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As the Chair of the Conservation Futures Fund Citizen Oversight Committee (CFF Committee), I am writing to provide you with our funding recommendations for the 2025 cycle. As authorized in RCW 84.34 and by the direction of the Jefferson County Board of County Commissioners, the CFF Committee receives and reviews applications from the community to fund projects that will conserve lands as open space for compatible economic uses, habitat for fish and wildlife, and enjoyment.

This past March, the CFF Committee received three applications for consideration in this cycle, that are presented with this memo. Also presented are the Sponsors' responses to some clarifying questions asked by the Committee.

Two projects are sponsored by Northwest Watershed Institute (NWI), and one by Jefferson Land Trust (JLT). These sponsoring agencies meet the requirements of "nonprofit nature conservancy corporations", as defined by RCW 84.34.250. All three projects are located in Jefferson County and outside of the City of Port Townsend.

- Deerfoot Forest – JLT requests $98,000 in acquisition funding and $12,000 in O & M funding for a total request of $110,000 towards a conservation easement (JLT provides 51% matching funds).

- Toandos Forest – NWI requests $76,000 in acquisition funding and $18,500 in O & M funding for a total request of $94,500 towards a fee simple purchase (NWI provides 50% matching funds).

- Upper Yarr Creek – NWI requests a total of $26,000 in acquisition funding toward a fee simple purchase (NWI provides 50% matching funds).

This 2025 funding cycle, there are $323,200 in CFF funds available to support these projects. The total amount requested is $230,500.

CFF Committee members toured the project sites on March 11th, and Sponsors made presentations about their projects and answered initial questions during our April 1st CFF Committee meeting. Additional questions raised by the Committee were provided to, and answered by, Sponsors

through staff over email. Each Committee member separately scored the projects on a set of 13 criteria in order to assess the merits of protecting each property for open space and the likelihood of project success. The project ranking, as determined by the scores, was reviewed, discussed, and confirmed at the April 22nd meeting.

The CFF Committee ranked the projects as follows:

1. Toandos Forest – 199 average points (75% of total available points)

2. Upper Yarr Creek – 167 average points (66% of total available points)

3. Deerfoot Forest – 163 average points (64% of total available points)

Neither Deerfoot Forest nor Upper Yarr Creek scored at or above the 70% cutoff score required by the Program Manual to be automatically considered worthy of funding. In both cases, the committee saw that the conservation values of the projects were in actuality worthy of funding for the following reasons: Deerfoot Forest is an "ecological island" that has been managed well and has developed into a mature forest over the last 50 years. It has hydrologic value for two watersheds, which are protected further downstream. Upper Yarr Creek is a small, yet important property which is adjacent to a much larger preserve, and the conservation values are well-worth the low price of the property. If not preserved, it is likely that this section of the creek will see significant disturbance, which could compromise the work already being done downstream to project salmon habitat.

After review of the scoring data, and further discussion and evaluation, the Committee arrived at the following funding recommendations:

- The Committee voted unanimously that Toandos Forest is worthy of funding. By a second vote, we unanimously recommended full funding at the requested amount of $94,500.

- The Committee voted eleven (11) in favor and one (1) against that Upper Yarr Creek is worthy of funding. By a second vote, the Committee voted eleven (11) in favor of and one (1) against recommending full funding at the requested amount of $26,000.

- The Committee voted unanimously that Deerfoot Forest is worthy of funding. By a second vote, we unanimously recommended full funding at the requested amount of $110,000.

I would like to express my gratitude to the Sponsors for submitting these projects, and to the other CFF Committee members for their time and dedication in evaluating these proposals.

If you have any questions, please do not hesitate to contact me at pontrello@gmail.com, or Tami Pokorny at tpokorny@co.jefferson.wa.us. I look forward to attending the public hearing when you consider these recommendations and will be happy to discuss them at that time as well.

Thank you for your consideration of the CFF Committee's recommendations for the 2025 funding cycle.

Sincerely,

Joanne Pontrello
Conservation Futures Fund Citizen Oversight Committee, Chair

615 Sheridan Street
Port Townsend, WA 98368
www.JeffersonCountyPublicHealth.org

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

REGULAR AGENDA REQUEST

TO: **Board of County Commissioners**

FROM: **Michael Dawson, Water Quality Manager, Environmental Public Health and Water Quality**
Tami Pokorny, Natural Resources Program Coordinator

DATE: **July 07, 2025**

SUBJECT: **Public Hearing and Possible Decision Regarding Applications for Conservation Futures Funding in 2025**

STATEMENT OF ISSUE:
The Conservation Futures Fund program (chapter 3.08 JCC) requires a duly noticed public hearing to be held as part of the process for allocating funds to projects that protect public open spaces. On June 23, 2025, BoCC approved a Public Hearing Notice to hold a public hearing July 7, 2025 at 10:30 a.m. on the 2025 Conservation Futures Program project applications. The Notice was published in *The Port Townsend and Jefferson County Leader* on June 25 and July 2, 2025. BoCC may decide which project(s) to fund and pass resolution(s) for funding, after hearing public comment and considering an analysis by the Department of Community Development on impacts to growth.

ANALYSIS STRATEGIC GOALS:
The three (3) applications to the Conservation Futures Fund in 2025 are:

1. Deerfoot Forest: Applicant requests $98,000 towards the acquisition of a conservation easement on two parcels totaling 36.9 acres, located within the Donovan and Tarboo Creek watersheds along Center Road in Quilcene. The conservation easement would create protected open space for a second growth forest and wetlands. The applicant also requests $12,000 towards reimbursement of operations and maintenance costs. The proposed match is $114,000 in funds from the Navy's Readiness and Environmental Protection Integration (REPI) program. The project applicant and sponsor is Jefferson Land Trust. Project location: S5 T27N R1W.

2. Upper Yarr Creek Protection: Applicant requests $26,000 towards fee simple acquisition of a 1.03-acre parcel located in the Tarboo Creek watershed in Quilcene. The acquisition would create protected open space to conserve riparian slope and stream habitat. The proposed match is $20,000 in a donation of land value and $6,000 in crew time from Northwest Watershed Institute. The project applicant and sponsor is Northwest Watershed Institute. Project location: S29 T28N R1W.

3. Toandos Forest Acquisition and Restoration: Applicant requests $76,000 towards the fee simple acquisition of a 6.38-acre parcel on the Toandos peninsula within the Dabob Bay Natural Area. The acquisition would create protected open space to conserve water quality and habitat connectivity in the Dabob Bay ecosystem. The applicant also requests $18,500 towards reimbursement of operations and maintenance costs. The proposed match is $65,000 in funds from the Navy's Readiness and Environmental Protection Integration (REPI) program and $29,500 in private donations to Northwest Watershed Institute. The project applicant and sponsor is Northwest Watershed Institute. Project location: S15 T27N R1W.

At its April 22, 2025 meeting, the Conservation Futures Fund Citizen Oversight Committee (CFF Committee) voted unanimously to declare all three projects worthy of funding. As a second motion, the CFF Committee voted unanimously to fully fund Toandos Forest Acquisition and Restoration and Deerfoot Forest. The Committee also voted eleven (11) for and one (1) against to fully fund Upper Yarr Creek Protection.

This briefing packet contains:

- Draft resolutions consistent with the recommendations of the CFF Committee
- Three (3) Conservation Futures Fund project applications
- Draft summary of the April 22, 2025 CFF Committee meeting
- Analysis from Joel Peterson, Jefferson County Department of Community Development
- Map of conservation futures projects 2003-2024
- Conservation Futures Fund Citizen Oversight Committee recommendations memo, presented to BoCC on May 19, 2025 by Committee Vice Chair Ron Rempel

The purpose of the CFF Program is to address the "general and increasing need to provide a system of public open spaces…for the health, welfare, benefit and safety of the residents of Jefferson County," and to maintain "Jefferson County as a desirable place to live, visit and locate businesses." Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230 are an important means of retaining community character and accomplishing open space policies and objectives of the Jefferson County Comprehensive Plan. The goal of the program is to preserve and protect the county's open space resources from development, and from being "negatively and permanently affected."

JCC 3.08.030 allows up to 15% of the Conservation Futures Fund levy monies raised in the preceding year to be used for operations and maintenance needs. Fifteen percent of the revenue collected in 2024 ($323,200) is $48,480. The total request for operations and maintenance funding in 2025 is $30,500.

RCW 84.34.230 and 84.34.240(3) require that rights or interests in real property acquired with CFF funds shall not "reduce the capacity of land suitable for development necessary to accommodate the allocated housing and employment growth plans" of the County. An analysis on the impact to growth from the Jefferson County Department of Community Development is provided here, which concludes that "the proposals, totaling ca. 44 acres, do not negatively impact housing supply or employment growth."

Grant agreements for approved projects between project sponsors and the County will be developed by Environmental Public Health and submitted to BoCC for approval.

FISCAL IMPACT:
The explicit purpose of the Conservation Futures Fund Program is to fund acquisition projects to support a system of public open spaces. There is no impact to the General Fund for this effort.

The following previously approved CFF projects are anticipated to close during the remainder of 2025:

- Tarboo Wildlife Preserve – West Slope Forest Addition: $150,000
- Lower Chimacum Creek Mainstem Acquisitions (portion of): $52,000
- Humbleberry Farm: $130,000

The following previously approved CFF projects were cancelled:

- North Barry Snow Creek: $74,000
- Dosewallips River Lazy C: $7,649

RECOMMENDATION:
Review the three (3) CFF project proposals and supporting documentation. Hold a public hearing on July 7, 2025 at 10:30 a.m. Consider written and oral testimony at the public hearing and adopt any of the enclosed funding resolutions, with or without revisions.

REVIEWED BY:

_____ _____

Josh Peters, County Administrator Date

STATE OF WASHINGTON
County of Jefferson

In the Matter of Dedicating Conservation Futures Funds to the Deerfoot Forest Project as Authorized by an in Accordance with Jefferson County Code (JCC) Chapter 3.08 to Provide a System of Open Spaces	**RESOLUTION NO. _____**

WHEREAS, Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230, are an important means of retaining community character and accomplishing the open space policies and objectives of the Jefferson County Comprehensive Plan that encourage the coordinated acquisition of key open space lands for long-term protection; and

WHEREAS, Jefferson County is authorized by RCW 84.34.210 and RCW 84.34.220 to acquire open space land, agricultural and timber lands as defined in RCW 84.34.220; and

WHEREAS, the Conservation Futures Fund Citizen Oversight Committee has reviewed project applications for 2025 and made its funding recommendations to the Board of County Commissioners in accordance chapter 3.08 JCC; and

WHEREAS, under the provisions of the Jefferson County Conservation Futures Fund Program, Jefferson Land Trust, as project sponsor, requests funding towards the acquisition of conservation easements on two (2) parcels of land in S5 T27N R1W with Assessor's Parcel Numbers 701052002 and 701052011 and to reimburse operations and maintenance costs; and

WHEREAS, the County retains enough developable land to accommodate the Deerfoot Forest project as well as the housing and employment growth that it is expected to receive, thus satisfying the requirement of RCW 84.34.240(3); and

WHEREAS, Jefferson County considers it in the best public interest to contribute financially to this open space project;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Dedication of Acquisition Funds Approved. Jefferson County hereby dedicates up to $98,000 in Conservation Futures funds towards reimbursement of eligible acquisition expenses for the Deerfoot Forest project. Funding is contingent upon presentation of a matching contribution of at least fifty percent (50%). The sponsor anticipates that the matching contribution will be fifty-one percent (51%) at the time of project completion.

Section 3. Dedication of Operations and Maintenance Funds Approved. Jefferson County hereby dedicates up to $12,000 in Conservation Futures funds towards reimbursement for eligible operations and maintenance expenses incurred within ten years of the signing of this resolution, contingent on a matching contribution of no less than the amount of Conservation Futures Funds requested for operations and maintenance.

Section 4. Nullification. This dedication of funding may be nullified if a submittal for reimbursement, accompanied by documentation of matching funds sufficient to complete the acquisition, is not received from the sponsor within three years of the signing of this resolution.

DRAFT

Section 5. Severability. If any section, subsection, sentence, clause, or phrase of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 6. Effective Date. This resolution is effective upon adoption.

Section 7. SEPA Categorical Exemption. This resolution is categorically exempt from the State Environmental Policy Act under WAC 197-11-800(19).

(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____ 2025.

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

SEAL:

_____
Heidi Eisenhour, Chair

_____
Greg Brotherton, Member

_____
Heather Dudley-Nollette, Member

ATTEST:

_____
Carolyn Gallaway, Date
Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

DRAFT

STATE OF WASHINGTON
County of Jefferson

In the Matter of Dedicating Conservation Futures Funds to the Toandos Forest Acquisition and Restoration Project as Authorized by an in Accordance with Jefferson County Code (JCC) Chapter 3.08 to Provide a System of Open Spaces	**RESOLUTION NO. _____**

WHEREAS, Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230, are an important means of retaining community character and accomplishing the open space policies and objectives of the Jefferson County Comprehensive Plan that encourage the coordinated acquisition of key open space lands for long-term protection; and

WHEREAS, Jefferson County is authorized by RCW 84.34.210 and RCW 84.34.220 to acquire open space land, agricultural and timber lands as defined in RCW 84.34.220; and

WHEREAS, the Conservation Futures Fund Citizen Oversight Committee has reviewed project applications for 2025 and made its funding recommendations to the Board of County Commissioners in accordance with chapter 3.08 JCC; and

WHEREAS, under the provisions of the Jefferson County Conservation Futures Fund Program, Northwest Watershed Institute, as project sponsor, requests funding towards reimbursement for acquisition of one (1) parcel of land in S15 T27N R1W with Assessor's Parcel Number 701153003; and

WHEREAS, the County retains enough developable land to accommodate the Toandos Forest Acquisition and Restoration project as well as the housing and employment growth that it is expected to receive, thus satisfying the requirement of RCW 84.34.240(3); and

WHEREAS, Jefferson County considers it in the best public interest to contribute financially to this open space project; and

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Dedication of Acquisition Funds Approved. Jefferson County hereby dedicates up to $76,000 in Conservation Futures funds towards reimbursement of eligible acquisition expenses for the Toandos Forest Acquisition and Restoration project. Funding is contingent upon presentation of a matching contribution of at least fifty percent (50%). The sponsor anticipates that the matching contribution will be fifty percent (50%) at the time of project completion.

Section 3. Dedication of Operations and Maintenance Funds Approved. Jefferson County hereby dedicates up to $18,500 in Conservation Futures funds towards reimbursement for eligible operations and maintenance expenses incurred within ten years of the signing of this resolution, contingent on a matching contribution of no less than the amount of Conservation Futures Funds requested for operations and maintenance.

Section 4. Nullification. This dedication of funding may be nullified if a submittal for reimbursement, accompanied by documentation of matching funds sufficient to complete the acquisition, is not received from the sponsor within three years of the signing of this resolution.

Section 5. Severability. If any section, subsection, sentence, clause, or phrase of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 6. Effective Date. This resolution is effective upon adoption.

Section 7. SEPA Categorical Exemption. This resolution is categorically exempt from the State Environmental Policy Act under WAC 197-11-800(19).

(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____ 2025.

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

SEAL:

_____
Heidi Eisenhour, Chair

_____
Greg Brotherton, Member

_____
Heather Dudley-Nollette, Member

ATTEST:

_____
Carolyn Gallaway, Date
Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

DRAFT

STATE OF WASHINGTON
County of Jefferson

In the Matter of Dedicating Conservation Futures Funds to the Upper Yarr Creek Protection Project as Authorized by an in Accordance with Jefferson County Code (JCC) Chapter 3.08 to Provide a System of Open Spaces	**RESOLUTION NO. _____**

WHEREAS, Conservation Futures Fund tax levy collections, authorized under RCW 84.34.230, are an important means of retaining community character and accomplishing the open space policies and objectives of the Jefferson County Comprehensive Plan that encourage the coordinated acquisition of key open space lands for long-term protection; and

WHEREAS, Jefferson County is authorized by RCW 84.34.210 and RCW 84.34.220 to acquire open space land, agricultural and timber lands as defined in RCW 84.34.220; and

WHEREAS, the Conservation Futures Fund Citizen Oversight Committee has reviewed project applications for 2025 and made its funding recommendations to the Board of County Commissioners in accordance with chapter 3.08 JCC; and

WHEREAS, under the provisions of the Jefferson County Conservation Futures Fund Program, Northwest Watershed Institute, as project sponsor, requests funding towards reimbursement for acquisition of one (1) parcel of land in S29 T28N R1W with Assessor's Parcel Number 801293003; and

WHEREAS, the County retains enough developable land to accommodate the Upper Yarr Creek Protection project as well as the housing and employment growth that it is expected to receive, thus satisfying the requirement of RCW 84.34.240(3); and

WHEREAS, Jefferson County considers it in the best public interest to contribute financially to this open space project;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON:

Section 1. Whereas Clauses Adopted as Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Dedication of Acquisition Funds Approved. Jefferson County hereby dedicates up to $26,000 in Conservation Futures funds towards reimbursement of eligible acquisition expenses for the Upper Yarr Creek Protection project. Funding is contingent upon presentation of a matching contribution of at least fifty percent (50%). The sponsor anticipates that the matching contribution will be fifty percent (50%) at the time of project completion.

Section 3. Nullification. This dedication of funding may be nullified if a submittal for reimbursement, accompanied by documentation of matching funds sufficient to complete the acquisition, is not received from the sponsor within three years of the signing of this resolution.

Section 4. Severability. If any section, subsection, sentence, clause, or phrase of this resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 5. Effective Date. This resolution is effective upon adoption.

DRAFT

Section 6. SEPA Categorical Exemption. This resolution is categorically exempt from the State Environmental Policy Act under WAC 197-11-800(19).

(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____ 2025.

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

SEAL:

_____
Heidi Eisenhour, Chair

_____
Greg Brotherton, Member

_____
Heather Dudley-Nollette, Member

ATTEST:

_____
Carolyn Gallaway, Date
Deputy Clerk of the Board

APPROVED AS TO FORM:

_____
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

DRAFT

2025 Jefferson County Conservation Futures Fund 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 (360) 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. Project Title Deerfoot Forest

2. Conservation Futures Fund Acquisition Request Amount: $98,000

   Conservation Futures O&M Request Amount: $12,000

3. Total Conservation Futures Request Amount: $110 ,000

4. Please indicate the type of interest contemplated in the acquisition process.
   __ Warranty Deed **X** Easement __ Other (*Please describe below.)*

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

Penney Jo Ewing Hubbard will continue to hold title, with a conservation easement held by Jefferson Land Trust and potentially 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 20, 2024

7. Project Location
Street Address or Description of Location: 11500 Center Rd. Quilcene, WA 98376

Driving Directions from Port Townsend: From Chimacum, take Center Road south for 11.5 miles and turn right into the private driveway.

Section: 5

Township: 27 N

Range: 1W

Assessor's Parcel Number(s): 701052002 and 701052011

Please differentiate current and proposed ownership of each APN and indicate if the parcel is to be acquired with CFF funds or used as match.
All parcels listed above will remain in Penney Hubbard's ownership and will be preserved with a conservation easement held by Jefferson Land Trust, likely along with a Navy Readiness and Environmental Protection Integration (REPI) restrictive easement.

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

701052002 –$469,479 current market value assessed & taxable value

701052011 - $82,905 current market value assessed & taxable value

8. Existing Conditions

New Site: Yes **X** No _____ Number of Parcels: 2

Addition to Existing Site: Yes No **X** _____ Acres to Be Acquired: 36.9

Total Project Acreage (if different):_____ Current Zoning: RR:20 and RR:5

Existing Structures/Facilities: Two residences, two wells, a pump house, a small barn, woodshed, and a few additional outbuildings.

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

Current Use: Residential

Waterfront *(name of body of water):* None

Shoreline (*linear feet*): N/A

Owner Tidelands/Shorelands: N/A

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, and why you think preserving this property is important. Name three top objectives for the property (other than those related to funding). Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Fund 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 for the permanent protection of Deerfoot Forest with a conservation easement. This property is in Quilcene along Center Road and contains two parcels that total 36.9 acres. Jefferson Land Trust seeks to protect this property with a conservation easement to protect the important ecological features of upland forest, forested wetlands, and headwaters of two important creek systems. The easement will prohibit fragmentation of the two parcels, further development, and conventional/ clear-cut forest management practices.

The Hubbard Forest property appears to be a section of the headwaters of both Donovan Creek and Tarboo Creek. This is inferred from onsite characteristics, knowledge of the water drainage, property location, and elevation hillshade imagery. Jefferson Land Trust and other partners such as the Northwest Watershed Institute, WA Department of Natural Resources, and Jefferson County have been working for over two decades on the protection efforts of both watersheds of Donovan and Tarboo Creeks. This offers an important opportunity for Jefferson Land Trust to continue with land protection efforts in these priority areas.

The Deerfoot Forest conservation easement will limit future development, require single ownership of the two parcels, restrict forest management that only permits ecological enhancement activities, all with the goal of protecting the wildlife corridor that this diverse second growth forest contributes to (described further in #7). As large rotating clearcuts have occurred on adjacent neighboring parcels, Penney Hubbard and her husband have ensured that the management of the Deerfoot Forest has allowed natural regeneration of the forest ecosystem to occur. Their management vision includes the maintenance, preservation, and enhancement of the diverse second growth forest as a "forest garden" for native plant species, wildlife, and human recreation and enjoyment.

Deerfoot Forest has been naturally regenerating since its last logging operation around 1920. There are various forest zones including mature Douglas fir mixed with cedar, western hemlock, Sitka spruce, alder and maple patches, and forested wetlands. While some areas of the forest could benefit from more conifer tree presence, there is a substantial amount of downed wood and standing snags throughout the property which provide important habitat for various wildlife and sequester water and carbon on site. The property has varied topography ranging from mostly flat forestland on the south side of Center Road to south-facing sloped forestland on the parcel north of Center Road. The topography and soils of Deerfoot Forest hosts seasonal and perennial forested wetlands and while there is no apparent surface water flow, the property appears to have hydrological connections as a section of the headwaters of both Donovan Creek and Tarboo Creek. These characteristics are well-suited to the proposed ecological protection. On the property, in addition to the two

residences located in the larger northern parcel, infrastructure includes two wells, a pump house, a small barn, and other small outbuildings. Current zoning of the parcels appears to allow for one additional development right on the southern parcel that would be extinguished with the conservation easement. The existing infrastructure on site would remain in use by private landowners after protection with the conservation easement, and the infrastructure would be limited to within one "building envelope" in the easement.

Deerfoot Forest's surrounding neighbor landowners include private timber companies, residential development, and Department of Natural Resources Forest Board. These surrounding land uses have resulted in the Deerfoot Forest serving as an intact wildlife corridor across the busy Center Road from the DNR Dabob Bay Natural Area, only .25 miles away across Dabob Rd to the south. The landowners and other community members have regularly sited black bears and cougars crossing Center Road between the two Hubbard parcels, presumably because of the habitat interruption and fragmentation occurring on the surrounding properties. The Deerfoot Forest has remained a wildlife and native plant refuge over the years as nearby disturbances have continued to occur.

Jefferson Land Trust intends to protect this forested property with a conservation easement before the end of 2026 or early 2027, and CFF funds will provide essential funding toward this goal. In addition to CFF funds, funding from the Navy Readiness and Environmental Protection Integration (REPI) program for the REPI easement will also likely provide a substantial amount of the funding for this project, as well as (or alternately) a bargain sale of the conservation easement from the landowners, providing the required matching funds for the CFF program. The federal grant dollars and landowner match contributed to this project have reduced the amount of funding requested from the CFF program.

After the protection of Deerfoot Forest with a conservation easement, the landowners will continue to manage the property to enhance its ecological values, and the property will be protected from inappropriate development or timber harvesting, forever.

To date, Jefferson Land Trust protects over 1,360 acres in the Tarboo Creek and Donovan Creek watersheds. These properties include forestland, riparian, and farmland properties, working with several partners, including the Northwest Watershed Institute and Department of Natural Resources.

Top objectives:

1. Protect the property with a conservation easement and Navy REPI restrictive easement which will reduce the development rights, protect the forest and wetland habitat, and protect the headwaters of Tarboo Creek and Donovan Creek – 2026/early 2027
2. After protection of the property the landowners, Jefferson Land Trust staff, and other natural resources partners will collaborate to plan and implement the best forest management practices to ensure that the property continues on its path toward old-growth forest characteristics and contributes to climate resiliency
3. Landowners, Land Trust, and other partners will continue to assess the use of the property as a wildlife corridor and determine if there are additional enhancements that can contribute to that use.

The overarching goal of this project is to protect the ecological values of Deerfoot Forest so that the property will always remain in a maturing forested condition, protecting the water quality of the lower watersheds.

11. Estimate costs below, including the estimated or appraised value of the propert(ies) or property right(s) to be acquired, even if Conservation Futures Fund 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 Propert(ies) to be Acquired: The estimated value of the conservation easement is $180,000.

Total Estimated Acquisition-related Cost (*see Conservation Futures Fund Manual for eligible costs*): $32,000

Total Operation and Maintenance Cost: $12,000

Total Project Cost: $224,000

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):

Deerfoot Forest estimated costs	Timeline	Est. Total Cost	CFF Request	Match
Easement acquisition	2026	$180,000	$75,000	$105,000
Land acquisition related costs, i.e. appraisal, survey, Baseline document, closing costs	2026	$24,000	$15,000	$9,000
Project management, admin and legal fees	ongoing	$8,000	$8,000	$0
O&M	ongoing	$12,000	$12,000	$0
Total		$224,000	**$110,000 (49%)**	$114,000 (51%)

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 properties 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.

Standalone O & M go to question #14:

Scored Questions

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

Sponsors or other organizations are required to contribute to acquisition of the proposed site and/or operation and maintenance activities.

1 a. Please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures Fund program funds.

1 b. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	$98,000	$12,000	49.0%
Matching Funds/Resources*	$114,000	$0	51%
Total Project Acquisition Cost	$212,000	$12,000	100%

** 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 c. Source of matching funds/resources	Amount of contribution	Contribution approved?	If not, when?	Contribution available now?	If not, when?
Navy REPI (or bargain sale)	$114,000	Yes No		Yes No	

NOTE: Fifty-percent (50%) matching funds are required, and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right can 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 has the project sponsor identified the long-term stewardship issues for the proposed project?

2 a. Identify any factors, threats, or stressors that could negatively affect the conservation values and/or community benefits for which the property would be conserved.

The mature forest conditions and hydrological conservation values of the Deerfoot Forest, including the seasonal and perennial wetlands that feed into the Donovan Creek and Tarboo Creek watersheds could be negatively impacted by further development currently allowed on the southern parcel under county code, and by conventional forest management practices without a conservation easement.

2 b. Describe the management strategies that the stewardship plan will include to address the identified factors, threats, or stressors, including any actions planned to make these negative outcomes or impacts less likely.

The Land Trust anticipates that the stewardship plan will focus on management strategies designed to retain and enhance the mature forest and wetland characteristics of the property. The landowners have a forest management plan that was recently updated in consultation with an experienced DNR forester. This plan promotes forest health, diversity, and resilience and will be a guiding document in the development of the Stewardship Plan.

The Stewardship Plan is created in partnership with landowners who retain the fee-simple rights to the property. These plans, including their management strategies, are developed once the staff have more time (funded by public granting agencies) to conduct site assessments to create a baseline conditions report and

stewardship plan. The Land Trust will engage in ongoing, detailed discussions with landowners and their forest manager to formulate joint strategies for protecting and enhancing the identified conservation values, once the project has secured funding and before closing on the conservation easement.

While we will have the required Stewardship Plan outline or draft to County Environmental Health staff in advance of closing on the conservation easement, the national Land Trust Alliance—which regularly updates its Standards and Practices to guide accredited land trusts such as Jefferson Land Trust—requires a management plan to be developed within 12 months of land acquisition. This timeline allows staff to set management goals, address risks to conservation values, and identify appropriate public access opportunities. When necessary, we will update the Stewardship Plan according to the conservation easement requirements. (https://landtrustalliance.org/resources/learn/explore/practice-12b-land-management-and-stewardship

2 c. Describe any existing water rights, and current uses of water. Identify any conservation values currently being protected that are dependent on these sources of water.

The Deerfoot Forest property residences utilize two domestic wells. Onsite water supply is not an element of the identified conservation values.

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 35 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. The Land Trust also holds title to over 1,890 acres of preserves and we have helped with the preservation and stewardship of another 12,941 acres in Jefferson County. We currently hold 69 conservation easements on 3,597 acres, including the Tarboo Wildlife Preserve (396 acres), Carl's Forest (156 acres), Arlandia (28 acres), and other facilitated protection projects with the Northwest Watershed Institute.

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.

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

_____No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures Fund funds.
X Yes, the sponsor and/or applicant for this project has been involved in a project previously approved for Conservation Futures Fund funds. Please provide details:

Jefferson Land Trust has worked with many willing landowners and has sponsored 40 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 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 provided opportunities for public review and comment. *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.*

X complements an adopted open space or conservation plan that was open to public review, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*

__is a stand-alone project, or part of a project that was not open to public review.

For context, the Deerfoot Forest property is nearby the Washington DNR's designated Dabob Bay Natural Area. The Dabob Bay Natural Area was created to protect one of Washington's highest functioning coastal spit and tidal wetland systems. Deerfoot Forest and other properties within the Tarboo watershed have the opportunity to provide additional protection to these areas by protecting the water quality of tributaries feeding into Dabob Bay. Tarboo-Dabob is identified in the Willamette Valley—Puget Trough—Georgia Basin Ecoregional Assessment (Floberg et al. 2004) as a priority area for conserving terrestrial biodiversity, and the summary of special occurrences appendix.

Jefferson Land Trust's community-vetted 100-Year Conservation Plan articulates the importance of preserving habitat with the community vision – "*Habitat is biologically diverse, interconnected, and supports viable population of keystone species.*" (pg. 13, Jefferson Land Trust Conservation Plan, 2010). It also identifies "wildlife corridors" and "natural ecosystems" as priorities for habitat areas to be protected, which Deerfoot Forest can be characterized as.

A portion of the Deerfoot Forest property is specifically identified as a Highly Resilient Terrestrial Biodiversity Area through Jefferson Land Trust's Climate Resiliency Spatial Conservation Planning. More information about the Land Resilience Study can be found in the hyperlink and in Question #11.

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

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

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

The landowners of Deerfoot Forest have considered working with Jefferson Land Trust to protect their forestland for over a decade now. Up until last year, the Hubbards wanted to reserve their ability to sell off their second parcel in case they have unexpected medical costs arise. However, now that there is the opportunity to secure Conservation Futures funds for the protection of this property, we can now work with the landowners to consolidate the property, extinguish the remaining development right, and ensure that it cannot be subdivided or clearcut should the landowners need to sell the property in the future, or after their lifetimes.

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

6 a. Summarize the project's conservation values and how the CFF funds requested support these values.

The conservation values of the property that will be protected by the conservation easement include mature, diverse forest habitat, forested wetlands, scenic qualities along a main county road, and educational and scientific opportunities. The protection of this mature forest habitat will benefit the biological diversity, carbon sequestration, and groundwater recharge of the forest, as well as extend the wildlife corridor in the Tarboo and Donovan Creek watersheds that many partners have been working to protect for two decades.

CFF funds requested will directly support these values by utilizing the conservation future tax levy to preserve the sensitive lands of Deerfoot Forest that would be permanently damaged by increased development or resource extraction. CFF funds may also leverage additional funding from the Navy's Readiness and Environmental Integration Program, and/or a bargain sale of the conservation easements.

The timeframes for meeting the project objectives are reasonable and will achieve the conservation objectives.

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

The objectives described in the Project Description ensure that Jefferson Land Trust is performing the appropriate steps to ensure permanent protection of the conservation values described in 6a.

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

7 a. **X** 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).

7 b. **X** provides habitat for native flora and fauna. Identify the documented habitat(s) and native flora or fauna species that will be protected by the project.

7 c. **X** contributes to a wildlife corridor or migration route identified by Washington Connectivity Working Group or other peer-reviewed source.

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]

Note about this year's changes to 7c: the "Washington Connectivity Working Group" has no data on their Linkage Pathways interactive map west of the Cascade Mountains. Additionally, all the links recommended in the footnote below are expired. If citing information from specific resources is desired, please provide different requests. Otherwise, sponsors will continue to cite information from their resources.

Note also that the Land Trust is participating in the statewide Washington Habitat Connectivity Action Planning process and is providing feedback and local priority information to advise the update of the Action Plan, expected to be complete in mid- 2025.

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[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

The Deerfoot Forest property is nearby other conserved land including the conservation easements Tarboo Wildlife Preserve (396 acres), Carl's Forest (156 acres), Arlandia (28 acres), and other facilitated protection projects with the Northwest Watershed Institute, contributing to greater habitat corridors for wildlife species. The mature, mixed species forest and forested wetlands onsite provide habitat for multiple species - wildlife documented onsite include Black bear and deer, cougar, coyote, raccoon, local woodpecker species and bat species that move throughout the landscape. Western toads have been sited on the property for multiple years – they are listed as a State Candidate (WDFW Priority Habitat and Species list) and Federal Species of Concern.

The Olympic Cougar Project, a connectivity collaborative funded by the international Panthera nonprofit organization, has documented that within the last several months, Yenewes, a collared female cougar who now has four kittens, spent one week on the northern Deerfoot Forest parcel. When a cougar who is part of this study spends a week in one place, they have either killed and are eating, or they are denning. Additionally, the Olympic Cougar Project has shared data of other collared cats that are also frequenting this area in and around Deerfoot Forest.

Directly to the south of Deerfoot Forest is Department of Natural Resources property in their Forest Board category for timber production, but we understand that the presence of marbled murrelets on or near this property means that DNR may be working to incorporate these properties into their Dabob Bay Natural Area Preserve (currently located less than .25 miles from Deerfoot Forest). Deerfoot Forest contributes to the protection of water quality throughout the Dabob Baby and Donovan Creek watersheds by reducing the number of negative impacts that the streams and bays have to respond to such as sedimentation, erosion, pollution, and flooding. Furthermore, Dabob Bay is home to surf smelt, Pacific sand lace, Pacific Herring, Pacific geoduck, hardshell clams, commercial oyster production as well as several WDFW Priority Habitats (estuarine and marine wetland, freshwater emergent wetland). Quilcene Bay, fed by Donovan Creek has similar conservation values and species present.

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

8. 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.

As described in question #7, this property appears to be some of the headwaters of both Donovan Creek and Tarboo Creek, both of which are anadromous streams for multiple salmonid species, including Hood Canal summer chum, Puget Sound chinook, coho. The protection of habitats upstream in a watershed provides benefit to the water quality and conditions of the salmon-bearing streams further down the watershed.

9. To what degree does the project preserve farmland for agricultural use OR preserve forestland for forest management?

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

The forestland's primary management goal is not for silvicultural and economic production, but instead for actively managing the property through enhancing and preserving the ecological diversity and resiliency of this upland and forested wetland habitat.

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

With the proposed terms of the conservation easement, Deerfoot Forest will be able to be managed in a similar function as described in 11b, in perpetuity. The easement terms will restrict clear cutting, timber harvest, and conversion of the forest which will protect the water quality, soil health, watershed function and wildlife habitat as described throughout this application.

9 c. Does this project preserve a mix of quality farmland and forestland?

Preservation of farmland is not one of the proposed conservation values for this forested property; the preservation of structurally diverse, second growth forest is the primary goal of this conservation easement.

10. To what degree does this project increase resiliency to and mitigation of climate change, and is the project's scale significant in regards to increasing climate resiliency?

10. Describe how this project will increase resiliency to and mitigation of climate change. Is the project's scale significant in regards to increasing climate resiliency?

Jefferson Land Trust and the North Olympic Land Trust have been involved in a Land Resilience Study of the North Olympic Peninsula since 2020. This study included working with a professional GIS consultant to utilize over 90 data sets and draw from 18 public and private sources to develop a set of climate resilience metrics that are helping to structure conservation initiatives in both partner organizations and shape future collaboration. The metrics are analyzed through the four pillars of our work including working farmland, working forestland, habitat and biodiversity, and community opportunity areas.

Through this analysis, portions of Deerfoot Forest are identified as a Terrestrial Biodiversity Conservation Opportunity Area through this spatial resiliency study. Terrestrial Biodiversity Conservation Opportunity Areas are defined as the lands on the Olympic Peninsula that are most likely to retain their ecological integrity and features that support migrating biodiversity both present and predicted, where there are corridors between these features that will support future migration and are the habitat lands that have high carbon sequestration values.

The long-term protection of this structurally diverse second-growth forest will enhance its ecological integrity, contributing to climate change resilience. Achieving climate change resilience in Jefferson County will require incremental protection efforts, collaborating with landowners of varying property sizes. Most privately-owned parcels in the county, not held by commercial timber companies, are smaller than 100 acres. In this context, the 37-acre size of this project is particularly significant, especially due to its proximity to the Dabob Bay Natural Area Preserve and protection efforts in the lower Donovan Creek watershed.

11. What area does the project serve?

11 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.

Deerfoot Forest is a piece of property that is part of a much broader county area that has been prioritized for protection by many local and regional land conservation and management partners. Both the Donovan and Tarboo Creek watersheds have been prioritized for preservation and restoration for over two decades, as described in #7. Deerfoot Forest is at the top of these watersheds, which benefits all of the downstream work that has been happening over many years.

11 b. Is the project located in an area that is under-represented by CFF 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.*

No.

12. To what degree is the applicant committing to providing educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

12. Describe the educational or interpretive opportunities that the applicant will provide for 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] Provide the time frames when each of the above will be implemented.

While conservation easements cannot require access for the public or interpretive signage, the Hubbards are very passionate about being able to share educational and visitor opportunities on their property. Their future goals for the forest stated in their Forest Management Plan include designing additional walking trails and visitor infrastructure such as benches and gazebo to encourage the opportunity for people to visit an exemplary native forest and wildlife habitat for future generations.

13. To what degree does the project preserve historic or culturally significant resources[3]?

13. The proposed acquisition

__ includes historic or culturally significant resources[4] and

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

__ is recognized locally has having historic or cultural resources.

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

X none of the above.

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

Standalone O & M Projects

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

14. 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.

Verification

---

[2] The words "education" and "interpretation" are interpreted broadly by the CFF 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. Sponsor commitments:

15 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.

15 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 3/19/2025 Date

15 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 3/19/25 Date

15 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. SS Initials 3/19/25 Date

15 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 3/19/25 Date

Landowner Acknowledgement Form[1]

Project Applicant Information

Applicant Name: Jefferson Land Trust
Project Number/Name:
Contact: ☐ Mr. ☒ Ms. First Name: Sarah Last Name: Spaeth
Title: Director of Conservation
Mailing Address: 1033 Lawrence St. Port Townsend, WA 98368
E-Mail Address: sspaeth@saveland.org

Property Information

Address or Location: **11500 Center Road. Quilcene, WA 98376**
County/Parcel Number: **701052002 and 701052011**

Landowner Information

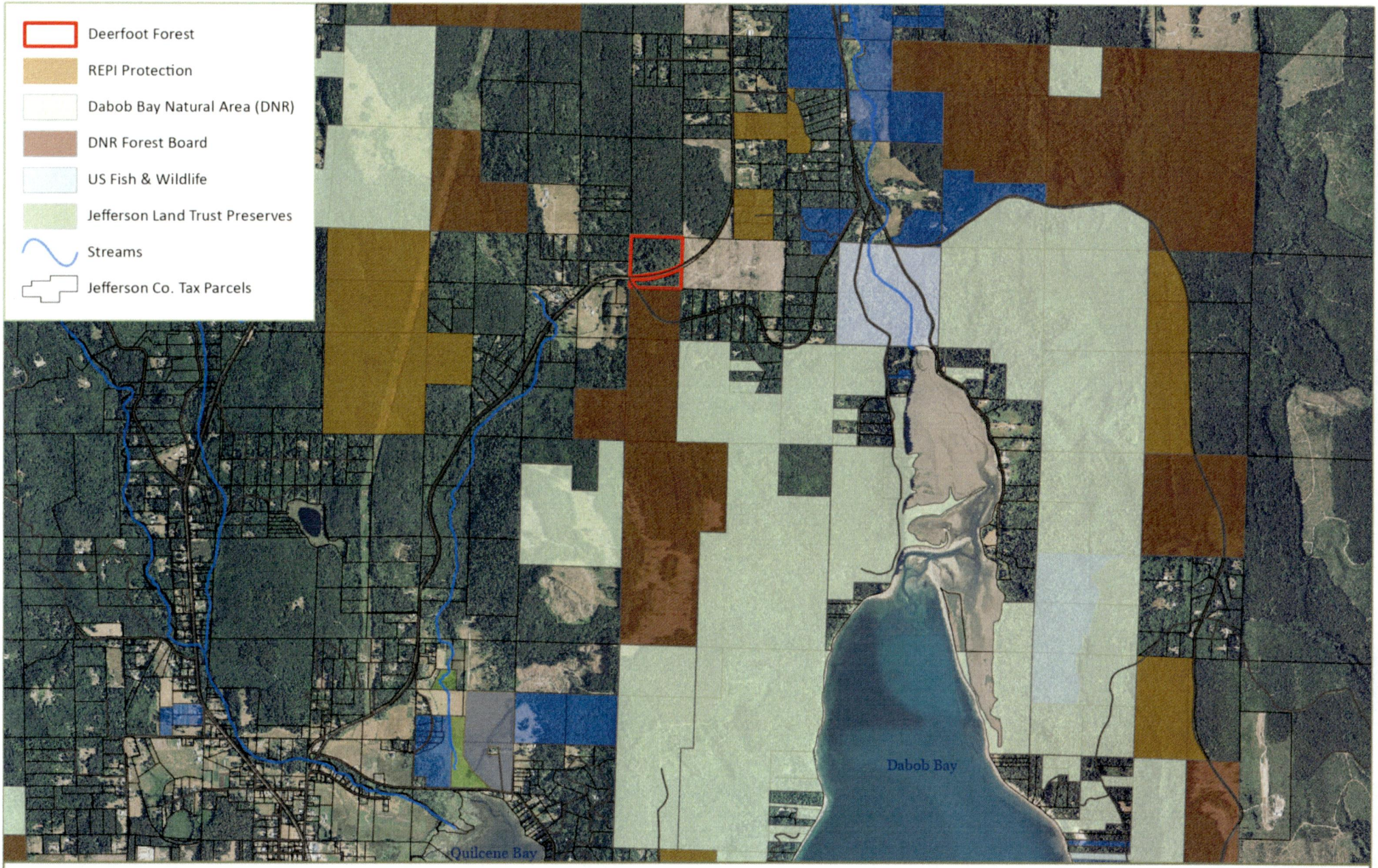
Landowner Name: Hubbard Center Road LLC
Representative: ☐ Mr. ☒ Ms. First Name: Penney Last Name: Hubbard
Title:
Mailing Address: PO Box 602 Quilcene, WA 98376
E-Mail Address: auntpenney@gmail.com

1. Penney Hubbard, Hubbard Center Road LLC, is the legal owner of property described in the grant application being submitted to Jefferson County Conservation Futures 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.

Penney Hubbard
Landowner/Representative Signature

March 21, 2024
Date

Penney Hubbard



Deerfoot Forest
Conservation Futures Fund 2025
Site Location Map

0 1,000 2,000 4,000
Feet

2023 Aerial Image (NAIP)

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

Map created in March 2025

N

JEFFERSON LAND TRUST



Deerfoot Forest
Conservation Futures Fund

0 475 950 1,900
Feet

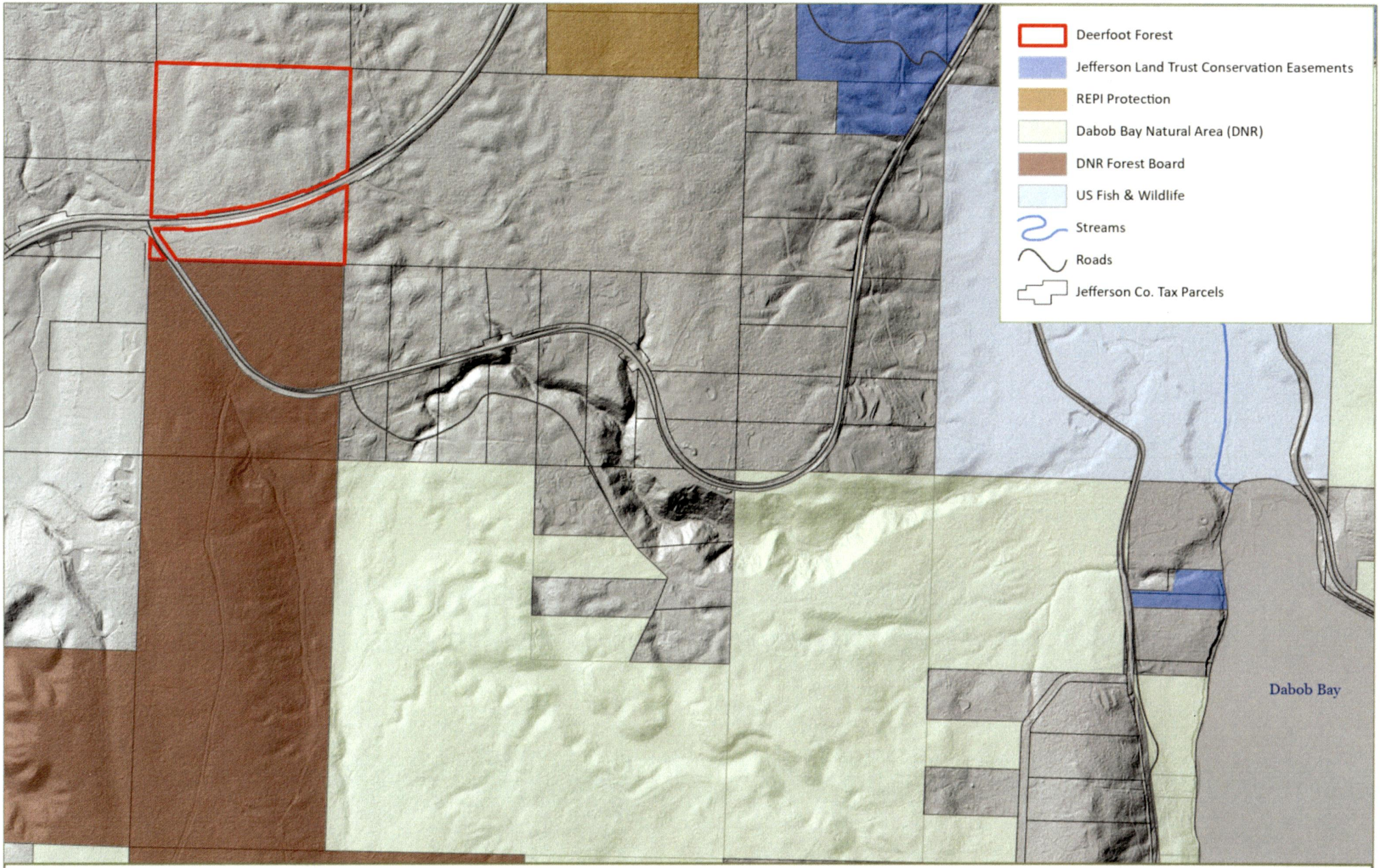
2023 Aerial Image (NAIP)

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

Map created in February 2025

N

JEFFERSON LAND TRUST



Deerfoot Forest
Conservation Futures Fund 2025
Project Boundary Hillshade Map

0 375 750 1,500
Feet

2023 Aerial Image (NAIP)

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

Map created in March 2025

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JEFFERSON LAND TRUST

Deerfoot Forest
Application Photos



Forested sedge wetland.



Southern parcel facing southwest. Bigleaf maple-dominant forest with mid-size regenerating conifers.



Onsite driveway with Douglas fir and bigleaf maple.



Large maple on site; moss and lichen demonstrate strong moisture presence. Conservation Futures Citizen Advisory Committee site visit.



Representative conditions of mixed alder, salmonberry, sword fern forest. Northern neighbor boundary line (commercial forestry) can be seen in background.



One of many Western toads found onsite by the landowners. Western toads are listed as a State Candidate (WDFW Priority Habitat and Species list) and Federal Species of Concern.

Jefferson Land Trust
Board of Directors
2025

Jane Guiltinan
Board President

- *Dean Emeritus at Bastyr University*
- *Naturopathic Physician, retired*

Tim Lawson
Vice President

- *Founder and Executive Director of Port Townsend School of Woodworking, retired*

Brian Rogers
Secretary

- *Chancellor of University of Alaska Fairbanks, retired*
- *State of Alaska Legislator, retired*

Julie Lockhart
Treasurer

- *Educator and nonprofit professional, retired*
- *Executive Director of WinterSpring, retired*

Sherry Moller

- *Plan Manager for Washington FAIR Pl*

Tom Sanford

- *Executive Director of North Olympic Land Trust*

Rick York

- *California Department of Fish and Game - Botanist and Biologist, retired*

Barry Mitzman

- *Reporter and Peabody Award-winning Television Producer, retired*
- *Seattle University Strategic Communications Director, retired*

Ed Thompson

- *Attorney and land conservation professional, American Farmland Trust, retired*

Ben Wilson

- *Healthcare and Technology, retired*
- *Board President of Climate Action Pathways for Schools*

Jennifer Harrison

- *Head of Gaming Experimentation, Microsoft*
- *Managing Director of Earth Economics*

JEFFERSON LAND TRUST

ORGANIZATIONAL CHART

- **BOARD OF DIRECTORS**

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  - **SARAH SPAETH- Director of Conservation and Strategic Partnerships**

    BLAISE SULLIVAN- Conservation Project Manager

  - **ERIK KINGFISHER- Director of Stewardship & Resilience**

    CARRIE CLENDANIEL- Preserve Manager

      DEVON BUCKHAM – Education Coordinator

      GREG SACHS – Preserve Assistant

      KELLY STOCKER – Americorps Habitat Enhancement Crew Member

    MARLOWE MOSER – Stewardship Coordinator

  - **KATE GODMAN- Director of Philanthropy**

    SARAH ZABLOCKI-AXLING- Development Manager

      SYDNEY LAROSE – Development Assistant

    RIC BREWER- Community Relations & Events Manager

  - **STEPAHNIE WEIGAND – Communications Manager**

    LILLY SCHNEIDER – Communications Coordinator

  - **PAULA McNEES- Finance Manager**

  - **CRISTINA VILLALOBOS – Office & Preserve Assistant (Matrixed to Stewardship)**

  - **RYEN HELZER – Community Forest Manager**

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
2 CUPANIA CIRCLE
MONTEREY PARK, CA 91755-7406

DEPARTMENT OF THE TREASURY

Date: MAY 03 1994

JEFFERSON LAND TRUST
C/O DOUG MASON PRES
PO BOX 1610
PORT TOWNSEND, WA 98368-0109

Employer Identification Number:
91-1465078
Case Number:
954109002
Contact Person:
TYRONE THOMAS
Contact Telephone Number:
(213) 894-2289
Our Letter Dated:
May 08, 1990
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Richard R. Orosco
District Director

Letter 1050 (DO/CG)

INCOME	
Restricted Funds	
Federal, State & County Grants	250,795
Foundation Grants	150,000
Donor Restricted	-
Investment	-
Operations Income	
Annual Contributions	545,000
Special Events	66,550
Fee for Service	156,110
Investment Income	-
Other/Release from Restriction	809,201
Foundation Grants/Unrestricted	20,000
Total Income	1,997,656
EXPENSE	
Direct Program	156,629
Acquisition & Conveyance	-
Land/Easement Holding	55,800
Professional Services	179277.00
General & Administrative	1,605,445
Total Expense	1,997,151
Net Income	505

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidated Financial Statements

For the Years Ended December 31, 2023 and 2022

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Aiken & Sanders, Inc PS
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

324 So. Main Street, Unit A, Montesano, WA 98563
Telephone (360) 533-3370 Fax (360) 532-7123
aikenandsanders@aiken-sanders.com

Independent Auditor's Report

To the Board of Directors
Jefferson Land Trust & Subsidiaries
Port Townsend, WA

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Jefferson Land Trust and Subsidiaries (collectively, JLT, a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JLT, as of December 31, 2023 and 2022, and changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JLT and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JLT's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND WASHINGTON SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JLT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about JLT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 11-13 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Aiken & Sanders, Inc., PS

Aiken & Sanders

Certified Public Accountants
& Consultants

July 26, 2024

Montesano, WA

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Financial Position
As of December 31, 2023 and December 31, 2022

Assets

	2023	2022
Current Assets:		
Cash and cash equivalents	$ 2,427,128	$ 2,173,070
Accounts receivable	170,424	37,604
Current pledges receivable	1,139,589	1,063,546
Prepaid expense	15,839	1,361
Total Current Assets	3,752,980	3,275,581
Land and Conservation Easements:		
Habitat land	9,231,039	7,534,455
Working land	5,052,673	97,728
Open space land	332,761	332,761
Conservation easements	69	69
Total Land and Conservation Easements	14,616,542	7,965,013
Fixed Assets:		
Furniture, equipment, and improvements	97,340	97,340
Less: Accumulated depreciation	(66,611)	(61,086)
Fixed assets, net	30,729	36,254
Other Assets:		
Long term pledges receivable	150,366	471,051
Land hold fee-net	-	8,333
Investments	2,276,171	1,463,104
Total Other Assets	2,426,537	1,942,488
Total Assets	$ 20,826,788	$ 13,219,336

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Financial Position
As of December 31, 2023 and December 31, 2022

Liabilities & Net Assets

	2023	2022
Current Liabilities:		
Accounts payable	$ 30,683	$ 26,399
Accrued liabilities and deferred revenue	138,401	112,823
Total Current Liabilities	169,084	139,222
Long-Term Liabilities:		
Note payable	550,000	-
Total Liabilities	719,084	139,222
Net Assets:		
Without donor restrictions		
Undesignated	1,099,368	1,039,705
Board designated	14,520,704	7,833,694
	15,620,072	8,873,399
With donor restrictions	4,487,632	4,206,715
Total Net Assets	20,107,704	13,080,114
Total Liabilities & Net Assets	$ 20,826,788	$ 13,219,336

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total 2023
Support and Revenues:			
Gifts and contributions	$ 1,260,518	$ 2,601,431	$ 3,861,949
Donated land and easements	184,433	-	184,433
Inkind donations	11,042	-	11,042
Grants and contracts	4,906,931	-	4,906,931
Special events income, net of expenses of $37,121	16,782	-	16,782
Net investment return	80,034	101,457	181,491
Net assets released from restriction	2,421,971	(2,421,971)	-
Total Support and Revenue	8,881,711	280,917	9,162,628
Expenses:			
Program services	1,525,548	-	1,525,548
Management and general	302,737	-	302,737
Fundraising	306,753	-	306,753
Total Expenses	2,135,038	-	2,135,038
Change in Net Assets	6,746,673	280,917	7,027,590
Net Assets, Beginning of Year	8,873,399	4,206,715	13,080,114
Net Assets, End of Year	$ 15,620,072	$ 4,487,632	$ 20,107,704

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total 2022
Support and Revenues:			
Gifts and contributions	$ 576,404	$ 2,522,348	$ 3,098,752
Donated lands and easements	977,256	-	977,256
Inkind donations	2,193	-	2,193
Grants and contracts	805,373	-	805,373
Special events income, net of expenses of $26,761	23,366	-	23,366
Net investment return	(76,265)	1,894	(74,371)
Net assets released from restriction	859,895	(859,895)	-
Total Support and Revenue	3,168,222	1,664,347	4,832,569
Expenses:			
Program services	1,960,104	-	1,960,104
Management and general	438,537	-	438,537
Fundraising	300,403	-	300,403
Total Expenses	2,699,044	-	2,699,044
Change in Net Assets	469,178	1,664,347	2,133,525
Net Assets, Beginning of Year	8,404,221	2,542,368	10,946,589
Net Assets, End of Year	$ 8,873,399	$ 4,206,715	$ 13,080,114

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Functional Expenses

For the Year Ended December 31, 2023

	Program	Management and General	Fund-Raising	Total 2023
Salaries	$ 581,490	$ 162,041	$ 194,180	$ 937,711
Payroll taxes	48,293	13,458	16,127	77,878
Employee benefits	70,153	19,549	23,426	113,128
Professional fees	416,346	46,314	14,000	476,660
Land and stewardship expenses	286,823	-	-	286,823
Rent	19,435	5,416	6,490	31,341
Public awareness	8,795	4,291	1,679	14,765
Dues and subscriptions	12,594	11,763	16,090	40,447
Insurance	12,556	8,038	4,193	24,787
Postage and printing	11,324	215	10,034	21,573
Other	5,611	10,138	310	16,059
Travel and seminars	10,580	4,618	1,223	16,421
Office supplies	18,579	3,675	5,344	27,598
Depreciation and amortization	2,460	3,055	-	5,515
Utilities	8,997	2,507	3,004	14,508
Web design and maintenance	8,910	-	-	8,910
Bad debts	-	6,000	-	6,000
Bank fees	2,602	1,659	10,653	14,914
Total Expenses	$ 1,525,548	$ 302,737	$ 306,753	$ 2,135,038

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries

A Washington Not For Profit Organization

Consolidated Statement of Functional Expenses

For the Year Ended December 31, 2022

	Program	Management and General	Fund-Raising	Total 2022
Salaries	$ 451,664	$ 237,470	$ 191,204	$ 880,338
Payroll taxes	36,334	19,103	15,381	70,818
Employee benefits	55,597	29,231	23,536	108,364
Value of conservation easements written down	890,117	-	-	890,117
Professional fees	343,533	46,843	13,141	403,517
Land and stewardship expenses	93,842	-	-	93,842
Rent	15,968	8,396	6,760	31,124
Public awareness	11,758	446	3,585	15,789
Dues and subscriptions	7,069	16,347	11,055	34,471
Insurance	9,773	4,831	3,890	18,494
Postage and printing	10,291	1,096	14,802	26,189
Other	4,969	9,118	815	14,902
Interest expense	-	3,525	-	3,525
Travel and seminars	8,661	8,703	161	17,525
Office supplies	7,744	20,254	4,145	32,143
Depreciation and amortization	2,924	3,829	-	6,753
Utilities	7,129	3,748	3,018	13,895
Web design and maintenance	1,350	-	-	1,350
Bad debts	890	23,918	-	24,808
Bank fees	491	1,679	8,910	11,080
Total Expenses	$ 1,960,104	$ 438,537	$ 300,403	$ 2,699,044

The accompanying notes are an integral part of these financial statements.

Jefferson Land Trust and Subsidiaries
A Washington Not For Profit Organization

Consolidated Statement of Cash Flows
For the Years Ended December 31, 2023 and December 31, 2022

	2023	2022
Cash flows from operating activities:		
Cash received from grantors, donors and customers	$ 8,948,453	$ 3,420,969
Cash paid to suppliers and employees	(2,139,733)	(1,851,446)
Cash paid for interest	-	(3,525)
Cash received from interest	44,382	24,405
Net cash provided (used) by operating activities	6,853,102	1,590,403
Cash flows from investing activities:		
Cash paid for investments	(1,275,403)	(518,055)
Cash received from investments	593,455	1,894
Proceeds from notes receivable	-	41,577
Cash paid for land	(6,467,096)	(338,686)
Net cash provided (used) by investing activities	(7,149,044)	(813,270)
Cash flows from financing activities:		
Cash paid on line of credit	-	(83,537)
Cash received from loan	550,000	-
Net cash provided (used) by financing activities	550,000	(83,537)
Net increase (decrease) in cash & cash equivalents	254,058	693,596
Cash & cash equivalents at beginning of year	2,173,070	1,479,474
Cash & cash equivalents at end of year	$ 2,427,128	$ 2,173,070

The accompanying notes are an integral part of these financial statements

Jefferson Land Trust and Subsidiaries
A Washington Not For Profit Organization

Consolidated Statement of Cash Flows
For the Years Ended December 31, 2023 and December 31, 2022

	2023	2022
Reconciliation of increase (decrease) in net assets to net cash provided (used) by operating activities:		
Increase (decrease) in net assets:	$ 7,027,590	$ 2,133,525
Adjustments:		
Depreciation and amortization	5,515	6,753
Bad debts	6,000	24,808
Land hold fee amortization (adjustment)	8,333	8,333
Realized and unrealized losses (gains) on investments	(137,109)	98,776
Donated land	(184,433)	(207,256)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(132,820)	(32,952)
(Increase) decrease in pledges receivable	244,642	(480,678)
(Increase) decrease in prepaid expense	(14,478)	(1,361)
Increase (decrease) in accounts payable	4,284	12,172
Increase (decrease) in accrued expenses and deferred revenue	25,578	28,283
Net cash provided (used) by operating activities	$ 6,853,102	$ 1,590,403

The accompanying notes are an integral part of these financial statements

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidating Statement of Financial Position

Year Ended December 31, 2023

	Jefferson Land Trust	JLT Resources, LLC	Chimacum Ridge CF, LLC	Subtotal	Eliminations	Consolidated 2023
Assets						
Current Assets:						
Cash and cash equivalents	$ 2,416,391	$ 10,637	$ 100	$ 2,427,128	$ -	$ 2,427,128
Accounts receivable	170,424	-	-	170,424	-	170,424
Current pledges receivable	1,139,589	-	-	1,139,589	-	1,139,589
Prepaid expense	15,839	-	-	15,839	-	15,839
Total Current Assets	3,742,243	10,637	100	3,752,980	-	3,752,980
Land and Conservation Easements:						
Habitat land	8,409,108	821,931	-	9,231,039	-	9,231,039
Working land	97,728	-	4,954,945	5,052,673	-	5,052,673
Open space land	332,761	-	-	332,761	-	332,761
Conservation easements	69	-	-	69	-	69
Total Land and Conservation Easement	8,839,666	821,931	4,954,945	14,616,542	-	14,616,542
Fixed Assets:						
Furniture, equipment, and improveme	87,203	10,137	-	97,340	-	97,340
Less: Accumulated depreciation	(65,080)	(1,531)	-	(66,611)	-	(66,611)
Total Fixed Assets	22,123	8,606	-	30,729	-	30,729
Other Assets:						
Long term pledges receivable	150,366	-	-	150,366	-	150,366
Land hold fee-net	-	-	-	-	-	-
Investments	7,571,312	-	-	7,571,312	(5,295,141)	2,276,171
Total Other Assets	7,721,678	-	-	7,721,678	(5,295,141)	2,426,537
Total Assets	**$ 20,325,710**	**$ 841,174**	**$ 4,955,045**	**$ 26,121,929**	**$ (5,295,141)**	**$ 20,826,788**
Liabilities						
Current Liabilities						
Accounts payable	$ 30,683	$ -	$ -	$ 30,683	$ -	$ 30,683
Accrued liabilities and deferred reven	138,401	-	-	138,401	-	138,401
Total Current Liabilities	169,084	-	-	169,084	-	169,084
Long Term Liabilities						
Note payable	-	550,000	-	550,000	-	550,000
Total Liabilities	169,084	550,000	-	719,084	-	719,084
Net Assets						
With Donor Restrictions	4,487,632	-	-	4,487,632	-	4,487,632
Without Donor Restrictions	15,668,994	291,174	4,955,045	20,915,213	(5,295,141)	15,620,072
Total Net Assets	20,156,626	291,174	4,955,045	25,402,845	(5,295,141)	20,107,704
Liabilities & Net Assets	**$ 20,325,710**	**$ 841,174**	**$ 4,955,045**	**$ 26,121,929**	**$ (5,295,141)**	**$ 20,826,788**

The accompanying notes are an integral part of these financial statements.

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2023

	Jefferson Land Trust	JLT Resources, LLC	Chimacum Ridge CF, LLC	Subtotal	Eliminations	Consolidated 2023
Support and Revenues						
Gifts and contributions	$ 3,861,949	$ -	$ -	$ 3,861,949	$ -	$ 3,861,949
Donated land and easements	184,433	-	-	184,433	-	184,433
Inkind donations	11,042	-	-	11,042	-	11,042
Grants and contracts	4,906,931	-	-	4,906,931	-	4,906,931
Special events income, net of expenses of $37,121	16,782	-	-	16,782	-	16,782
Net investment return	181,454	37	-	181,491	-	181,491
Net assets released from restriction	-	-	-	-	-	-
Total Support and Revenues	**9,162,591**	**37**	**-**	**9,162,591**	**-**	**9,162,628**
Program Expenses						
Jefferson Land Trust	1,513,398	-	-	1,513,398	-	1,513,398
JLT Resources, LLC	-	12,150	-	12,150	-	12,150
Chimacum Ridge CF, LLC	-	-	-	-	-	-
Total Program Expenses	1,513,398	12,150	-	1,525,548	-	1,525,548
Management and general	302,737	-	-	302,737	-	302,737
Fundraising	306,753	-	-	306,753	-	306,753
Total Expenses	**2,122,888**	**12,150**	**-**	**2,135,038**	**-**	**2,135,038**
Change in Net Assets	7,039,703	(12,113)	-	7,027,553	-	7,027,590
Capital Transfer	-	6,551	4,955,045	4,961,596	(4,961,596)	-
Net assets - Beginning of Year	13,116,923	296,736	-	13,413,659	(333,545)	13,080,114
Net assets - End of the Year	**$ 20,156,626**	**$ 291,174**	**$ 4,955,045**	**$ 25,402,808**	**$(5,295,141)**	**$ 20,107,704**

The accompanying notes are an integral part of these financial statements.

JEFFERSON LAND TRUST AND SUBSIDIARIES

Consolidating Statement of Functional Expenses

Year Ended December 31, 2023

	Jefferson Land Trust	JLT Resources, LLC	Chimacum Ridge CF, LLC	Total Program Services	Management & General	Fundraising	Eliminations	Consolidated 2023
Salaries	$ 581,490	$ -	$ -	$ 581,490	$ 162,041	$ 194,180	$ -	$ 937,711
Payroll taxes	48,293	-	-	48,293	13,458	16,127	-	77,878
Employee benefits	70,153	-	-	70,153	19,549	23,426	-	113,128
Professional fees	405,343	11,003	-	416,346	46,314	14,000	-	476,660
Land and stewardship expenses	286,242	581	-	286,823	-	-	-	286,823
Rent	19,435	-	-	19,435	5,416	6,490	-	31,341
Public awareness	8,795	-	-	8,795	4,291	1,679	-	14,765
Dues and subscriptions	12,594	-	-	12,594	11,763	16,090	-	40,447
Insurance	12,556	-	-	12,556	8,038	4,193	-	24,787
Postage and printing	11,324	-	-	11,324	215	10,034	-	21,573
Other	5,552	59	-	5,611	10,138	310	-	16,059
Travel and seminars	10,580	-	-	10,580	4,618	1,223	-	16,421
Office supplies	18,579	-	-	18,579	3,675	5,344	-	27,598
Depreciation and amortization	1,953	507	-	2,460	3,055	-	-	5,515
Utilities	8,997	-	-	8,997	2,507	3,004	-	14,508
Web design and maintenance	8,910	-	-	8,910	-	-	-	8,910
Bad debts	-	-	-	-	6,000	-	-	6,000
Bank fees	2,602	-	-	2,602	1,659	10,653	-	14,914
Total Expenses	**$ 1,513,398**	**$ 12,150**	**$ -**	**$ 1,525,548**	**$ 302,737**	**$ 306,753**	**$ -**	**$ 2,135,038**

The accompanying notes are an integral part of these financial statements.

A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization--
Jefferson Land Trust (The Land Trust) is a Washington not-for-profit corporation formed on April 7, 1989. The Land Trust's purpose is to acquire, preserve and manage open space lands and easements for land conservation purposes benefitting the public. The Land Trust also provides information and materials to the public on land conservation issues. The Land Trust serves Jefferson County on the Olympic Peninsula in Washington State. The Land Trust has been accredited by the national Land Trust Alliance since August 5, 2009.

On September 5, 2007, JLT Resources, LLC was formed with the Land Trust as its only member. JLT Resources, LLC was formed for the purpose of purchasing and holding land for conservation purposes.

On November 13, 2023, Chimacum Ridge Community Forest, LLC was formed with the Land Trust as its only member. Chimacum Ridge Community Forest, LLC was formed for the purpose of purchasing land and operating a community forest.

Principles of Consolidation--
These financial statements consolidate the statements of Jefferson Land Trust, JLT Resources, LLC, and Chimacum Ridge Community Forest, LLC (collectively, "JLT"). Inter-organization balances and transactions have been eliminated in consolidation.

Basis of accounting--
The consolidated financial statements of JLT have been prepared on the accrual basis of accounting.

Basis of presentation—
JLT follows accounting prescribed by the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958 Not-for Profit Entities. Under ASC 958, JLT is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions, and without donor restrictions.

With Donor Restrictions: Net assets that result from contributions whose use by JLT is restricted by donor imposed stipulations that may expire with the passage of time or can be fulfilled or otherwise removed by actions of JLT.

Without Donor Restrictions: Net assets that are not restricted by donor stipulation.

Gifts of goods and equipment are reported as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used.

Property and Fixed Assets--
Improvements, furniture and equipment are capitalized at cost if purchased, or, if donated, at the approximate fair value at the date of donation. When retired or otherwise disposed of, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference, less any amount realized from disposition, is reflected in earnings. Maintenance and repairs are charged to expense as incurred. Costs of significant improvements are capitalized. JLT provides for depreciation using the straight-line method over the estimated useful lives of the assets of five to ten years.

JLT records acquisitions of land at cost if purchased. Land acquired through donation is recorded at fair value, with fair values generally based on independent professional appraisals. These assets fall into two primary categories:

Conservation Lands- Real property with significant ecological value for habitat, open space, or working lands. Stewardship programs of JLT manage these properties to protect the natural biological diversity of the property. JLT manages its working timberland as a Forest Stewardship Council-Certified, managed forest.

Conservation Easements- Voluntary legal agreements between a landowner and a land trust or government agency to permanently protect the identified natural features and conservation values of the property. These easements may be sold or transferred to others so long as the assignee agrees to carry out, in perpetuity, the conservation purposes intended by the original grantor. Conservation easements owned by JLT protect habitat, open space and working lands, such as family farms, through its stewardship programs. Easements acquired represent numerous restrictions over the use and development of land not owned by JLT. Since the benefits of such easements accrue to the public upon acquisition, the fair market value of easements acquired is shown in the year of acquisition as an addition to net assets to record the donation of the easement, and unless conveyed to a public agency for consideration, shown as a reduction in net assets to record the value of the public's benefit and to recognize that these easements have no marketable value once severed from the land and held by JLT. Easements held by JLT are carried on the consolidated statement of financial position at $1 each for tracking and accounting purposes. A total of $69 is recorded in the financial records for the nominal value of easements acquired.

JLT has preserved a total of 4,517 acres of land with 69 current easements. The original acquisition cost of the easements, expensed when acquired, was in excess of $19,100,000.

Portions of two easements with a value of $770,000 were donated to JLT during 2022. Accordingly, $770,000 of contribution revenue and $770,000 of related write down expense have been reported on the consolidated statements of activities for the year ended December 31, 2022.

Estimates--
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Expense Allocation--
The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expense. Program expenses represent expenses incurred to fulfill JLT's exempt purposes. Management and general expenses support that exempt purpose while fundraising expenses are incurred to raise resources to carry out program activities. Expenses are recorded, when appropriate, to the function receiving direct benefit. When expenses benefit more than one function, an allocation is made based on relative benefits provided to each function.

Cash and Cash Equivalents--
For reporting purposes, JLT considers all unrestricted highly liquid investments with a purchased maturity of three months or less to be cash and cash equivalents.

Concentrations--
JLT maintains its cash in bank deposit accounts with three financial institutions. JLT's cash balances may, at times, exceed federally insured limits.

At December 31, 2023, three donor's pledges represented approximately 70% of pledges receivable.

At December 31, 2022, four donor's pledges represented approximately 86% of pledges receivable.

Investments--
Investments in marketable securities with readily determinable fair values are valued at their fair values in the consolidated statement of financial position. Certificates of deposit are carried at cost plus accrued interest in the consolidated statement of financial position. Unrealized gains and losses are included in the change in net assts.

Grants and Contracts--
JLT receives grants and contracts from federal, state, and local agencies, as well as from private organizations, to be used for specific programs or land purchases. The excess of grants receivable over reimbursable expenditures to-date is recorded as deferred revenue.

Federal Income Taxes--
The Internal Revenue Service has determined Jefferson Land Trust and JLT Resources, LLC (a disregarded entity) to be exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).Contributions to JLT are deductible as allowed under IRC Section 170(b)(I)(A)(vi).

During the year ended December 31, 2012, the Land Trust elected the provisions of Section 501(h), relating to expenditures to influence legislation. That election remains in force unless revoked.

Contributions--
Contributions are recognized when received or when a donor makes an unconditional promise to give to JLT. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give (pledges receivable) are recognized as revenues in the period the pledge is received. Long term pledges (collection expected in greater than one year) are discounted to the net present value of future cash flows. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promise becomes unconditional.

Subsequent Events--
JLT has evaluated subsequent events through July 26, 2024, the date on which the consolidated financial statements were available to be issued.

B. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

JLT, although it expects to receive current support to fund operations for 2024 and later years, has $1,062,007 and $423,001 of financial assets available within one year of the statement of financial position dates on December 31, 2023 and 2022, respectively, to meet cash needs for general operating expenditures. JLT also has $614,039

and $578,659, of board designated assets as of December 31, 2023 and 2022, respectively, that can be reallocated for general expenditures if needed. Financial assets available within one year consist of the following:

	2023	2022
Financial assets at year end	$ 6,163,678	$ 5,208,375
Donor restricted to purpose	(4,487,632)	(4,206,715)
Board designations	(614,039)	(578,659)
Financial assets available to meet cash needs within one year	$ 1,062,007	$ 423,001

C. NET ASSETS COMPOSITION:

JLT's net assets with donor restrictions consisted of the following at December 31, 2023 and 2022:

	2023	2022
Purpose Restriction:		
For stewardship of Bullis Forest Preserve	$ 27,483	$ 39,511
Chi-yakh-wh	30,740	35,715
Campaign Readiness Fund/Operations	1,132,364	672,260
Stewardship funding	843,969	836,341
Quimper Wildlife Corridor	264,918	210,353
Other program restrictions	52,111	51,770
	2,351,585	1,845,950
Time Restriction:		
Outstanding pledges	1,289,955	1,540,797
Permanent Restriction		
Endowment Fund	846,092	819,968
Total Net Assets With Donor Restrictions	$ 4,487,632	$ 4,206,715

Net assets without donor restrictions consisted of the following at December 31, 2023 and 2022:

	2023	2022
Designated:		
Quimper Wildlife Corridor	$ 2,115,834	$ 1,576,803
Chimacum Creek	388,347	388,347
Duckabush Riparian Forest	492,800	492,800
Duckabush Hacheney	90,000	90,000
Donovan Creek	270,000	270,000
Duckabush Wetlands & Oxbow	530,000	530,000
Bulis Forest Preserve	125,240	125,240
Moore	34,155	34,155
Beaver Valley	662,537	105,986
Brinnon-Wright	130,000	130,000
Upper Snow Creek Forest	340,000	340,000
Snow Creek Uncas Preserve	260,000	260,000
Chimacum Commons	90,850	90,850
Snow Creek Estuary	86,000	86,000
Snow Creek-Hopkins	95,000	95,000
Silver Reach	125,000	125,000
Gateway	85,000	85,000
Kilham Corner	81,202	81,202
Fite & Fissler	182,226	182,226
Valley View	1,710,000	1,710,000
Discovery Bay	311,358	311,358
Longmire	145,000	145,000
Ruck	601,000	-
Chimacum Ridge	4,955,046	-
Stewardship Fund	401,432	366,053
CP Operations Reserve	27,476	27,476
Karen Mckee Board Fund	13,328	13,328
Operations Reserve	171,804	171,801
Conservation easements	69	69
Total Designated	14,520,704	7,833,694
Undesignated	1,099,368	1,039,705
Total Net Assets Without Donor Restrictions:	$ 15,620,072	$ 8,873,399

Net assets of $2,421,209 and $846,509, respectively, were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by the donor, and net assets of $762 and $13,386, respectively, were released due to the expiration of time restrictions for the years ended December 31, 2023 and 2022.

D. LINE OF CREDIT:

JLT entered into a line of credit arrangement with 1st Security Bank during 2021. The line requires monthly payments of interest at 4.25% on outstanding balances. The line of credit principal balance was $0 and $0 at December 31, 2023 and 2022, respectively.

E. ENDOWMENTS:

The JLT endowment consists of one fund established to support general operations. As required by U.S. GAAP, net asset associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Nature of Endowments and Interpretation of Relevant Laws- JLT's Board of Directors has reviewed the Washington State Prudent Management of Institutional Funds Act (PMIFA) and, having considered its rights and obligations thereunder, has determined that it is desirable to preserve, on a long-term basis, the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this determination, JLT classifies as nets assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with permanent donor restrictions is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by JLT in a manner consistent with the standard of prudence prescribed by PMIFA. However, JLT has informed donors of its spending policy which states that no distributions will be made during the first five years of the fund's existence or until it reaches a threshold balance of $400,000. Since these milestones have not yet been reached, JLT adds all amounts earned to the permanently restricted balance.

In accordance with PMIFA, JLT considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds, (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of JLT, and (7) JLT's investment policies.

Endowment net assets, all permanently restricted, totaled $846,092 and $819,968, respectively, at December 31, 2023 and 2022.

Changes in endowment net assets for the year ended December 31, 2023 are as follows:

	Temporary Donor Restrictions	Permanent Donor Restrictions	Total
Endowment Net Assets 1/1/2023	$ -	$ 819,968	$ 819,968
Contributions	-	5,500	5,500
Investment Income	-	11,019	11,019
Net Appreciation (Depreciation)	-	9,605	9,605
Endowment Net Assets 12/31/23	$ -	$ 846,092	$ 846,092

Changes in endowment net assets for the year ended December 31, 2022 are as follows:

	Temporary Donor Restrictions	Permanent Donor Restrictions	Total
Endowment Net Assets 1/1/2022	$ -	$ 68,074	$ 68,074
Contributions	-	750,000	750,000
Investment Income	-	1,894	1,894
Net Appreciation (Depreciation)	-	-	-
Endowment Net Assets 12/31/22	$ -	$ 819,968	$ 819,968

Funds with Deficiencies- From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or PMIFA requires JLT to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2023 or 2022.

Return Objectives and Risk Parameters- JLT has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that JLT must hold in perpetuity or for donor-specified periods as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of a custom Policy Index made up of various indices. The composition of the custom Policy Index is based upon the strategic asset allocation of the investment portfolio and assumes a moderate level of investment risk. The investment objectives of the Operations Endowment Fund include maintenance of principal, timely liquidity, and preservation of purchasing power over time.

Strategies Employed for Achieving Objectives- To satisfy its long-term rate-of-return objective, JLT notes that for funds earmarked for capital appreciation, appropriate investments include intermediate term bond funds/ETF's, equity mutual funds, equity ETF's, and unconstrained bond funds.

Spending Policy and How the Investment Objectives Relate to the Spending Policy- JLT's spending policy intends that no distributions shall be made from the Operations Endowment Fund for the first five years of its existence or until it reaches a threshold balance of $400,000, whichever shall first occur. After a five-year period which ended in December of 2014, or after achieving the $400,000 threshold, distributions shall be made on an annual basis as determined by the Board. Regular disbursements should be limited to a maximum of 5% of the value of the portfolio at the beginning of each fiscal year, or one-half of the income generated by the fund for the most recent fiscal year, whichever is less. At no time will the distribution of the spendable amount result in the invasion of the original amounts donated.

F. ACCOUNTS RECEIVABLE:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable.

Historically, bad debts have been immaterial. During 2023 and 2022, there were bad debts of $6,000 and $24,808, respectively. As of December 31, 2023, management estimated that all accounts receivable were collectible.

JLT had no material amounts past due at December 31, 2023.

G. PLEDGES RECEIVABLE:

JLT received promises to give from a number of donors in 2023 and in years prior to 2023. JLT has provided an allowance for uncollectible amounts based on its assessment of the current status of individual pledges and has discounted pledges to current value using a rate of .15%. Pledges receivable at December 31, 2023 are to be received as follows:

Less than one year	$	1,139,589
Two to five years		159,007
Thereafter		-
		1,298,596
Less discount to present value		(2,441)
Less allowance for uncollectible		(6,200)
	$	1,289,955

H. NOTE RECEIVABLE:

On February 15, 2008, JLT granted a loan to an individual in relation to one of the pieces of conservation land owned by JLT. A promissory noted was received in exchange.

The promissory note was for the amount of $93,750 and was to be paid in monthly installments of approximately $600. The note matured on January 15, 2028 with an annual interest rate of 5%.

The note was paid in full during the year ended December 31, 2022.

I. FURNITURE, EQUIPMENT, AND IMPROVEMENTS:

Furniture, Equipment, and Improvements consist of the following at December 31, 2023 and 2022:

	2023	2022
Furniture & Equipment, and Software	$ 57,351	$ 57,351
Accumulated Depreciation and Amortization	-34336	(33,825)
	23,015	23,526
Leasehold Improvements	39,989	39,989
Accumulated Depreciation	(32,275)	(27,261)
	7,714	12,728
Fixed Assets-Net	$ 30,729	$ 36,254

Accumulated Depreciation and Amortization was $66,611 and $61,086 at December 31, 2023 and 2022, respectively.

J. ECONOMIC DEPENDENCY:

For 2023 and 2022, grant funding was primarily provided by the State of Washington Recreation and Conservation Office, State of Washington Department of Commerce, and Jefferson County. A reduction in this level of support, if it were to occur, could have a significant impact on JLT's operation

K. RETIREMENT PLAN:

JLT maintains a Simplified Employee Pension – Individual Retirement Accounts Contribution Benefit Plan ("the Plan"). Eligible employees may join the Plan after one year of service. There were employer contributions of $36,959 and $20,580, respectively, for 2023 or 2022.

L. LAND AND CONSERVATION EASEMENTS:

Land and conservation easements at December 31 are summarized as follows:

	2023	2022
Quimper Wildlife Corridor	$ 2,250,333	$ 1,711,301
Chimacum Creek	385,348	385,348
Duckabush Riparian Forest	492,800	492,800
Duckabush-Hacheney	90,000	90,000
Donovan Creek	205,000	205,000
Duckabush Wetlands & Oxbow	530,000	530,000
Bulis Forest Preserve-JLTR	125,240	125,240
Beaver Valley-JLTR	662,537	105,985
Moore-JLTR	34,155	34,155
Upper Snow Creek Forest	340,000	340,000
Snow Creek Uncas Preserve	325,000	325,000
Chimacum Commons	90,850	90,850
Snow Creek Estuary	86,000	86,000
Silver Reach	125,000	125,000
Gateway	85,000	85,000
Kilham Corner	38,930	38,930
Valley View	2,002,000	2,002,000
Discovery Bay	418,583	418,583
Fissler	75,000	75,000
Longmire	145,000	145,000
Snow Creek-Hopkins	95,000	95,000
Thorndyke	458,751	458,751
Chimacum Ridge-CRCF	4,954,945	-
Ruck	601,000	-
Conservation easements	69	69
Total Unrestricted Net Assets	$ 14,616,542	$ 7,965,013

M. INCOME TAX & UNCERTAIN TAX POSITIONS:

Jefferson Land Trust, JLT Resources, LLC (a disregarded entity), and Chimacum Ridge Community Forest, LLC (a disregarded entity) are tax exempt non-profit organizations under the Internal Revenue Code Section 501(c)(3) and are not classified as a private foundation. Accordingly, the financial statements do not include any provision for income taxes.

JLT files income tax returns in the U.S. federal jurisdiction. The Trust is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2020. Currently, there is no examination or pending examination with the Internal Revenue Service (IRS) or any other state or federal taxing authorities.

JLT adopted the provisions of FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, on January 1, 2009. As of December 31, 2023, there are no tax positions for which the deductibility is certain but for which there is uncertainty regarding the timing of such deductibility.

N. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

JLT follows U.S. GAAP which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 Measurements). The three levels of the fair value hierarchy under ASC 958 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Trust has the ability to access.

Level 2: Inputs to valuation methodology include: Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets or liabilities in inactive markets. Inputs other than quoted prices that are observable for the asset or liability. Inputs that are principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023.

Stocks: Valued at quoted market prices in active markets for identical assets.

Mutual Funds: Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares held by the JLT at year end.

Community Foundation: Valued at applicable share of pooled market investments at foundation.

Certificates of Deposit: Valued at original investment plus received and accrued interest.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Trust believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, JLT's assets at fair value as of December 31, 2023:

Assets at Fair Value as of December 31, 2023

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 954,554	$ -	$ -	$ 954,554
Community Foundation	-	409,605	-	409,605
Total Assets at Fair Value:	$ 954,554	$ 409,605	$ -	$ 1,364,159
Certificates of deposit, held at cost plus accrued interest				912,012
Total Investments				$ 2,276,171

The following table sets forth by level, within the fair value hierarchy, JLT's assets at fair value as of December 31, 2022:

Assets at Fair Value as of December 31, 2022

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 873,725	$ -	$ -	$ 873,725
Community Foundation	-	200,083	-	200,083
Total Assets at Fair Value:	$ 873,725	$ 200,083	$ -	$ 1,073,808
Certificates of deposit, held at cost plus accrued interest				389,296
Total Investments				$ 1,463,104

Investment return for the years ended December 31 consisted of the following:

	2023	2022
Interest & dividend income	$ 44,382	$ 15,371
Realized/unrealized (loss) gain	137,109	(89,742)
Total	$ 181,491	$ (74,371)

O. LAND PURCHASE AND HOLD FEE:

JLT signed a purchase and sale agreement with a third party during 2015 for the purchase of approximately 850 acres of forest land in Jefferson County. The terms of the agreement, dated March 17, 2015, required JLT to purchase the property for an amount not to exceed the appraised fair market value of the property.

The terms of the agreement required the payment of a $100,000 non-refundable hold fee to the third party to allow time for the purchase process to be completed and for JLT to raise the necessary funding to complete the purchase. The hold fee agreement was to expire on March 17, 2019. During 2016, JLT signed an amended agreement that resulted in the refund of $25,000 of the $100,000 hold fee and extended the agreement to nine year from the original five years, now expiring in 2023.

JLT adjusted amortization of the hold fee to the new life of the agreement which resulted in an increase to the hold fee asset of $8,331 in 2016. Amortization expense of $8,331 was recognized during 2023 and 2022, completing the hold fee amortization.

JLT completed the land purchase during 2023.

P. NOTE PAYABLE:

JLT Resources, LLC signed a loan agreement and promissory note on January 11, 2023, with the Washington State Housing Finance Commission, for a total of $550,000. The loan proceeds were used for a property acquisition. The loan requires annual interest accrual at 1% simple interest, with payments of principal and interest deferred until maturity. The note matures on the earlier of January 31, 2031, or when a conservation easement is sold on the underlying property. Jefferson Land Trust plans to purchase and hold the conservation easement.

Jefferson Land Trust Board Meeting Minutes

Tuesday, February 20, 2024 (4:00 – 6:00 PM) Zoom Only
Zoom : 943 0298 7630 Passcode: 385702

Time	Agenda Items	Action Required	Who	Material in Packet
4:00	Confirm all Zoom participants can hear and participate in meeting.	Action	Brian	No
4:05	Welcome & Announcements	Info	Brian	No
4:10	Consent Agenda • Minutes of the 1/16/24 Board Meeting	Action	Brian	Yes
	Consent Agenda Approved			
4:15	ED Update • ED Report (see full report for details) • QWC TLT still awaiting sig nature from the Governor • 3 properties in QWC to close in March • Presentation from Olympic Housing Trust next week on plans for Chimacum Commons • Capital Campaign total to date 6 million +; presently at 73% of goal • Climate resiliency project with NOLT- improving mapping tools • Audit to occur first part of March • Conservation Breakfast March 14, Presentation on the Cougar Project	Info	Richard	Yes
4:45	CPC Projects • Pedersen property **The CPC recommends that JLT Board approve the purchase of the Pedersen property** • Priority ranking for CFF of proposed acquisitions of Humbleberry Farm and Hubbard properties **The CPC recommends that JLT Board approve the following priority for CFF request - 1. Humbleberry Farm 2. Hubbard**	Action	Rick & Sarah	Yes
	The Board approved the purchase of the Pedersen property **The Board approved the CFF priority of !. Humbleberry, 2. Hubbard**			

2025 Jefferson County Conservation Futures Fund 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 (360) 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. . Project Title: **Toandos Forest Acquisition and Restoration**

2. Conservation Futures Acquisition Request: **$96,000**

   Conservation Futures O&M Request: **$0**

3. Total Conservation Futures Request: **$96,000**

4. Please indicate the type of interest contemplated in the acquisition process.
   X Warranty Deed __ Easement __ Other (*Please describe below.)*

   In whose name will the property title be held after acquisition? **Northwest Watershed Institute**

5. Applicant Information

Name of Applicant or Organization: **Northwest Watershed Institute**

Contact: **Peter Bahls**

Title: **Executive Director/Conservation Biologist**

Address: **3407 Eddy Street, Port Townsend, WA 98368**

Phone: **(360) 821-9566, ext.** ____ _____ Fax: ____ ext. ____

Email: **peter@nwwatershed.org**

6. Sponsor Information: *(if different than applicant)* **Same**

Organization Name:

Contact:

Title:

Address:

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

This application was approved by the sponsor's legally responsible body (*e.g., board, council, etc.)* on **February 25, 2025**

7. Project Location

Street Address or Description of Location: **1125 Toandos Road, Quilcene, WA**

Driving Directions from Port Townsend: **Coyle Road south to Toandos Road. Need gate code to proceed on Toandos Road to "Leaning Firs" sign on left.**

Section: **15** Township: **27 N** Range: **1 W**

Assessor's Parcel Number(s): **701-153-003**

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. **The parcel is to be acquired with CF funds**

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

701-153-003 = $124,257

8. Existing Conditions

New Site: **Yes** No _____ Number of Parcels: **1**

Addition to Existing Site: Yes **No** _____ Acres to Be Acquired: **6.38**

Total Project Acreage (if different):_____ Current Zoning: **1 per 5**

Existing Structures/Facilities: **Yes**

Any current covenants, easements or restrictions on land use: **No**

Current Use: **Residential**

Waterfront *(name of body of water):* **Discovery Creek watershed, part of Dabob Bay Watershed**

Shoreline (*linear feet*): **NA**

Owner Tidelands/Shorelands: **NA**

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, and why you think preserving this property is important. Name three top objectives for the property (other than those related to funding). Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Fund 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.

Background, goals, and objectives

Since 2002, Northwest Watershed Institute (NWI), Jefferson Land Trust, and over 40 partnering organizations have been working on a landscape scale project to protect and restore the Tarboo-Dabob Bay watershed, with over 4,000 acres conserved to date along Tarboo Creek and within the state's Dabob Bay Natural Area. The three main objectives of the conservation effort are to: 1) protect and restore the stream and wetland corridor, from the headwaters of Tarboo Creek to Dabob Bay, 2) conserve uplands for sustainable forestry, 3) preserve lands within the Dabob Bay Natural Area.

For this project, NWI proposes to acquire and permanently protect and restore a 6.38 acre parcel within the boundaries of the Dabob Bay Natural Area. The property adjoins state protected lands on three sides. The property is mostly forested with a small residence and drains to Discovery Creek. As match to the grant, NWI is proposing to clean up the property, including removal of the cabin, trailers, debris, decommission of roads and septic system, and re-vegetation and weed control where needed. Protection and restoration of the property is an important piece in the larger landscape scale conservation effort to protect and restore fish, wildlife, water quality and habitat connectivity of the Dabob Bay ecosystem.

Proposed uses

The Property will be owned and managed by NWI. County deed restrictions will permanently preserve the Property. Selective timber harvest of the existing tree plantation will be permitted to restore complex older forest structure and habitat. A walking trail system for supervised public school and other tours is planned.

Critical dates and urgency

NWI has a signed purchase agreement with the landowner to purchase by June 30, 2025. If funding cannot be secured by then, an NWI supporter has agreed to purchase the property and hold until October 2025, then re-sale for the same price to NWI. If NWI cannot purchase, the property will be sold for residential development.

11. Estimate costs below, including the estimated or appraised value of the propert(ies) or property right(s) to be acquired, even if Conservation Futures Fund 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 Propert(ies) to be Acquired: $**145,000**

Total Estimated Acquisition-related Cost (*see Conservation Futures Manual for eligible costs*): **$17,000**

Total Operation and Maintenance Cost: **$30,000**

Total Project Cost: **$192,000**

Budget

	JCCF Request	Match to JCCF	Total Cost	Timeline
Acquistion				
Hough Property - Fee Simple	80,000	65,000	145,000	Aug-25
Acquisition Related Costs:				
Appraisal	4,200		4,200	Feb-25
Closing costs	3,500		3,500	
Stewardship and forest mgt plan	2,800	1,000	3,800	
O&M Costs - Cleanup and restoration				
Demo and remove cabin, trailers, junk		15,000	15,000	Nov-25
Decompact/decommission roads		5,000	5,000	Nov-25
Planting and weed control - 2 years		6,000	6,000	Feb-25
Project management and administration	5,500	4,000	9,500	Feb 25-Feb 27
Total Project Costs	96,000	96,000	192,000	

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):

Estimate of fair market value is based on a restricted appraisal report by Chad Johnson, SH&H Appraisal, dated February 26, 2025 (see Supplemental Materials).

Clean-up and restoration costs are based on NWI's inspection of the site and experience of over 20 years of working with contractors and NWI's field crew to do this type of work.

Standalone O & M go to question #14:

Scored Questions

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

Sponsors or other organizations are required to contribute to acquisition of the proposed site and/or operation and maintenance activities.

1 a. Please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures Fund program funds.

Describe

1 b. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	**$96,000**	**$0**	**50%**
Matching Funds/Resources*	**$66,000**	**$30,000**	**50%**
Total Project Acquisition Cost	**$162,000**	**$30,000**	**100%**

** 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 c. Source of matching funds/resources	Amount of contribution	Contribution approved?		If not, when?	Contribution available now?		If not, when?
Navy REPI easement	**$65,000**	Yes	**No**	**2025**	Yes	**No**	**2025**
NWI Donations	**$31,000**	**Yes**	No	**2025**	**Yes**	No	**2025**

NOTE: Fifty-percent (50%) matching funds are required, and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right can 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 has the project sponsor identified the long-term stewardship issues for the proposed project?

2 a. Identify any factors, threats, or stressors that could negatively affect the conservation values and/or community benefits for which the property would be conserved.

The property needs work to help restore it to natural conditions. The residential site needs to be removed and the forest, which is mainly Douglas fir plantation and open areas, needs to be diversified and revegetated.

2 b. Describe the management strategies that the stewardship plan will include to address the identified factors, threats, or stressors, including any actions planned to make these negative outcomes or impacts less likely.

As match to this grant, NWI is proposing to clean up the property and restore native vegetation where needed. Restoration includes removal of two trailers, cabin, shed, household debris, decommission septic system, remove utilities, decommission/decompact roads, and revegetate clear areas within native trees and shrubs, and control weeds.

As part of the Stewardship Plan, NWI will also prepare a Forest Management Plan for the purpose of treating the plantation forest to restore diverse older forest species and stand structure.

2 c. Describe any existing water rights, and current uses of water. Identify any conservation values currently being protected that are dependent on these sources of water.

The property does not have a well or water rights. The resident currently gets water from roof runoff and the neighbor's hose.

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.

Northwest Watershed Institute is a nonprofit conservation organization that provides scientific, technical and on-the-ground support for watershed restoration and has been conducting habitat stewardship and restoration projects in the Tarboo watershed for over 20 years. NWI employs conservation biologists and professional restoration field crew and has extensive experience stewarding and managing the Tarboo Wildlife Preserve and private and state conservation properties using professional staff, experienced field crew, contractors, and volunteers. NWI forestlands are certified by the Forest Stewardship Council and NWI has completed several successful ecologically-based selective timber harvests in the Tarboo forest to date.

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

_____No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures Fund funds.

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

Yes. NWI has been involved in eleven previous successful Conservation Futures funded projects in the Tarboo watershed including nine conservation easement projects proposed jointly by NWI and JLT and two fee simple projects. NWI is now completing the West Slope Forest, funded in 2024 and planned for acquisition by June of 2025.

4. 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:

X is specifically identified in an adopted open space, conservation, or resource preservation program or plan, or community conservation effort, that provided opportunities for public review and comment. *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 that was open to public review, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*

__is a stand-alone project, or part of a project that was not open to public review.

The Property is within the approved boundaries of Washington State's Dabob Bay Natural Area. The boundary was established to identify the area where DNR and partners want to prioritize acquisition of private lands from willing owners for permanent conservation as part of the Natural Area.

The Dabob Bay Natural Area boundary has been expanded three times since 2008 after extensive public hearings, scientific review, and with broad and strong public support. This parcel is included in the 2009 expansion after scientific assessment by DNR's Natural Areas biologists, several public hearings in Jefferson County, review and approval by DNR's Natural Heritage Advisory Council, and approval by the State Commissioner of Public Lands.

Jefferson Land Trust's *Jefferson County Conservation Plan* (2010), that underwent public participation and review, generally identifies the Property as within a priority habitat conservation area. https://www.saveland.org/wp-content/uploads/2016/06/2010_JLT_ConservationPlan_LoRes.pdf

The Property is more specifically included within the priority Dabob Bay area of the *Tarboo Creek/Dabob Bay Implementation Strategy*, a Sub-Plan of JLT's *Jefferson County Conservation Plan (2010).*

The Property is a top priority in Northwest Watershed Institute's *Tarboo Watershed Conservation Strategy* to protect and restore lands within the recently expanded boundaries of the Dabob Bay Natural Area (Objective 2) and also fits within the Forestland protection objective (objective 3) http://www.nwwatershed.org/tarboo-watershed-conservation-strategy.html

The proposed properties are within a priority terrestrial conservation area identified and mapped in the *Willamette Valley- Puget Trough- -Georgia Basin Ecoregional Assessment* (2004 Floberg et al). This priority area includes much of the Tarboo and Thorndyke watersheds. The Ecoregional plan, developed by Washington Department of Fish and Wildlife and The Nature Conservancy, is one of the primary conservation plans for Puget Sound and has received extensive public and scientific review.

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

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

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

The proposed acquisition will provide a significant conservation opportunity that will be otherwise by lost in the next year. The small property has outsized conservation value as an inholding surrounded on three sides by state protected land and is important to protect and restore forest and wildlife connectivity. If Conservation Futures grant funding is not secured, the property will be sold

for residential development, with impacts not only on the property but on surrounding protected lands, such as potential dog and cat harassment of wildlife, stormwater impacts to Discovery Creek, and spread of non-native plants and weeds to surrounding native forests.

The seller is moving this summer and is giving NWI until June 30, 2025 to purchase the property under a signed purchase agreement (see Supplemental Materials). An NWI supporter has agreed to serve as an interim buyer to purchase the property (under NWI's purchase agreement assigned to them) and hold the property until October 2025 if needed to allow time for grant funding to be secured to purchase the property.

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

6 a. Summarize the project's conservation values and how the CFF funds requested support these values.

The project's conservation values are extremely high relative to CF funds requested because: 1) the property is a key inholding surrounded on three sides by protected lands and thus its fate has an outsized influence on conservation of the larger landscape, 2) match is provided for a portion of the acquisition costs and all of the cleanup and restoration costs.

Conservation objectives of acquiring the property will be obtained by October of 2025. Cleanup and restoration will be completed within two years, by February 2027, to allow two planting seasons.

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

The project's conservation values of providing wildlife habitat and connecting corridor to adjoining protected lands, water quality protection for downstream Discovery Creek, cultural resources for local Tribes, outdoor education, forest carbon storage, and protecting biodiversity are well served by the project objectives which are to purchase the property for permanent conservation and restoration of older forest habitat.

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

7 a. **X** 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).

7 b. **X** provides habitat for native flora and fauna. Identify the documented habitat(s) and native flora or fauna species that will be protected by the project.

7 c. **X** contributes to a wildlife corridor or migration route identified by Washington Connectivity Working Group or other peer-reviewed source.

.

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]

Priority and Listed Species (observed on-site or within 1 mile)

Western toad (near)	**State Candidate and Federal Species of Concern**
Pileated woodpecker (on site)	**State Candidate**
Fisher (near)	**State Endangered**

Documented observations by Peter Bahls and Keith Lazelle, NWI

Listed Species benefited downstream in Discovery Creek (WDFW data):

Puget Sound steelhead	**State Candidate and Federal Threatened**
Hood Canal coho salmon	**Federal Species of Concern**

Documented in WDFW fish distribution mapping and NWI survey data

Listed Species benefited downstream in Tarboo-Dabob Bay

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

Documented in NWI's nearshore fish survey report - http://www.nwwatershed.org/uploads/pdf/tarbooFishSurvey.pdf

Provides habitat for a variety of native flora and fauna

The project is surrounded on three sides by permanently protected state lands, much of which is older diverse forest habitat. Protection of the parcel will protect help restore connected forest habitats that support a high diversity of at-risk fish, bird, amphibian, and mammal species that occur in Pacific Northwest forests, including western toad, amphibians, bats, bear, cougar, blacktail deer, and neo-tropical migratory birds. The 6-acre parcel is primarily 30-year old plantation forest, but includes a variety of forest types including alder and some older trees. Ecologically based thinning of plantation forest is proposed that will promote older forest habitat growth over time for potential use by at-risk species such as fisher and marbled murrelet.

Wildlife corridor

The property is a critical piece of long-term effort to protect a significant wildlife corridor from the headwaters of Tarboo Creek downstream and around Dabob Bay. Cougar and bear are frequently seen on the Toandos Peninsula and a recent camera trap survey study by Point No Point Treaty Council shows this Toandos area as having a high density of deer and cougar (see maps and photos). Western toads, seen in the area, seasonally migrate from wetlands to nearby forests. The proposed project will significantly benefit landscape scale wildlife conservation.

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

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[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

8. 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.

The slopes of the Toandos Forest Property drain to a tributary of upper Discovery Creek, which is a salmon spawning stream and the second largest stream feeding Tarboo-Dabob Bay (see Maps). Protection and restoration of the property will prevent stormwater runoff, pesticides, septic waste and other contamination from reaching Discovery Creek or the downstream estuary. Most lands are now conserved within the watershed of Discovery Creek and the addition of this parcel will help secure long-term watershed level protection for native coho salmon, coastal cutthroat trout, fall chum salmon, and steelhead that occur in Discovery Creek.

Anadromous Fish Species benefited in adjacent downstream Discovery Creek:

Puget Sound steelhead	**State Candidate and Federal Threatened**
Hood Canal coho salmon	**Federal Species of Concern**
Fall chum samon	
Coastal cutthroat trout	
Western Brook lamprey	**Federal Species of Concern**

Listed Species benefited downstream in Tarboo-Dabob Bay (documented rearing habitat)

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

9. To what degree does the project preserve farmland for agricultural use OR preserve forestland for forest management?

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

The forest will be managed for ecologically based sustainable forestry and to restore diverse older forest habitats. NWI will prepare a Forest Management Plan that meets FSC standards and that will involve thinning the 30-year-old plantation forest as needed to help restore older forest structure, function and species diversity, and to provide sustainable timber products as feasible.

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

NWI proposes to protect and help fully restore watershed functions, wildlife habitat, and water quality by:

1) **Removal of all residential impacts, including trailers, cabin, unpermitted septic system, debris, and utilities,**
2) **De-compacting and decommissioning roads and residential areas as needed to improve infiltration and soil condition, and**
3) **Planting native trees and shrubs and controlling weeds as needed to revegetate the site.**

4) **Conducting low impact selective thinning of the Douglas fir plantation as needed to help restore species and structural diversity to the forest.**

9 c. Does this project preserve a mix of quality farmland and forestland?

This specific project involves forestland and habitat protection and does not include agriculture. However, if the definition of agriculture is broadened to include native food foraging, the Property has excellent potential for gathering of black truffles and other edible mushrooms and deer hunting. In addition, although this property does not include agricultural lands, within the context of the large conservation effort for the Tarboo-Dabob Bay watershed, NWI, JLT, and partners are preserving a mix of agricultural lands, forestlands, wetlands, and wildlife habitats.

10. To what degree does this project increase resiliency to and mitigation of climate change, and is the project's scale significant in regards to increasing climate resiliency?

10. Describe how this project will increase resiliency to and mitigation of climate change. Is the project's scale significant in regards to increasing climate resiliency?

Forests of the Pacific Northwest are among the best in the world for sequestering and storing carbon. The project proposal to protect and restore forest habitat will store significant amounts of carbon. Every acre of a 60-year old forest stores roughly the equivalent of 7 years of carbon emissions by the average American.

In addition, the planned thinning of the plantation forest to help restore diverse older forest in terms of species and structure and will increase its resilience to forest fires, helping to mitigate climate change impacts. Finally, the property helps the county's resilience to the climate crisis by removing a residential property from the wildland-urban interface where a large fire would be catastrophic for residential uses.

11. What area does the project serve?

11 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.

The proposed project benefits a broad county area because it is a key part of a conservation project that extends from the headwaters of Tarboo Creek to the state's Dabob Bay Natural Area to protect and restore habitats and wildlife connectivity on a landscape scale. In particular, the project will protect a critical "gap" in the 11,300 acre Dabob Bay Natural Area that will directly benefit the wildlife, biodiversity and safeguard water quality in downstream Dabob Bay, which has been recognized as a state and national priority for conservation due to its diverse estuarine habitats and valuable shellfish production.

11 b. Is the project located in an area that is under-represented by CFF 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 on the Toandos Peninsula, an area under-represented by CFF funding.

12. To what degree is the applicant committing to providing educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

12. Describe the educational or interpretive opportunities that the applicant will provide for 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] Provide the time frames when each of the above will be implemented.

The Property will serve as an important site for educating the public on forest protection and sustainable use. The site is easily accessible as a stop on NWI field tours and NWI plans to develop a foot trail system to host workshops, tours and other public events to expand understanding and adoption of forest restoration methods.

As described in the letter from the Port Gamble S'Klallam Tribe, the Property will also serve an important educational purpose as a place for the Tribes to pass on traditions of sustainable gathering of forest plants used for cultural purposes and ceremonies.
The Properties is also available for public access by prior permission, including deer hunting, berry picking, and mushroom picking, three important recreational uses in rural areas

13. To what degree does the project preserve historic or culturally significant resources[3]?

13. The proposed acquisition

__ includes historic or culturally significant resources[4] and

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

X is recognized locally has 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.

Please see letter from Laura Price, Cultural Resources Director for the Port Gamble S'Klallam Tribe, that attests to the importance of this Property for preserving and restoring cultural resources.

The Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon a diversity of intact native plant communities in the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious. The project site's forests will provide resources for tribal uses, such as cedar bark for basket weaving. If funded, the project will permanently conserve the forest while allowing sustainable harvest and gathering to maintain tribal cultural traditions.

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[2] The words "education" and "interpretation" are interpreted broadly by the CFF 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.

Standalone O & M Projects

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

14. 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.

Toa Los Forest

Verification

15. Sponsor commitments:

15 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.

15 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. PB Initials Feb 28 2025 Date

15 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.
PB Initials Feb 28 2025 Date

15 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. PB Initials Feb 28 2025 Date

15 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. PB Initials Feb 28 2025 Date

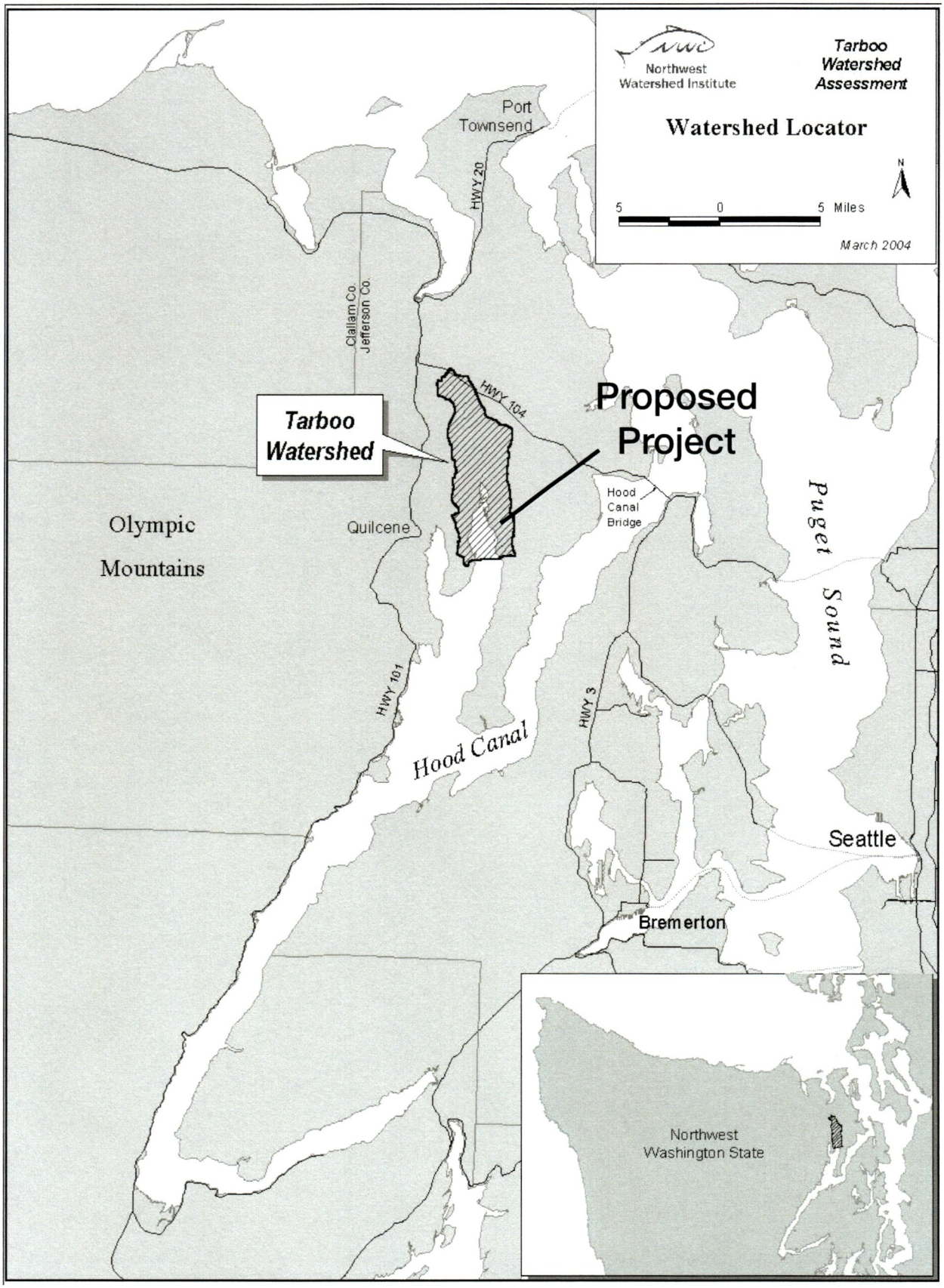


Figure 1. Project location within the Tarboo Creek-Dabob Bay and Hood Canal watersheds.

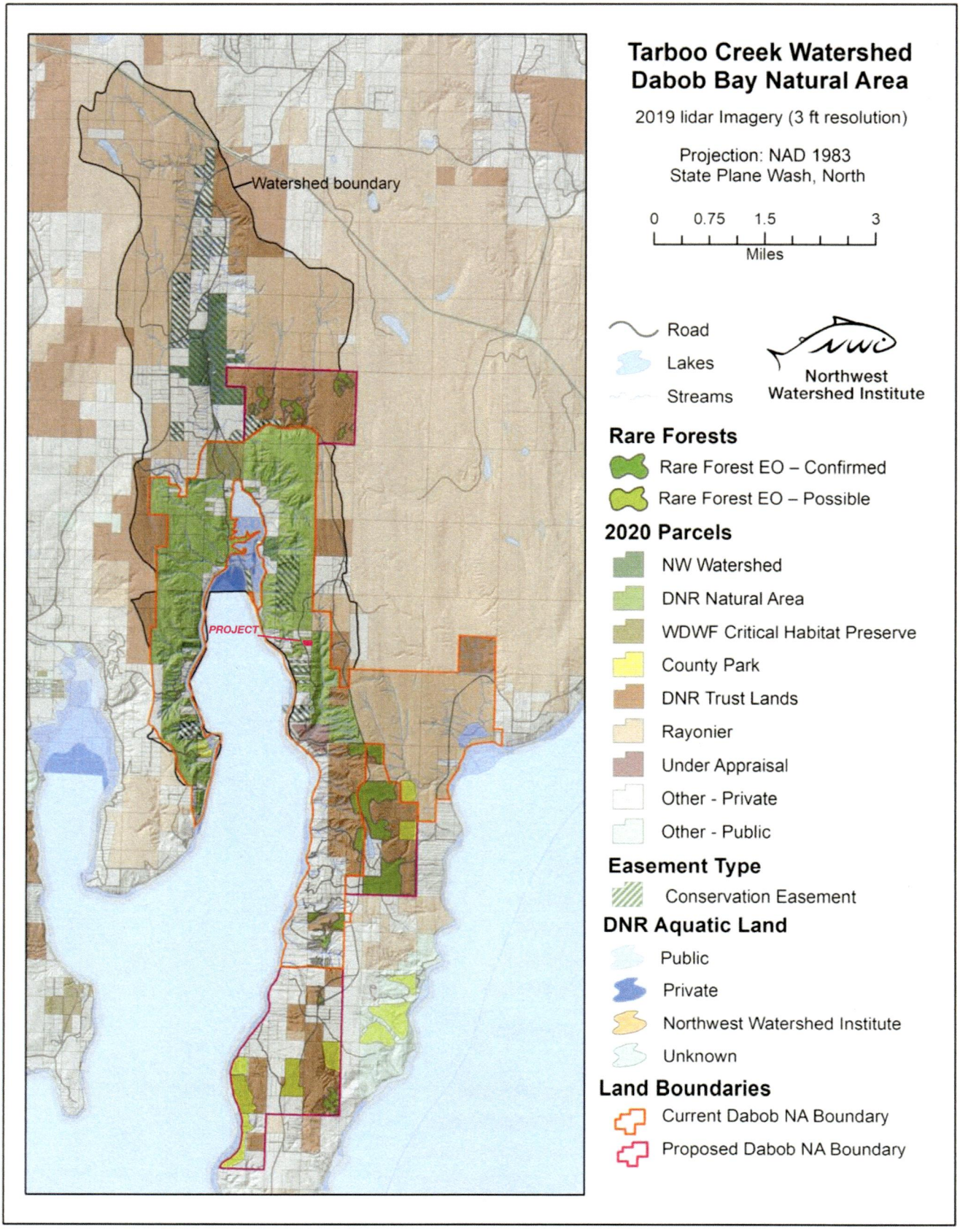


Figure 2. Project location within the -Dabob Bay Natural Area (orange and magenta lines).



Figure 3. The proposed Hough property acquisition is surrounded on three sides by state protected lands.

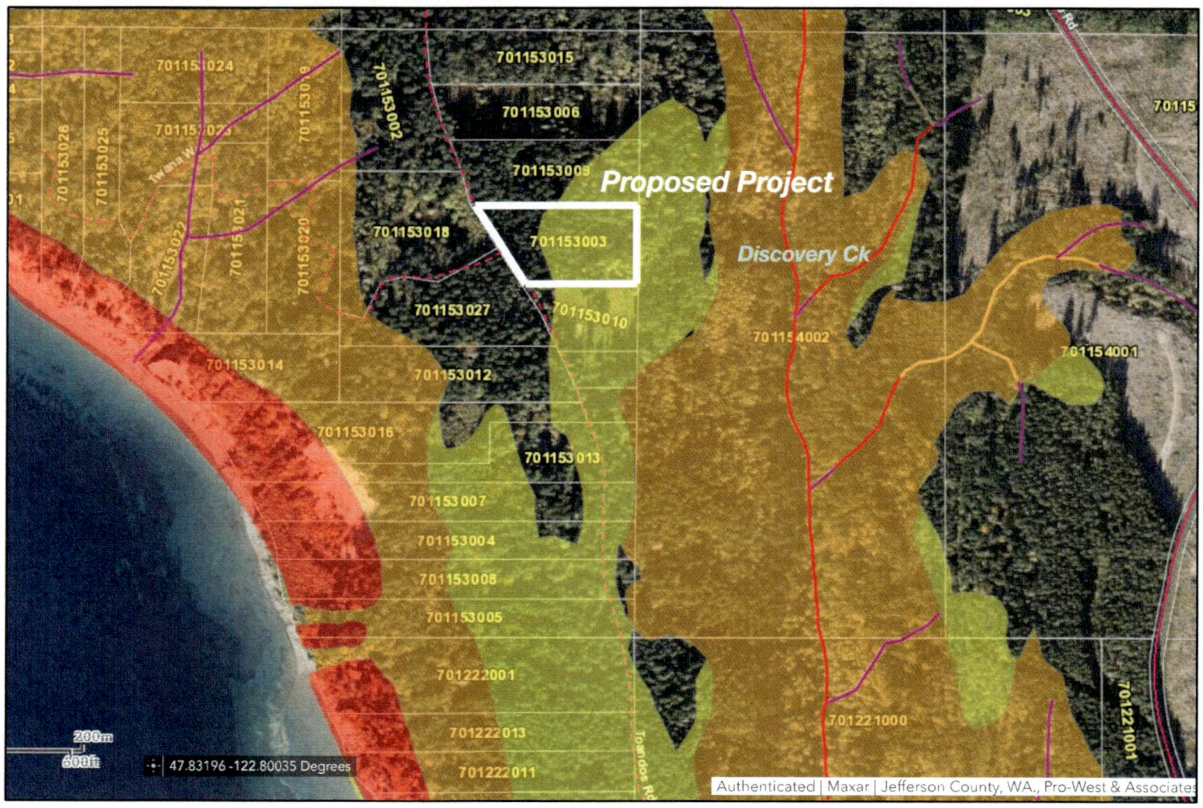


Figure 4. Property includes critical areas (slight unstable slopes) and drains to Discovery Creek.



Figure 5. Tom Hough, property owner, and Peter Bahls, NWI, at entrance to property.



Figure 6. Some older native conifer forest occurs on property.



Figure 7. Property surrounded by state Natural Area protected forests.



Figure 8. Alder forest on property.



Figure 9. Young conifer forest on entrance driveway to property.



Figure 10. Open areas on property proposed for re-vegetation.



Figure 11. Cabin/trailer and cleared areas of the Property proposed for restoration.



Figure 12. Cabin/trailer on property proposed for removal.



Figure 13. Young forest on the property.



Figure 14. Cougar at Fisher bait station less than 1 mile away from property.



Photo by John Jacobson

Figure 15. A fisher, shown here in Olympic National Park, was spotted by Keith Lazelle on Toandos Road within one mile of the property several years ago.

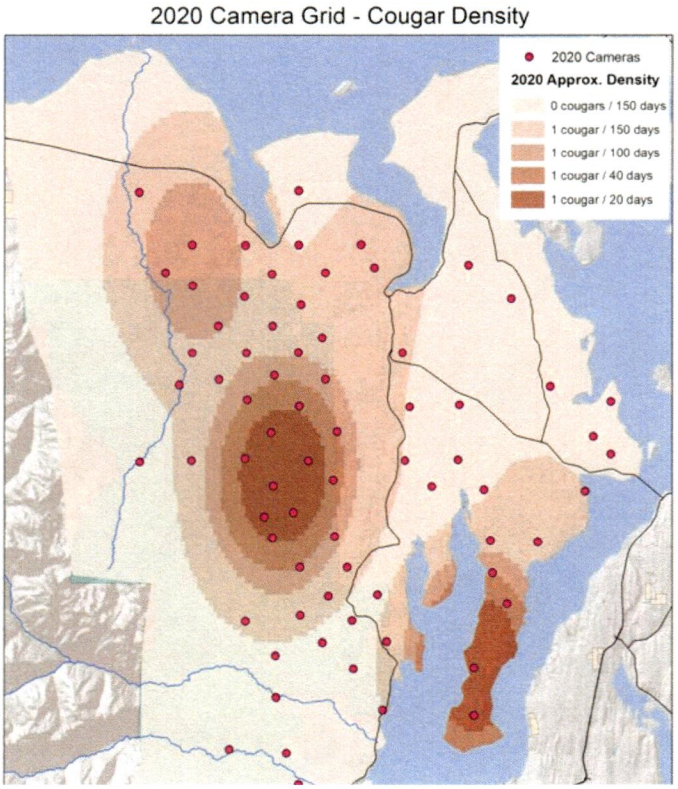


Figure 16. Cougar density heat map. The Toandos Peninsula has a high density of wildlife and is important as wildlife corridor. From Dylan Bergan, wildlife biologist, Point No Point Treaty Council.

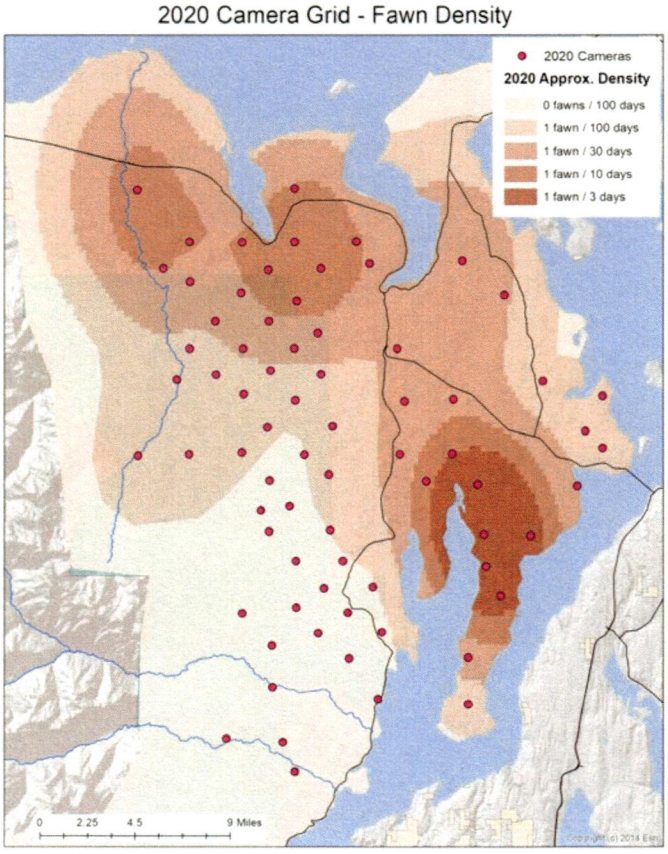


Figure 17. Fawn density heat map. Another example of wildlife abundance around Dabob Bay.

Jefferson County Conservation Futures Proposal 2025
Upper Yarr Creek Acquisition Project

SUPPLEMENTAL MATERIALS

Proof of willing seller: See narrative, project sponsor proposing to sell deed restriction to property already owned by NWI.

Estimate of value: No appraisal required. Requesting $20,000 or less.

Site location map: See separate PDF, maps and photos

Critical areas map: See separate PDF, maps and photos

Project boundary map: See separate PDF, maps and photos

Color images: See separate PDF, maps and photos

Development plan or Narrative: NA

Proof of 501c3 status

Current budget: 2024-2025

Board roster: 2024-2025

Staff roster: 2025

Financial statements: last fiscal year July 2023-June 2024

Resolution to submit proposal: NWI executive committee resolution

Cultural Resources letter from Port Gamble S'Klallam Tribe, Feb 27, 2025

AGREEMENT FOR CONTINGENT
PURCHASE AND SALE OF VACANT REAL ESTATE

(Dabob Bay Natural Area - Hough)

THIS AGREEMENT FOR CONTINGENT PURCHASE AND SALE OF VACANT REAL ESTATE (the "Agreement") is made as of the 15th day of November, 2024, by and between the NORTHWEST WATERSHED INSTITUTE, a Washington non-profit corporation and/or assigns (hereinafter referred to as the "Buyer") and THOMAS J. HOUGH, as his separate estate, (hereinafter referred to as "Seller") (collectively, the "Parties").

WHEREAS, Seller is the owner of certain real property consisting of approximately 6.38 acres at 1125 Toandos Road, Quilcene in Jefferson County, Washington; and

WHEREAS, Seller desires to convey said real property to Buyer, and Buyer desires to acquire said real property;

NOW, THEREFORE, in exchange for the mutual promises and covenants herein contained, and other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged by Seller and Buyer, it is agreed as follows:

SECTION 1 PROPERTY

Seller shall sell and convey to Buyer, and Buyer shall purchase and accept from Seller, all subject to the terms and conditions of this Agreement, that certain real property located in Jefferson County, Washington, the legal description of which is set forth on Exhibit A attached hereto and incorporated by this reference herein, together with the following:

(i) All rights, tenements, hereditaments, easements, associated tidelands, and appurtenances, including, but not limited to, any rights, title and interest of Seller in and to all trees, crops, oil, gas, sand, gravel, water rights, or mineral rights;

(ii) All improvements, if any, and other items located upon or within said real property;

(iii) All easements, rights-of-way and other rights used in connection with said real property, including but not limited to the following: maintenance easements, rights to adjacent streets, roads, alleys and rights-of-way;

(iv) All permits, plans, licenses, surveys, consultant's reports on all matters, including

but not limited to soils, engineering, traffic, environmental matters, and wetlands made by, for or on behalf of Seller with respect to the property, and an assignment of all representations and warranties made therein to Seller.

The parcel of land, together with the improvements, rights and interests described above, are collectively referred to herein as the "Property."

SECTION 2 PURCHASE PRICE

2.1 Amount. The purchase price ("Purchase Price") to be paid for the Property shall be the greater of the sum of ONE HUNDRED AND TWENTY THOUSAND U.S. Dollars ($120,000.00) or the Fair Market Value of the Property as determined by a qualified appraiser in an appraisal commissioned and paid for by Buyer. If the Fair Market Value exceeds $120,000, the Parties agree to amend this Agreement to make such amount the Purchase Price. Buyer's obligation to purchase the Property is contingent on the availability of funding to the Buyer. If Buyer does not obtain sufficient funding to purchase the Property and complete the Agreement prior to the closing date, then Buyer may terminate this Agreement without further obligation other than loss of its Deposit as provided herein.

2.2 Earnest Money Deposit. Within ten (10) days following the execution and delivery of this Agreement, Buyer shall open escrow with First American Title of Jefferson County in Port Townsend, Washington (the "Escrow Agent"), by depositing with Escrow Agent a copy of this Agreement and the sum of One Thousand Dollars ($1,000.00) (the "Deposit"), in the form of a personal check payable to Escrow Agent. In the event that this transaction is consummated as contemplated by this Agreement, the Deposit shall be applicable to the Purchase Price. In the event that this transaction is not consummated as contemplated by this Agreement, the Deposit shall be returned to Buyer; provided, however, that in the event that this transaction is not consummated as contemplated by this Agreement because Buyer has not obtained sufficient funding to purchase the Property, the Deposit shall be paid over to Seller.

2.3 Payment. Purchase Price shall be paid into escrow by a Buyer warrant or wire transfer payable to the Escrow Agent on the Closing Date as defined below.

2.4 Compensating Tax. If the property is in forest land designation under chapter 84.33 RCW, this transaction is exempt from the payment of compensating tax as provided by RCW 84.33.140 (13)(c), or if the property is in open space, agricultural, or timberland classification under chapter 84.34 RCW, this transaction is exempt from the payment of additional tax as provided by RCW 84.34.108 (6)(f).

SECTION 3 CLOSING

3.1 Closing Date. "Closing," "Closing Date" or "Date of Closing" as those terms are used herein, shall mean the date upon which all documents are recorded and monies paid to complete

the purchase contemplated herein. The Date of Closing shall be as soon as practical to facilitate an orderly closing but no later than June 30, 2025 unless otherwise agreed in writing by the Parties.

3.2 Escrow. This transaction shall be closed in escrow at First American Title of Jefferson County, 2424 S. Park Ave, Port Townsend WA 98368 ("Escrow Company"), which shall be arranged by Buyer within ten (10) days of execution of this Agreement. The Parties shall deposit the necessary documents and funds in escrow sufficiently in advance of the Closing Date to facilitate an orderly closing. Buyer and Seller shall each pay one-half of the Escrow Company's fee.

SECTION 4 CONVEYANCE, TITLE INSURANCE, AND POSSESSION

4.1 Possession. Buyer shall be entitled to possession of the Property on the Closing Date, but Buyer shall have a right of entry pursuant to Section 5 below.

4.2 Form of Deed. On the Closing Date, Seller shall convey title to the Property to Buyer by Statutory Warranty Deed, free and clear of all assessments, monetary liens or encumbrances securing the payment of money, and subject only to any other encumbrances or defects accepted by Buyer in writing.

4.3 Preliminary Commitment.

(a) Seller has obtained a preliminary commitment for an ALTA Owner's Standard Coverage Policy of title insurance (hereafter "Preliminary Commitment") from First American Title of Jefferson County. Seller further warrants that title shall be good, marketable and insurable subject only to the exceptions approved by Buyer pursuant to subsection 4.3(b).

(b) Within thirty (30) days of execution of this Agreement, the Buyer shall notify the Seller in writing of any exceptions thereto which are wholly or conditionally acceptable to the Buyer (hereafter "Title Notice"). Following giving of Title Notice, if additional encumbrances affecting the Property arise, Buyer shall have twenty (20) days from receipt thereof to review and approve these additional items. Failure of the Buyer to so approve in writing any exception to Seller's title shown in the Preliminary Commitment or arising thereafter shall be deemed to be a disapproval of such exception.

4.4 Policy Condition of Closing. Seller shall, prior to or at the Closing Date, at its sole cost and expense, undertake (by the exercise of its reasonable efforts and with due diligence) to remove, eliminate or modify any exceptions not acceptable to Buyer. Closing shall be conditioned upon Title Company issuing its ALTA Owner's Standard Coverage Policy insuring fee title to the Property in the name of Buyer in the amount of the Purchase Price, subject only to (i) the printed form exceptions contained in the ALTA Owner's policy and (ii) such exceptions accepted by Buyer.

4.5 Use of Purchase Price. Purchase Price to be paid by Buyer to Seller at Closing may be used in whole or in part by Seller by and through the Escrow Company to remove any liens, liabilities, or encumbrances which Seller is to have removed.

4.6 Cost of Policy. Seller shall be responsible for the cost of the title insurance policy. Buyer shall be responsible for requesting and for paying the cost of any additional endorsements, co-insurance policies and reinsurance certificates issued by Title Company at Buyer's request.

SECTION 5 BUYER'S RIGHT AFTER ACCEPTANCE

5.1 Inspection Contingency. After the date of this Agreement, Seller shall permit Buyer and/or its designated agents to enter upon the Property at all reasonable times for the purpose of conducting environmental assessments and investigating the Property and the physical condition thereof, including, without limitation, soil, water, and air conditions, and the condition of improvements, if any, upon the Property. Inspections by Buyer, if any, shall not be construed as estopping actions upon any warranty made herein.

5.2 Buyer's Waiver of Disclosure Statement. Buyer and Seller acknowledge that the Property may or may not be considered "commercial real estate" as defined in Chapter 64.06 RCW, and hereby waive all rights, obligations, and remedies (including, without limitation, the right of rescission) which may be applicable or available to the parties hereto. Buyer acknowledges that Buyer has been advised of Buyer's right (to the extent applicable to the subject transaction) to receive a completed Seller Disclosure Statement pursuant to Chapter 64.06 RCW and that Buyer hereby waives that right, whether or not applicable, provided, however, that Seller shall complete and deliver to Buyer Section 6 (Environmental) of the Seller Disclosure Statement relating to the Property within five (5) days after the execution and delivery of this Agreement.

5.3 Studies.

(a) Seller Studies. Within five days of the date of this Agreement, Seller shall deliver to Buyer true copies of all studies, reports, surveys, soils tests, reviews, correspondence with all governmental entities, environmental checklists and reports, plans and other printed or written material (all of which are collectively referred to as the "Seller's Studies") prepared or received by, or on behalf of, Seller with respect to the Property and

any part thereof. Seller authorizes Buyer to speak with any person preparing Seller's Studies with respect to the contents thereof. Buyer shall not be responsible for any cost associated with Seller's Studies, except for the cost of any additional inquiry or investigation that Buyer deems necessary with respect to the Seller's Studies.

(b) Buyer Studies. Buyer shall have the right to prepare, or have prepared, appraisals, market and engineering studies, soils tests, feasibility studies, surveys, resurveys or survey updates, environmental investigations and such other tests, studies or investigations (all of which are collectively referred to as the "Buyer's Studies") with respect to the Property. Buyer shall be solely responsible for costs of all Buyer's Studies.

(c) Termination. If the Buyer determines at its sole discretion that the Seller Studies or Buyer's Studies indicate the Property is not suitable for the intended use by Buyer or the Property presents risk of liability unacceptable to Buyer, Buyer may terminate this Agreement without further obligation so long as such termination is provided to Seller in writing within 120 days of this Agreement. If no such notice is provided to Seller, Buyer's inspection contingency shall be deemed waived. Should Buyer timely terminate this Agreement under his Inspection Contingency, Buyer shall be entitled to a refund of any earnest money funds paid into escrow.

5.4 Subsequent Acts. Between the date of this Agreement and the Closing Date, Seller shall maintain the Property and keep the Property in condition at least as good as on the date of this Agreement. Seller shall not remove any timber, harvestable crop, improvements, minerals, sand, gravel, or other item from the Property after the date of this Agreement without prior, written approval by Buyer. At least ten (10) calendar days prior to the Closing Date, Seller shall have removed all junked vehicles, mobile homes, outhouses, temporary structures or personal property that are not intended to be a part of this transaction, and equipment, machines, other solid waste and trash from the Property to the satisfaction of Buyer.

SECTION 6 CONTINGENCIES

6.1 Conditions. Buyer's obligations under this Agreement are subject to and contingent upon the following:

(a) The truth and accuracy as of the Closing Date of all representations and warranties of Seller set forth in this Agreement or in any instrument or document delivered by Seller to Buyer.

(b) The delivery by Seller to Buyer on or prior to the Closing Date of all documents and instruments required by the terms of this Agreement.

(c) The performance on or prior to Closing by Seller of all acts required under this Agreement.

(d) The absence at Closing of any violation of any federal, Buyer or local law, rule, regulation or ordinance affecting the use, occupancy or condition of the Property.

(e) The absence at Closing of any failure to comply with the order of any court, government authority or agency pertaining to the Property or the use, occupancy or condition of the Property.

(f) The absence at Closing of any proceeding or threat of any proceeding to condemn all or any part of the Property by a proceeding in eminent domain.

(g) Conveyance of acceptable title as provided in Section 4.

(h) Approval of Seller's and Buyer's Studies pursuant to subsection 5.2.

(i) The availability of funding to purchase the Property and complete the Agreement.

6.2. Waiver. If any condition specified in Section 6.1 is not met at Closing, Buyer may waive such condition in writing, or Buyer may terminate this Agreement without any further liability, subject to paragraphs 5.2 and 2.2. Upon such termination, the Deposit and any monies deposited by Buyer pursuant to this Agreement, together with all interest earned thereon shall be promptly returned to Buyer; provided, however, that if the termination is due only to the unavailability of funding to purchase the Property and complete the Agreement, the Deposit, together with all interest earned thereon, shall be paid over to Seller as liquidated damages and as Seller's sole remedy and not as a forfeiture or penalty. Upon disbursement of the Deposit by the Escrow Agent as provided herein, neither Buyer nor Seller shall have any further liability to the other under this Agreement, except for all indemnity provisions set forth herein which shall survive for such term as provided for in this Agreement

SECTION 7 REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer. Each of these representations and warranties is material and is relied upon by Buyer. Each of the representations and warranties shall be deemed accurate through Closing and shall survive Closing.

7.1 Title. Title to the Property is vested in Seller.

7.2 No Liabilities. There exists upon the Property no condition which is in violation of any statute, ordinance, regulation or administrative or judicial order or holding, whether or not appearing in the public records pertaining to the Property.

7.3 Correctness. All information furnished by Seller to Buyer with respect to the Property is

accurate and true.

7.4 Litigation. To the best of Seller's knowledge, there is no pending or threatened litigation affecting the Property or any portion thereof, including but not limited to alleged violation of federal, Buyer or local environmental laws. Neither Seller nor its predecessors have received any notice relating to a breach or suspected breach of any environmental laws.

7.5 Condition of Property. To the best of Seller's knowledge, Seller represents and warrants the following: there are no apparent or latent defects in the Property; the Property does not contain any underground storage tanks, surface impoundments, asbestos or asbestos-containing material, or polychlorinated biphenyls (PCBs) or PCB-containing materials, past or present refuse dump sites, chemical storage sites, areas of heavily stained soil, or sites of known hazardous material releases other than those indicated and described by exhibit attached hereto; and the Property is free from the presence of hazardous waste or materials and no hazardous waste or materials have been generated, stored, released, disposed of, or transported over, on or within the Property. The term "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, Buyer or local statute, regulation, rule or ordinance now in effect, including but not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et seq., and the Model Toxics Control Act, RCW 70A.305D. Seller has no undisclosed knowledge of any fact or condition that would materially impair the market value of the Property, would materially increase the cost of operating the Property or would be inconsistent with the terms of this Agreement.

7.6 Authorization. Seller has the right and authority to enter into this Agreement and all documents contemplated by this Agreement, to make the representations and warranties set forth herein and to perform this Agreement in accordance with its terms. Neither the execution of this Agreement nor its performance by Seller will conflict with or result in the breach of any mortgage, deed of trust, encumbrance, restriction, covenant, agreement or other undertaking whatever.

7.7 Vacancy. No one is presently occupying the Property, either with or without Seller's permission.

SECTION 8 INDEMNITY AND HOLD HARMLESS

Seller agrees to indemnify, defend with counsel acceptable to Buyer, and hold harmless Buyer, its agencies, employees, officers and agents from (a) all liabilities, losses, claims, demands, damages, assessments, costs and expenses (including reasonable attorneys' and consultants' fees) of every kind (hereafter "Liabilities") resulting from, arising out of or relating to the breach by Seller of any of its warranties, representations or covenants contained in this Agreement and (b) all Liabilities arising under, resulting from or arising out of any activities of Seller, its agents, employees, contractors, subcontractors, permittees, or licensees at the Property prior to or at

Closing, including but not limited to the use, disposal, transportation, generation, or sale of hazardous material as defined in subsection 7.5.

SECTION 9 DESTRUCTION OR CONDEMNATION

Seller shall bear the risk of loss prior to Closing. If, on or before the Closing Date, either the Property is materially damaged, or condemnation proceedings are commenced with respect to the Property, Buyer shall have the right, at its sole election, by giving notice to Seller, either to terminate this Agreement or to purchase the Property in accordance with this Agreement. If Buyer elects to terminate this Agreement, all rights and obligations of Seller and Buyer shall terminate. If Buyer elects to purchase the Property in accordance with this Agreement, Buyer shall be entitled to all insurance proceeds or condemnation awards payable by reason of such damage or condemnation. In the event there is no insurance or inadequate insurance to cover the damage, Buyer shall be entitled to a reduction in the Purchase Price equal to the market value of the Property destroyed or damaged. Seller shall immediately give notice to Buyer upon the occurrence of any damage to the improvements on the Property or the initiation of any condemnation proceedings affecting the Property. The term "material damage" as used in this section shall mean any damage or destruction that cannot be repaired or replaced within ninety (90) days.

SECTION 10 CLOSING AND CLOSING COSTS

Prior to or on the Closing Date, Seller and Buyer shall deposit the following documents and funds in escrow, and the Escrow Company shall close the escrow in accordance with the instructions of Buyer and Seller consistent with this Agreement:

10.1 Seller Obligations. Seller shall deposit the following:

(a) duly executed and acknowledged Statutory Warranty Deed conveying the Property to Buyer and a Real Estate Excise Tax Affidavit;

(b) escrow instructions, as required of Seller to close this transaction in accordance with this Agreement;

(c) if Seller is a corporation or partnership, a certified resolution authorizing the execution of all documents delivered at the Closing;

(d) pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, a nonforeign affidavit, stating that Seller is not a foreign person and providing Seller's United Buyers taxpayer identification number. If Seller is not able to certify that it is not a "foreign person," Buyer is authorized to withhold a portion of the purchase price at closing for U. S. Income Tax purposes; and

(e) such other instruments or documents as may be required pursuant to the provisions hereof or as mutually agreed by Seller and Buyer to be necessary to fully consummate the transaction contemplated hereby.

10.2 Buyer Obligations. Buyer shall deposit the following:

(a) The Purchase Price; and

(b) such other funds and documents, including without limitation, escrow instructions as are required of Buyer, to close the purchase in accordance with this Agreement.

10.3 Prorations. All rents and other income, if any, and water, sewer, utility and maintenance charges, and any other expenses with respect to the operation of the Property shall be prorated between Seller and Buyer as of the Closing Date, and to the extent information then available, such proration shall be made as of the Date of Closing. Such proration shall be adjusted and completed after the Closing Date as and when complete information becomes available, and Buyer and Seller agree to cooperate and use their best efforts to complete such prorations not later than sixty (60) days after the Closing Date. No insurance prorations shall be made. Seller shall pay any assessments charged against the Property in full prior to or at Closing. Seller shall pay all real estate taxes and personal property taxes, if any, through the Date of Closing. In the event Seller has prepaid any real estate taxes, Seller may seek a refund from the appropriate county official; Buyer shall have no obligation to refund or pay any such amount to Seller. Seller shall pay any real property excise tax due, and the cost of any revenue stamps, if applicable, required to complete this transaction. Buyer will pay recording fees.

SECTION 11 SURVIVAL

The representations, warranties, indemnification and obligations (to the extent such obligations are not fully performed at closing) contained herein are intended to be operative after delivery of Seller's deed to the Property in order to be fully effective and shall be deemed not to have merged in the deed.

SECTION 12 REAL ESTATE COMMISSION

Seller shall pay any real estate commission payable in connection with this transaction. Any real estate agent or broker acting in this transaction shall be deemed to be the sole agent of Seller.

SECTION 13 NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be deemed given upon personal service or receipt after deposit in the United Buyers first class mail addressed as follows:

To Seller:

Thomas J. Hough
1125 Toandos Road
Quilcene, WA 98376

With copy to Barbara Hough-Hood by email to bhood1996@gmail.com

To Buyer:

Peter Bahls, Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

The foregoing addresses may be changed by written notice.

SECTION 14 MISCELLANEOUS

14.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties. No other prior and contemporaneous negotiations, understandings and agreements, whether oral or written shall be deemed to exist or bind any of the Parties hereto.

14.2 Binding Nature. All rights and obligations arising out of this Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, assigns, administrators, executors and marital communities, if any, of the Parties hereto.

14.3 Washington Law. This Agreement shall be construed, interpreted and enforced pursuant to the laws of the Buyer of Washington. Venue shall be in Jefferson County, unless this Agreement is assigned to a state agency in which case venue shall be in Thurston County. The terms of this Agreement shall be given their ordinary meaning and shall not be presumed construed in favor of or against either party hereto.

14.4 Time of the Essence. Time is of the essence of this Agreement. No waiver or consent to any breach or other default in the performance of any of the terms of this Agreement shall be deemed to constitute a waiver of any subsequent breach of the same or any other term or condition hereof. In the event time for performance falls on a weekend or legal holiday designated by the United Buyers or Washington Buyer, performance shall be deemed to be timely rendered if so rendered on the next business day.

14.5 Captions. The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

14.6 Invalidity. If any provisions of this Agreement shall be invalid, void or illegal, it shall in no way affect, impair or invalidate any of the other provisions hereof.

14.7 Counterparts. This Agreement may be signed in counterparts, any one of which shall be deemed an original.

14.8 Date of Agreement. The date of this Agreement shall be the date on which the last party executes this Agreement. Said date shall be inserted on the first page hereof when such date is determined.

14.9 Good Faith. Both Parties shall act reasonably and in good faith in order to consummate this transaction, and Seller shall neither sell nor dispose of any of the Property nor cause or suffer the creation of any matter of record, or defect in the title to the Property for the purpose of avoiding its obligation to close.

14.10 Default. In the event that either party defaults in the performance of any of that party's obligations under this Agreement, the non-defaulting party shall have all remedies available in law or equity, but neither party shall be liable for consequential damages.

14.11 Attorneys' Fees and Costs. If either party is required to retain an attorney to bring suit or seek arbitration to interpret or enforce any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, paralegal fees, accountant and other expert witness fees and all other fees, costs and expenses actually incurred and reasonably necessary in connection therewith, including those incurred on appeal, in addition to all other amounts provided by law, regardless of whether the matter proceeds to judgment or is resolved by the defaulting party curing the default.

14.12 Assignability. This Agreement shall not be assigned without the prior written consent of the other party except as otherwise provided in this Agreement. Seller may wish to gain certain tax benefits available to Seller under I.R.C.§1031 by using a qualified intermediary to facilitate a delayed exchange for the Property to be conveyed under this Agreement. The qualified intermediary shall be released from any obligations under this Agreement. Seller shall remain fully liable to perform all obligations under this Agreement, including but not limited to Seller's representations, warranties and indemnification regarding the Property. Seller shall convey the Property directly to Buyer. The success or failure of the anticipated tax consequences from the I.R.C.§1031 delayed exchange shall not be deemed a term, condition, or contingency of this Agreement, nor shall such tax consequences be deemed a legal excuse for nonperformance by Seller.

14.13 Advice of Counsel. Seller acknowledges that it has had an opportunity to seek independent legal advice regarding the transaction.

14.14 Submission. This Agreement must be executed by Seller, and an original delivered to

Buyer, at the address set forth in this Agreement, on or before 4:00 p.m. on February 9, 2024, to be considered by Buyer. This Agreement shall not be binding upon Buyer until signed by an authorized representative of Buyer.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date and year set forth opposite their respective names.

SELLER:

Thomas J. Hough

Dated: T.J.H. Nov. 15, 2024

BUYER:

NORTHWEST WATERSHED INSTITUTE

Dated: Nov 20 2024

By: _____
PETER BAHLS
Executive Director

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF JEFFERSON)

On this 15th day of November, 2024, before me personally appeared THOMAS J. HOUGH, to me known to be the person that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said person for the uses and purposes therein mentioned.

Dated: November 15, 2024

Notary Public
Print Name Anna C Brown
My commission expires 06-22-25

ANNA C BROWN
Notary Public
State of Washington
Commission # 77938
My Comm. Expires Jun 22, 2025

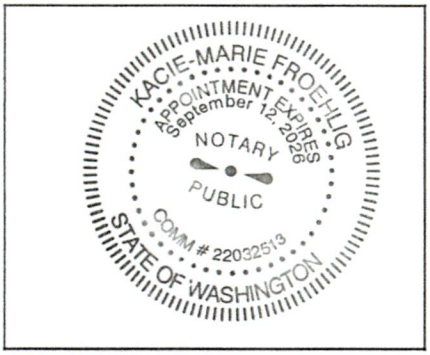
(Use this space for notarial stamp/seal)

BUYER ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss:
COUNTY OF JEFFERSON)

On this 20th day of November, 2024, before me personally appeared PETER BAHLS, to me known to be the Executive Director of Northwest Watershed Institute that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that the execution of the instrument was duly authorized and that the seal affixed, if any, is the corporate seal of said corporation.

In witness whereof I have hereunto set my hand and affixed my official seal this 20th day of November 2024



Kacie Marie Froehlig
Notary Public
Print Name Kacie-Marie Froehlig
My commission expires 09-12-2026

(Use this space for notarial stamp/seal)

EXHIBIT A
Legal Description of the Property
(HOUGH)

Tract 4, described as follows:

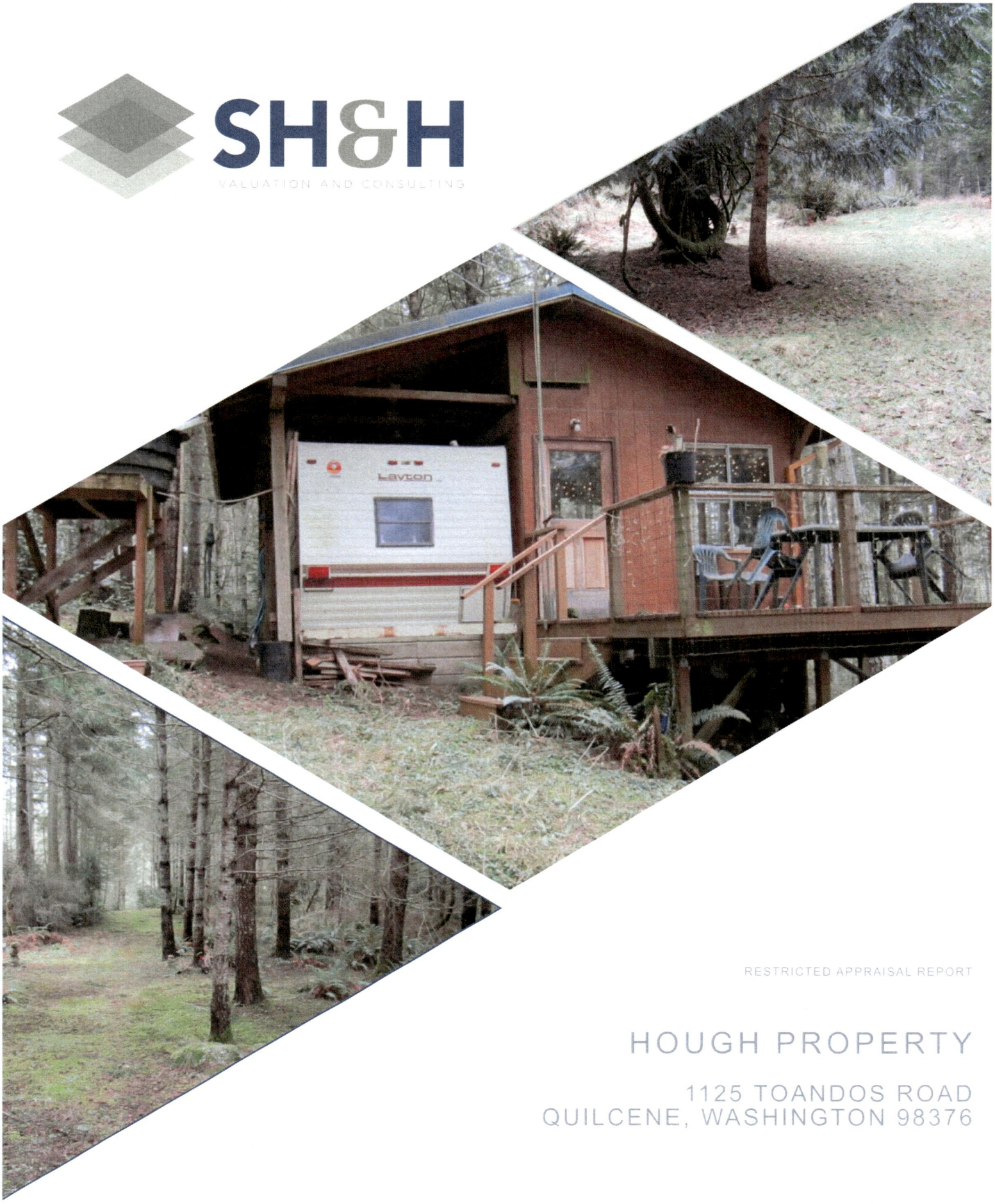
That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
Thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
Thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;thence along said Myers Tract, South 15° 42' S4" East, 19.22 feet;
Thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet; thence continuing along said Easterly line of Myers Tract, South 34° 96' 24" East, 190.24 feet;
Thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
Thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

SH&H

VALUATION AND CONSULTING



RESTRICTED APPRAISAL REPORT

HOUGH PROPERTY

1125 TOANDOS ROAD
QUILCENE, WASHINGTON 98376

SH&H FILE 16344-25

SH&H
VALUATION AND CONSULTING

February 26, 2025

Peter Bahls
Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, Washington 98368

Re: Restricted Appraisal Report
Hough Property
1125 Toandos Road
Quilcene, WA 98376
SH&H File 16344-25

Dear Mr. Bahls:

At your request, I am providing you with an appraisal of the above referenced property. Per our agreement, this report is provided in a *Restricted Appraisal Report* format. This appraisal report has been prepared with the intent to conform with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by The Appraisal Foundation.

In addition, this report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. As such, it presents limited discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client stated within this report.

In completing this assignment, sufficient background information and supporting facts have been analyzed to arrive at a value conclusion, with some of this information being retained in a file memorandum by the appraiser. It is my understanding that this report will be utilized to assist you in establishing the value attributed to the subject's real property as of the effective date of value. The property is currently subject to a Purchase and Sale Agreement with the Northwest Watershed Institute, dated November 2024. The contract price is identified as the greater of $120,000 or the "Fair Market Value" of the property as determined by an appraisal.

According to the prospective buyer's representative, the $120,000 threshold was generally based on the assessed value of the property. Thus, this appraisal report will be utilized to determine a final contract price for the property.

The subject of this appraisal is comprised of one Jefferson County Assessor's parcel with a total area of 6.38 acres, according to Jefferson County GIS information and a Purchase and Sale Agreement document provided. The subject site is located along the easterly side of Toandos Road, westerly of Coyle Road, in the Quilcene - Dabob area of unincorporated Jefferson County (Quilcene address), Washington. The site is forested and gently sloped upward in an easterly direction. The site is improved with a cabin/carport structure containing 168 square feet of enclosed area. Electrical and telephone service are available to the site; however, the site does not have public water access nor is a well or approved septic system installed. The site is, however, currently served by an unapproved septic system, although the legal ability to continue to use this infrastructure is speculative to assume.

The purpose of this appraisal is to provide an estimate of the market value of the fee simple interest in the property, as of the date of inspection. The market value of the subject property, as of the date of inspection, February 20, 2025, is estimated at:

ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS

$145,000

The market value conclusion herein is based on an estimated marketing time of twelve months or less, based on sales of similar properties in the greater market. This estimate of marketing time assumes that the property is competently marketed and priced commensurate with current market parameters.

The appraisal report that follows summarizes the assignment, describes the area and the subject property, and explains the valuation techniques and reasoning leading to the final opinion of market value. As in the case of any appraisal, the reader's attention is directed to the underlying Assumptions and Limiting Conditions that are included in the accompanying report.

Respectfully submitted,

Chad C. Johnson, MAI
State of Washington Certification 1101662

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SUBJECT PHOTOGRAPHS



SOUTHERLY VIEW OF TOANDOS ROAD



DRIVEWAY TO THE SUBJECT PROPERTY



VIEW OF THE SUBJECT PROPERTY SITE



ADDITIONAL VIEW OF THE SUBJECT PROPERTY SITE



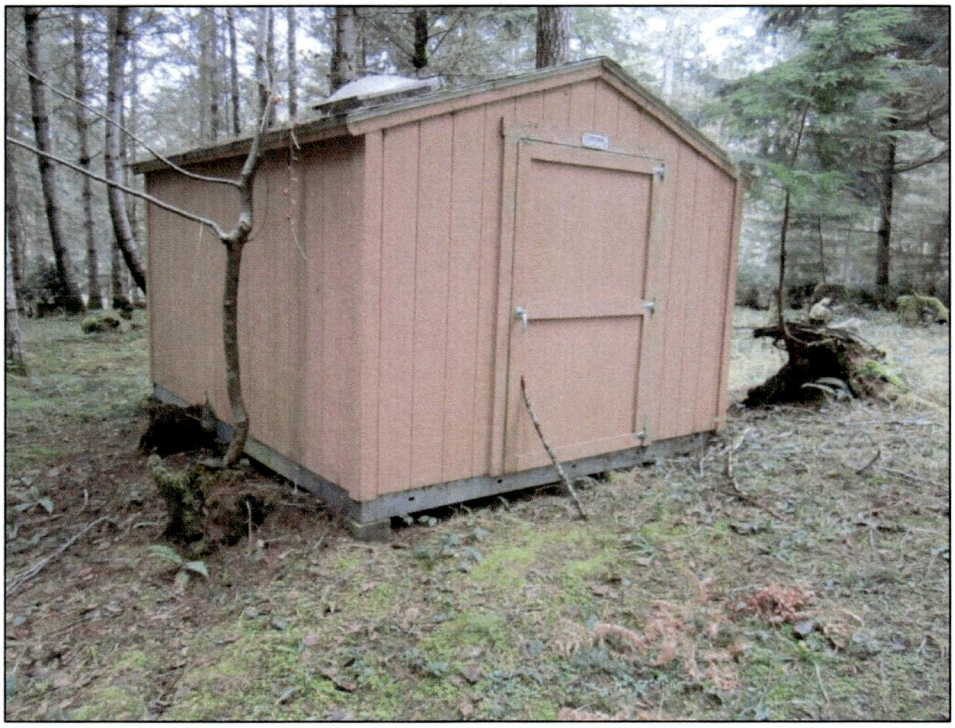
VIEW OF CABIN/CARPORT STRUCTURE



INTERIOR OF CABIN



INTERIOR OF SUBJECT SITE



SHED

RESTRICTED APPRAISAL REPORT

This Appraisal Report is prepared with the intent to comply with the reporting requirements set forth under the Uniform Standards of Professional Appraisal Practice for a Restricted Appraisal Report. The depth of discussion contained in this report is specific to the needs of the client stated within this report.

Diligent effort has been made to fully comply with USPAP. If authorized users of this limited scope appraisal find the information provided is in any way inadequate or insufficient, rather than be misled or confused by this report, they must seek clarification or additional information from the appraiser.

APPRAISER Chad C. Johnson, MAI
SH&H Valuation and Consulting
3609 Market Place West, Suite 201
University Place, WA 98466

CLIENT Peter Bahls
Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, Washington 98368

PROPERTY IDENTIFICATION

Hough Property
1125 Toandos Road
Quilcene, Washington 98376

INTENDED USE AND USER OF THE APPRAISAL

This appraisal is presented in a Restricted Appraisal Report format and is intended to be used only by the client and intended user, Northwest Watershed Institute. The intended use of the report is to establish the market value of the property to determine an appropriate sale price relevant to a pending transaction. Use of this report by others is not intended by the appraisers or the client.

A **Client** is defined as: *"The party or parties (i.e., individual, group, or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent."*[1]

[1] *Uniform Standards of Professional Appraisal Practice, 2024 Edition,* Appraisal Standards Board, The Appraisal Foundation, Washington D.C.,, p. 4.

PROPERTY RIGHTS APPRAISED

The subject property is appraised as to the fee simple interest.

Fee simple interest is defined as follows: *"absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."*[2]

LEGAL DESCRIPTION

A title report, dated September 16, 2024, completed by First American Title Insurance Company, was provided and contains a full legal description of the subject property. A copy of this document, inclusive of the legal description, is included in the addenda section of this report.

SALES HISTORY

According to the title report provided, ownership of the subject property is vested with Thomas J. Hough, a single man. Mr. Hough purchased the property on July 10, 1991. The seller was Discovery Investments and the sale was recorded via Statutory Warranty Deed under Jefferson County Auditor's file number 341821. I am not aware of any arm's length or market-based transfers of ownership during the previous ten years.

The property is currently subject to a Purchase and Sale Agreement between the seller (Mr. Hough) and the Northwest Watershed Institute (NWI). The contract price is identified as "*the greater sum of ONE HUNDRED AND TWENTY THOUSAND U.S. Dollars ($120,000) or the Fair Market Value of the Property as determined by a qualified appraiser in an appraisal commissioned and paid for by the buyer.*" The Purchase and Sale Agreement goes on to state that "*if the Fair Market Value exceeds $120,000, the Parties agree to amend this Agreement to make such amount the Purchase Price.*" A copy of the Purchas and Sale Agreement is included in the Addenda of this report.

Thus, it is my understanding that the intended use of this Restricted Appraisal report is to help establish a final purchase price relevant to the pending transaction.

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[2] *The Dictionary of Real Estate Appraisal, 7th Edition,* Appraisal Institute, Chicago, 2022, p. 73

EFFECTIVE VALUATION DATES

Date of Report: **February 26, 2025**
Date of Inspection/Effective Date of Value: **February 20, 2025**

MARKETING/EXPOSURE PERIOD

The indicated exposure time (i.e., the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of this valuation) would have been twelve months or less. The estimated marketing time (i.e., the amount of time it would probably take to sell the subject property if exposed in the market beginning on the date of this valuation) is estimated to be twelve months or less. These conclusions are based on sales of similar type properties in the market.

PROBABLE BUYER

The most probable buyer of the subject property would likely be an owner user.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the "as is" market value of the property as of the date of inspection.

DEFINITION OF MARKET VALUE

Market Value is defined as "*the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.*"[3]

DEFINITION OF "AS IS" MARKET VALUE

"The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date."[4]

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[3] *The Appraisal of Real Estate, 15th Edition*, Appraisal Institute, Chicago, 2020, p. 48.

[4] *The Dictionary of Real Estate Appraisal, 7th Edition,* Appraisal Institute, Chicago, 2022, p. 10.

SCOPE OF THE APPRAISAL

The scope of this appraisal encompasses the necessary research and analysis to prepare a report in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by The Appraisal Foundation.

The scope of this restricted assignment relates to the field work, inspection, research, and analysis conducted for preparation and valuation of the subject property's estimated value subject to the limitations detailed in this report. This limited scope appraisal assignment involved an inspection of the subject property on February 20, 2025. Statistical, descriptive, and demographic data was gathered using various informational systems such as the Northwest Multiple Listing Service and Jefferson County public records.

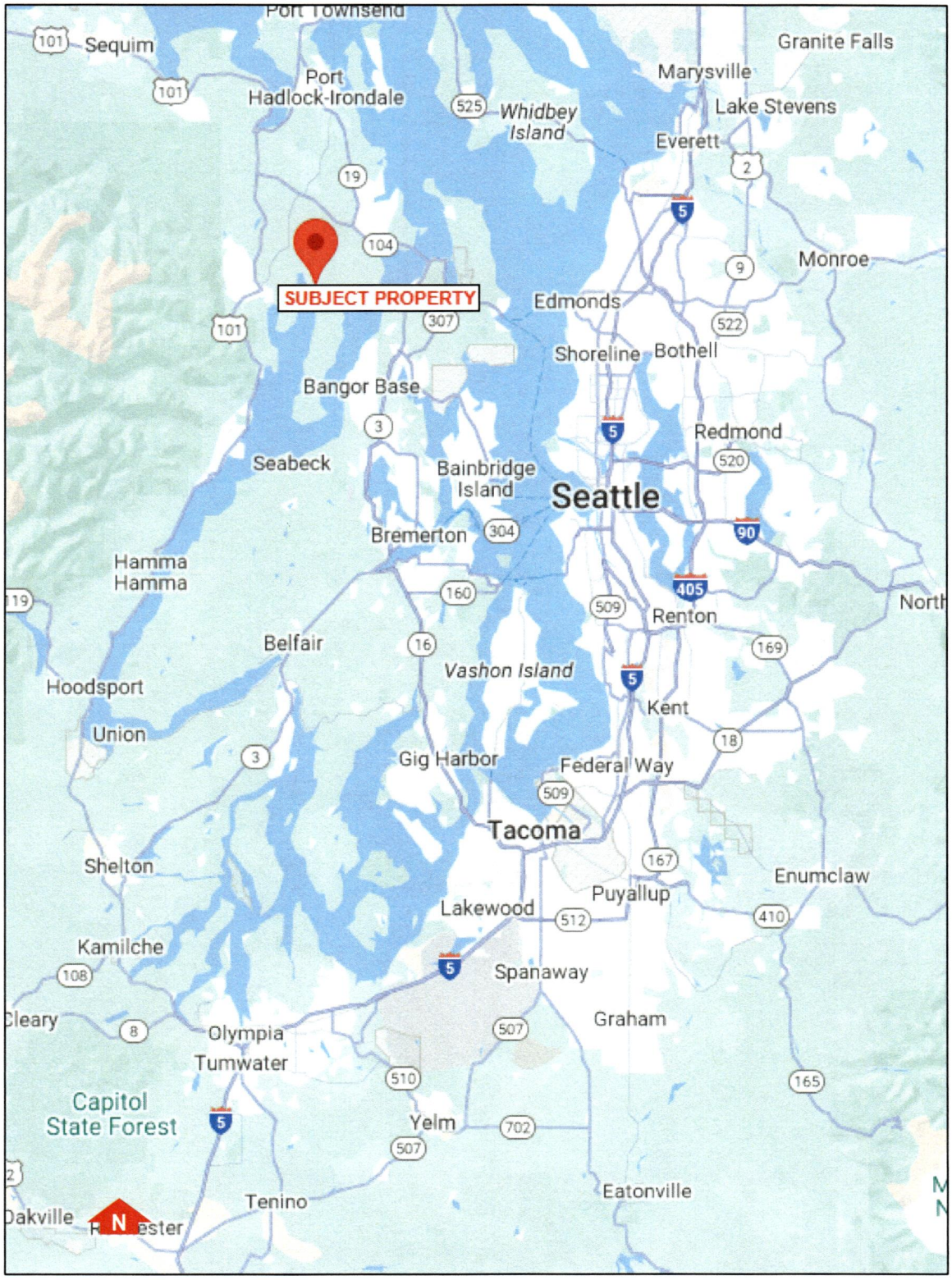
In the case of the subject property, given that the property is mostly undeveloped with the exception of a cabin and some site infrastructure, the most (and only) applicable and relevant approach to value is the Sales Comparison Approach. In arriving at the value of the subject property by this approach, sales of similar properties were considered. The other typical approaches (Income Approach and Cost Approach) are not typically relied upon in the subject market for these types of properties and are thus not relevant. The exclusion of the other approaches does not detract from the overall reliability of the value conclusion reported herein.

UNAVAILABILITY OF INFORMATION

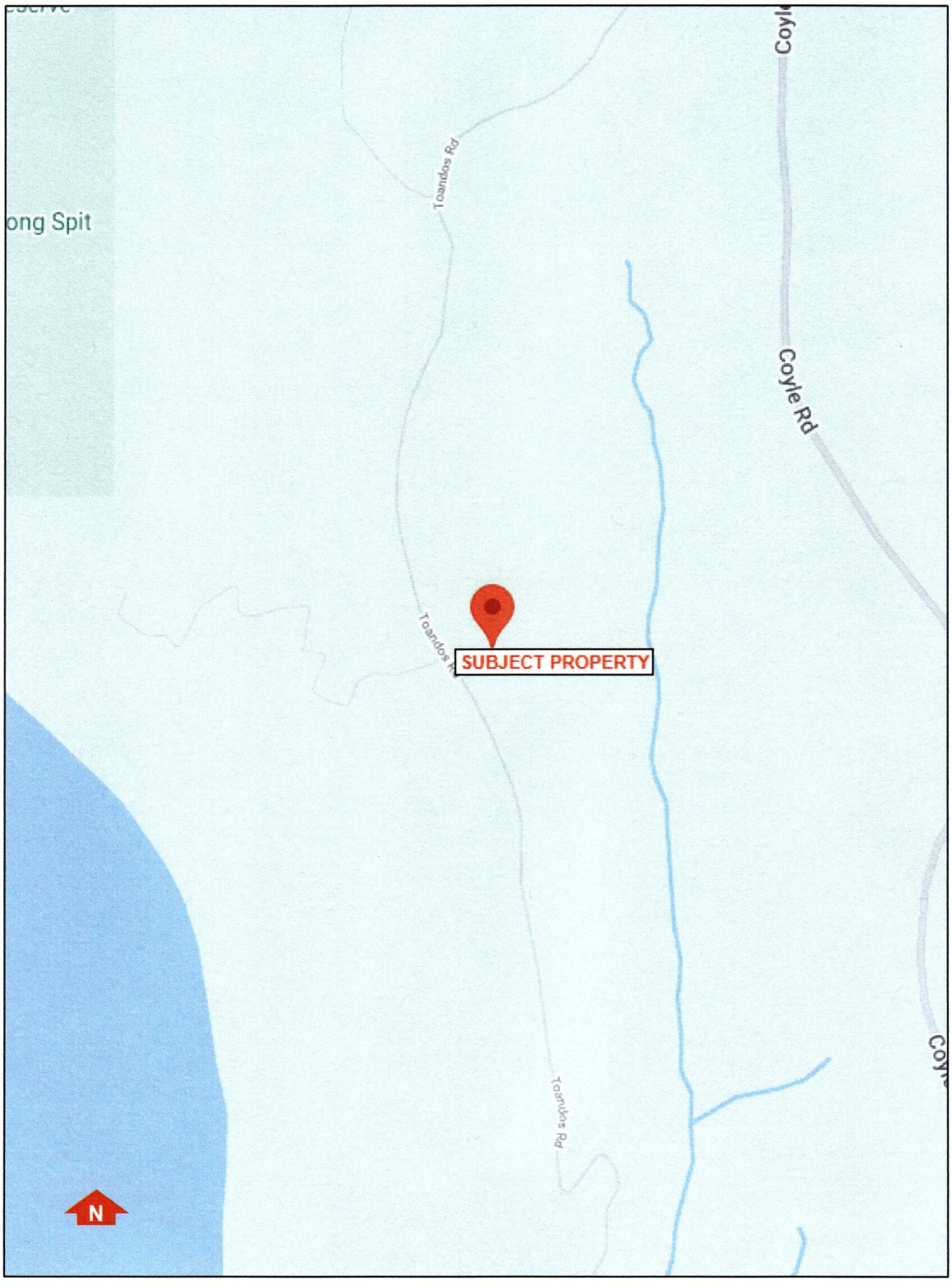
A wetland delineation report, site specific soils study, and environmental report were not provided during the timeframe of this assignment. Therefore, any information that would have been provided by these documents is not known or considered.

LOCATION DATA

A map showing the subject property's location within the Puget Sound metropolitan area is presented on the following page. A second map showing the subject property's location within the immediate neighborhood is presented following the area map. In general, the subject is located in the Quilcene area of easterly Jefferson County. This area is comprised of a mixture of forestry/resource properties as well as single family development, primarily on larger/low-density parcels. Many homesites in the area benefit from marine views of Hood Canal/associated water bodies and/or the Olympic Mountain Range.


Port Townsend
Sequim
Granite Falls
Marysville
Port Hadlock-Irondale
Whidbey Island
Lake Stevens
Everett
SUBJECT PROPERTY
Monroe
Edmonds
Shoreline
Bothell
Bangor Base
Redmond
Seabeck
Bainbridge Island
Seattle
Bremerton
Hamma Hamma
Renton
Belfair
Vashon Island
Hoodsport
Kent
Union
Gig Harbor
Federal Way
Tacoma
Shelton
Enumclaw
Puyallup
Lakewood
Kamilche
Spanaway
Graham
Olympia
Tumwater
Capitol State Forest
Yelm
Tenino
Eatonville
N

AREA MAP



LOCATION MAP

PROPERTY DESCRIPTION

The site description provided below is derived from observations made during the site inspection as well as information provided by the client and public records.

Site Description

The subject property consists of one Jefferson County assessor's parcel (APN 701153003) containing 6.38 acres, according to Jefferson County GIS information and the Purchase and Sale Agreement. It is located along the easterly side of Toandos Road, westerly of Coyle Road, in the Quilcene - Dabob area of unincorporated Jefferson County (Quilcene address), Washington. The site is forested and gently sloped upward in an easterly direction. The site is improved with a cabin/carport structure containing 168 square feet of enclosed area. Electrical and telephone service are available to the site; however, the site does not have public water access nor is a well or approved septic system installed. The site is, however, currently served by an unapproved septic system, although the legal ability to continue to use this utility is speculative to assume. The owner currently utilizes a rain catchment system for ancillary water purposes and also uses water from an adjacent property owner (by a hose) under an informal agreement for potable purposes. The property does not have a permanent/conventional water system.

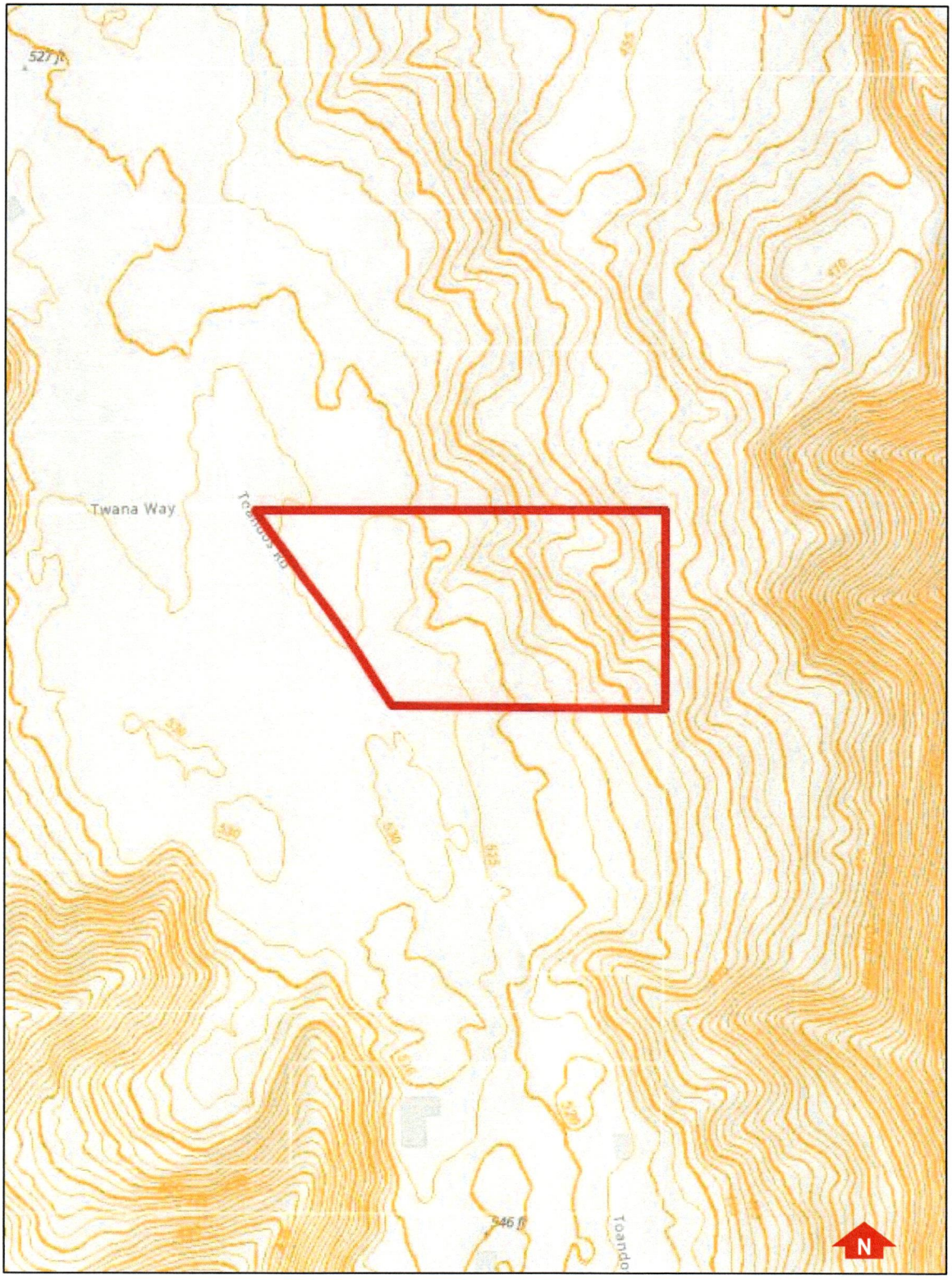
An aerial view of the subject, with the approximate boundaries of the subject site outlined in red, is provided on the following page. Further details of the subject site are as follows:

Location:	The subject site is located along the easterly side of Toandos Road, westerly of Coyle Road, in the Quilcene - Dabob area of unincorporated Jefferson County, Washington.
Municipal Jurisdiction:	Jefferson County.
Address:	1125 Toandos Road Quilcene, Washington 98376
Access:	The subject site is accessed by way of a driveway extending off of Toandos Road, a private, gated road extending southwesterly off of Coyle Road. The gate is operated by a keypad system. The road is gravel-surfaced but in good condition and appears to be adequately maintained.
Site Area:	The subject site is comprised of one assessor's parcel (APN 701153003). According to Jefferson County Assessor's records, the site contains an area of 6.38 acres.



AERIAL VIEW OF SUBJECT SITE
SUBJECT PROPERTY OUTLINED IN RED

Shape:	Generally rectangular/slightly irregular
Utilities:	Electrical and telephone service are available to the site. Well and septic systems would be necessary for conventional homesite development. While the property has a septic system adjacent to the cabin, no permits were obtained when it was installed and the legal ability to continue to utilize this system is unknown and speculative to assume.
Topography and Coverage:	The site contains a combination of sloped and level topography. A topographic map obtained from the Jefferson County GIS mapping system is presented on the following page. Coverage consist primarily mixed conifer species, along with other areas of brush and grasses.
Wetlands:	I was not provided with any reports or studies relative to wetlands delineation for the subject property. Based on the National Wetlands Inventory map provided by the U.S. Fish and Wildlife Service and the Jefferson County GIS mapping system, there do not appear to be any wetlands on the subject site.
Flood Plain:	According to Flood Insurance Rate Map Number 53031C0910C, dated June 7, 2019, the subject property is located outside of any flood zones.
Soils:	Soils reports/studies for the subject site were not available. Instead, data from the United States Department of Agriculture (USDA) Natural Resources Conservation Service mapping system is utilized. The subject property is primarily composed of Sinclair gravelly sandy loam, 0 to 15 percent slopes (SnC). The Sinclair series consists of moderately well drained soils that formed in glacial till on glacial terraces. Vegetation is mainly Douglas fir, western redcedar, red alder, willow, rhododendron, and salal. Most of the acreage of this soil is used for the production of trees, small ranches, and rural homesites.



TOPOGRAPHY MAP
SUBJECT PROPERTY OUTLINED IN RED

Environmental Issues:	An environmental report was not provided. It is noted that there are some areas of debris on the subject property, including an old trailer, vehicle and general debris. I am not aware of any adverse environmental issues that would impact the highest and best use of the subject property.
Easements/ Encroachments:	A title report relevant to the subject property was provided. There do not appear to be any easements encumbering the subject property that would adversely impact the highest and best use of the site.
Surrounding Uses:	Surrounding uses in the vicinity of the subject property includes residential uses on larger acreage properties and sites that are managed for the commercial harvest of timber.
Views:	The site has territorial views.

ZONING

The subject property consists of one Jefferson County assessor's parcel (701153003). The zoning for the subject property is Rural Residential 5 (RR-5), per the Jefferson County Code. The purpose of this district is to

> *"Allow for continued residential development in areas of Jefferson County consisting of relatively high-density pre-existing patterns of development, along the county's coastal areas, and within areas within or adjacent to rural centers and rural crossroads. In addition, this district seeks to support and foster Jefferson County's existing rural residential landscape and character by restricting new land divisions to a base density of one unit per five acres."*

This zoning designation allows for a base density of one dwelling unit per five acres.

Outright permitted uses include, but are not limited to, single-family residences, duplexes, home businesses, bed and breakfast residences, mineral extraction activities, parks and playfields, recreational facilities, and aquaculture activities and uses. The subject property contains a reported area of 6.38 acres. The subject is improved with a small cabin and carport. While this is a legal use of the subject site, more permanent/conventional residential development would likely require a well be installed and that the existing septic either be approved by Jefferson County (the outcome of which would be speculative to assume) or a new system installed.

TAXES AND ASSESSMENTS

The subject property is carried on the Jefferson County Tax and Assessment roll under one assessor's parcel number. Tax and assessment information for the subject property is summarized in the chart below.

Parcel Number	Land Value	Improve. Value	Total Value	2025 Taxes
701153003	$105,644	$18,613	$124,257	$1,016.62

The 2025 taxes are based on the 2024 assessed values and result in an amount of $1,016.62 as shown in the above chart. Experience has shown that the assessed value of a property is often an unreliable indicator of market value, despite the assessor's mandate to assess all properties at 100% of market value. This appears to be the case with the subject as the assessed value is lower than the appraised value herein. According to Jefferson County Assessor records, the taxes for the subject are paid current.

IMPROVEMENTS DESCRIPTION

The subject is improved with a cabin and carport structure. The structure is of wood frame construction and was built in 1999. The enclosed cabin contains one room and has a total area of 168 square feet, according to measurements taken during the physical observation. The interior is sparsely finished and has electrical service; however, the site does not contain a well nor access to public water, nor is there an approved septic system. The carport is adjacent to the cabin and contains an area of 126 square feet. The site is further improved with a rainwater catchment system, as well as a storage shed containing 120 square feet.

The structures are overall in average condition.

HIGHEST AND BEST USE

"As Though Vacant"

Considering the limited allowed legal uses according to zoning, as well as the physical characteristics of the site, the highest and best use of the property "as though vacant" is for development of the site with one single-family residence.

"As Improved"

The subject is improved with a small cabin and carport structure; however, there is no well or approved septic system in place. The structure has utilitarian value to the site for recreational use. Therefore, the highest and best use as improved is for continued use of the existing recreational improvement in the interim, with the potential for single-family residential development in the future, as dictated by demand.

PROPERTY VALUATION

The subject site is a rural residential site and is improved with a cabin/carport structure. Although all three approaches to value were considered, based on the characteristics of the subject property, the only applicable and relevant approach to value is the Sales Comparison Approach. The Sales Comparison Approach is considered to provide sufficient data to arrive at a reasonable and supportable value conclusion for the subject property.

SALES COMPARISON APPROACH

The Sales Comparison Approach involves the process of comparing improved properties which have recently sold, with the subject property, noting and adjusting for similarities and dissimilarities between the property being appraised and the sale comparables. This approach to value considers a physical unit of comparison, the price per site in this case. Within this approach, I will evaluate comparable sales data to formulate a value estimate for the subject property.

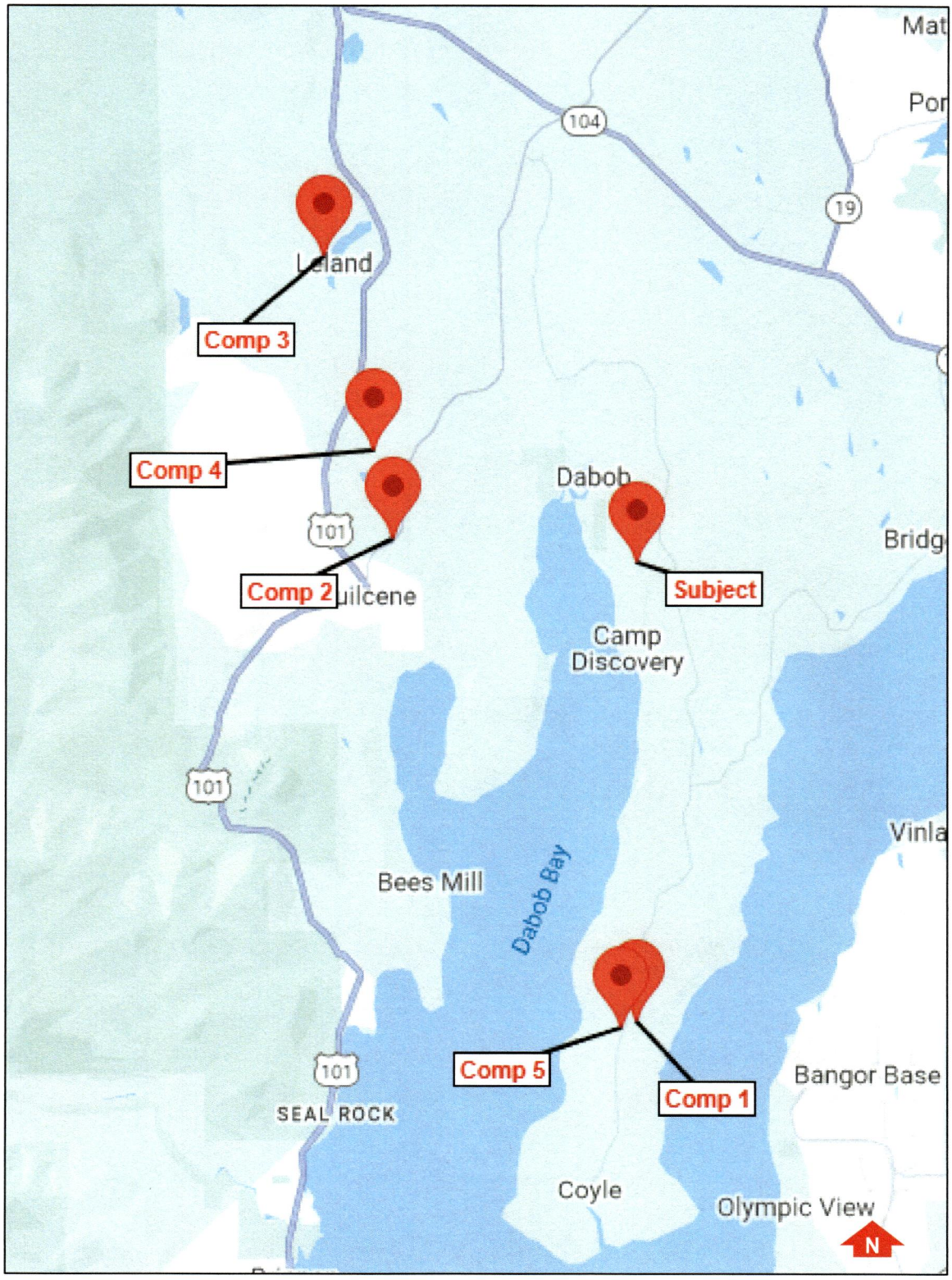
The research for comparable sales focused on rural residential properties with similar use potential as the subject. The search first focused on the sale of rural properties that contained outbuildings and/or small residential/cabin structures. Two sales were identified (L-2 and L-4). The search was then expanded to include unimproved properties with similar development potential as the subject. To that end, two additional closed sales were identified (L-3 and L-5), as well as one current listing (L-1).

All of the comparables are located within the subject's general neighborhood of Quilcene, and all of the closed sales have occurred within the past six months.

A total of four closed comparable sales and one current listing were selected for the analysis of the subject property. The exhibit below summarizes the comparables utilized, with a location map shown on the page after the chart. Following the map, more detailed information for the comparables is presented, together with a parcel map. In this instance, the most appropriate unit of comparison is the price per site.

SALE COMPARABLES

Sale	Location	Sale Date	Size (Acres)	Sales Price
L-1	11573 Coyle Road Quilcene	Listing	4.67	$89,000
L-2	82 Camelot Road Quilcene	Jul-24	7.10	$120,000
L-3	24XX Munn Road Quilcene	Oct-24	5.51	$135,000
L-4	771 Lakenes Road Quilcene	Nov-24	5.05	$150,000
L-5	4 Mt. Walker View Drive Quilcene	Jan-25	4.97	$150,000



COMPARABLE LAND SALES MAP

Land Listing No. 1

Property Identification	
Record ID	15925
Property Type	Residential
Address	11573 Coyle Road, Quilcene, Jefferson County, Washington 98376
Location	Toandos Peninsula
Assessor's Parcel Number	601222007
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Brian L. Spain
Survey Date	February 24, 2025
Property Rights	Fee Simple
Verification	Tim Horvath, listing agent (360) 531-0980
Listing Price	$89,000
Land Data	
Zoning	RR5, Jefferson County
Topography	Sloped & forested
Utilities	Electric in street; approved septic design
Shape	Rectangular
Land Size Information	
Gross Land Size	4.670 Acres or 203,425 SF
Indicators	
List Price/Site	$89,000

Remarks

This is the listing of a rural residential site located along Coyle Road, in the Toandos Peninsula area outside of Quilcene, in unincorporated Jefferson County. The site contains 4.67 acres, is sloped and heavily forested and is rectangular in shape. There is electrical service available in the street. There is an approved 5-bedroom septic permit; however, installation of the septic system, along with a well, are required for development. A GeoTech study has been completed for the property and has identified adequate buildable space for a single-family residential development.

The property has been listed for sale multiple times over the past few years. According to the listing agent, the buildable area of the site is greatly diminished due to significant sloping; however, a small portion is buildable.



TOANDOS PENINSULA



11573 COYLE ROAD

Land Sale No. 2

Property Identification	
Record ID	15926
Property Type	Residential
Address	82 Camelot Road, Quilcene, Jefferson County, Washington 98376
Location	Easterly of SR 101
Assessor's Parcel Number	702131023
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Steven & Bernita Moul
Grantee	David Metoyer & Anthony Metoyer
Sale Date	July 24, 2024
Auditor's File Number	667019
Property Rights	Fee Simple
Financing	Cash
Sale History	Sold 11/2020 for $75,000
Verification	Kalan Hatton, selling agent; 360-531-4419
Sale Price	$120,000
Land Data	
Zoning	RR5, Jefferson County
Topography	Sloped & heavily forested
Utilities	See remarks
Shape	Triangular
Land Size Information	
Gross Land Size	7.100 Acres or 309,276 SF
Front Footage	980 ft Center Road
Indicators	
Sale Price/Site	$120,000

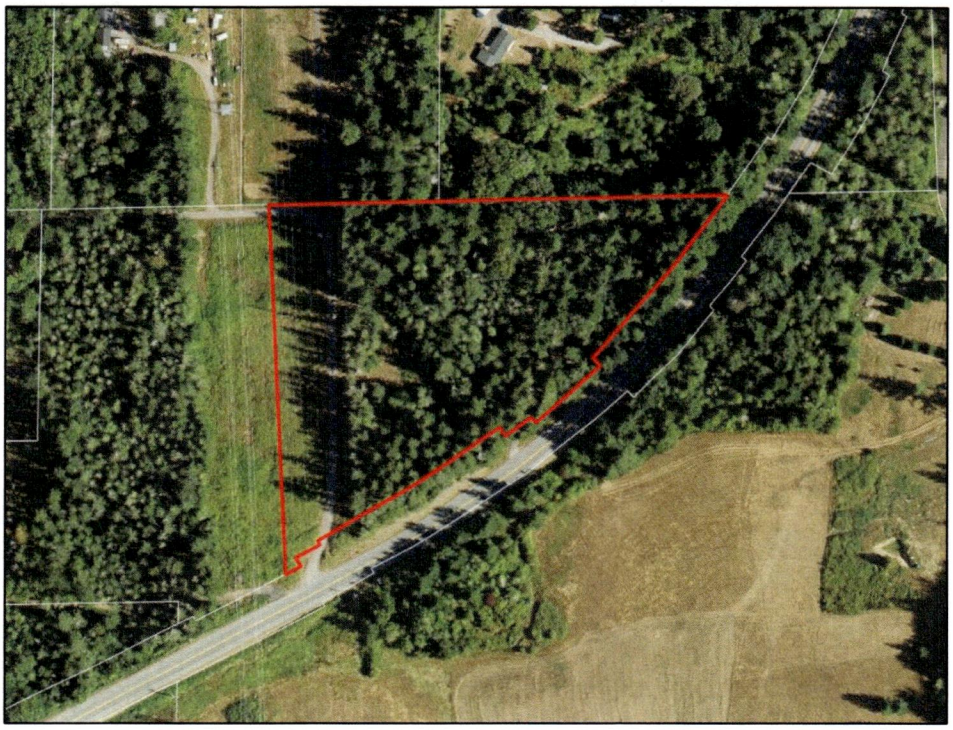
Land Sale No. 2 (Cont.)

Remarks

This is the July 2024 sale of a rural residential site located in the Quilcene area of unincorporated Jefferson County. There is access to the site by way of Camelot Road, a gravel access easement extending northerly off of Center Road, as well as a gated driveway extending off of Center Road. The triangular site has approximately 980 feet of frontage along Center Road. The site contains 7.1 acres and is sloped and heavily forested. Electrical service is available in Center Road. There is a low producing well at the top end of the allowable chloride level. Septic is needed for development.

The site is improved with an enclosed metal shed/garage containing 300 square feet with a gravel floor and a seven-foot high garage door. There is also an open walled carport. According to the selling broker, both outbuildings are in average condition.

The site was listed for sale for $135,000 and was on the market for 257 days before selling for $120,000, or 89% of its list price.



EASTERLY OF SR 101



82 CAMELOT ROAD

Land Sale No. 3

Property Identification

Record ID	15927
Property Type	Residential
Address	24XX Munn Road, Quilcene, Jefferson County, Washington 98376
Location	Lake Leland area
Assessor's Parcel Number	802261019
Instrument	Statutory Warranty Deed

Sale Data

Grantor	Sara Brown
Grantee	Virginia Navrides
Sale Date	October 22, 2024
Auditor's File Number	668485
Property Rights	Fee Simple
Financing	Seller financed at typical terms
Verification	Sher Kirkpatrick, selling agent; 360-909-8636
Sale Price	$135,000

Land Data

Zoning	RR 20, Jefferson County
Topography	Portions steeply sloped & forested
Utilities	Electric in the street
Shape	Rectangular

Land Size Information

Gross Land Size	5.510 Acres or 240,016 SF

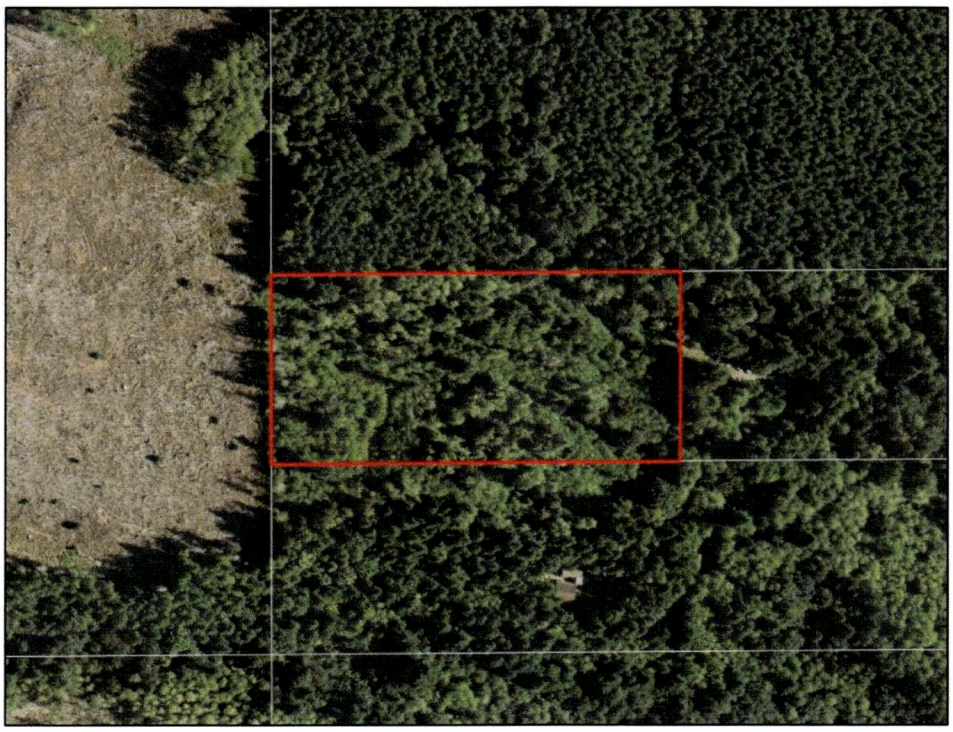
Indicators

Sale Price/Site	$135,000

Remarks

This is the October 2024 sale of a rural residential site located near Lake Leland, in the Quilcene area of unincorporated Jefferson County. The site contains 5.51 acres. The topography is a combination of steeply sloped and level site area. It is heavily forested; however, there is reportedly no merchantable timber. Electrical service is available at the property line and well and septic are needed for development. There is a clear-cut dirt road extending from Munn Road to a buildable area.

The property was listed for $135,000 and was on the market for 85 days before selling it for its full list price. According to the selling agent, there was nothing atypical about the property or transaction, which was seller financed, which is common in the area.



LAKE LELAND AREA



24XX MUNN ROAD

Land Sale No. 4

Property Identification

Record ID	15928
Property Type	Residential
Address	771 Lakenes Road, Quilcene, Jefferson County, Washington 98376
Location	Lords Lake area
Assessor's Parcel Number	702121003
Instrument	Statutory Warranty Deed

Sale Data

Grantor	Peter L. Tennigkeit
Grantee	Andrew & Kimberly Luly
Sale Date	November 06, 2024
Auditor's File Number	668694
Property Rights	Fee Simple
Verification	Jenn Forest, selling agent; 360-316-1147
Sale Price	$150,000

Land Data

Zoning	RR5, Jefferson County
Topography	Sloped upward SW to NE, forested
Utilities	See remarks
Shape	Rectangular

Land Size Information

Gross Land Size	5.050 Acres or 219,978 SF

Indicators

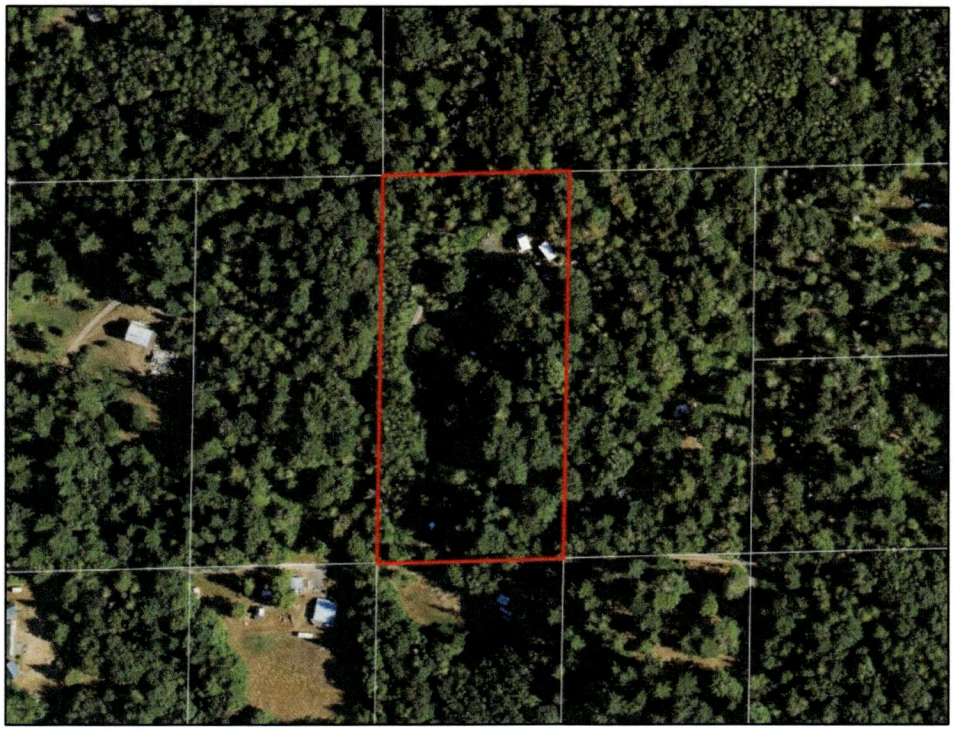
Sale Price/Site	$150,000

Remarks

This is the November 2024 sale of a rural residential site located in the Lords Lake area, off of Lakenes Road, in the Quilcene area of unincorporated Jefferson County. The site contains 5.05 acres and has a view of the Olympic Mountains. The topography is sloped upward in a southwesterly to a northeasterly direction, with adequate level site area for development. It is forested. Electrical service is available a few parcels down Lakenes Road. Septic and well are needed for development.

The site is improved with an unpermitted tiny home in average/good, newer condition. The tiny home contains a kitchenette and loft sleeping area. There is a solar power system, a composting toilet and a rainwater catchment system in place. The site is improved with multiple smaller outbuildings used for storage and small animal husbandry.

The property was listed for $185,000 and sold for $150,000 after being on the market for 67 days.



LORDS LAKE AREA



771 LAKENES ROAD

Land Sale No. 5

Property Identification	
Record ID	15931
Property Type	Residential
Address	Mt Walker View Drive, Quilcene, Jefferson County, Washington 98376
Location	Toandos Peninsula
Assessor's Parcel Number	601225012
Instrument	Statutory Warranty Deed
Sale Data	
Grantor	Jason & Cheryl Wright
Grantee	Keith Mast, Jacob & Emily Moushey
Sale Date	January 25, 2025
Auditor's File Number	669834
Property Rights	Fee Simple
Financing	Typical
Verification	Tim Horvath, listing agent (360) 531-0980
Sale Price	$150,000
Land Data	
Zoning	RR5, Jefferson County
Topography	Gently sloped & forested
Utilities	Electric in street; well & septic needed
Shape	Rectangular
Land Size Information	
Gross Land Size	4.970 Acres or 216,493 SF
Indicators	
Sale Price/Site	$150,000

Remarks

This is the January 2025 sale of a rural residential site located in the Mt Walker View subdivision. The property is located at the end of Mt. Walker View Drive (Starry Night Place), which is identified on a plat map as a small, cul-de-sac subdivision. The site is located on the Toandos Peninsula, outside of the Quilcene area, in unincorporated Jefferson County. The site contains 4.97 acres and is gently sloped and forested. There is a view of Mt. Walker. Electrical service is available in the street, and septic and well are needed for development.

The property was listed for $159,950 and sold for $150,000 after being on the market for 170 days. The site has an approved Site Development Review in place.



TOANDOS PENINSULA



MT WALKER VIEW DRIVE

Analysis of Land Sales

A basic principle in the valuation of real estate is that no two properties are identical, which means that adjustments are necessary to reflect the various differences of the properties being considered. An adjustment process is applied to the comparables, with an adjustment chart presented following the discussion of the comparables. The adjustment process allows the appraiser to consider the thought process often followed by buyers and sellers in comparing different properties. Within the discussion of each sale detailed herein, the sales' characteristics are noted and compared to the subject, resulting in conclusions requiring adjustments to the indicated unit prices of the comparables. Qualitative adjustments are applied, either positive or negative, to account for physical differences between the comparables and the subject property. In this instance, the price per site has been utilized for analysis purposes.

Quantitative Adjustments

The property rights conveyed, financing, conditions of sale, and buyer expenditures/other do not require any quantitative adjustments for the comparables.

Market Conditions

In analyzing the influence of the market conditions at the time of sale of the comparables in relation to the market conditions as of the date of appraisal, the key factor is the passage of time. More specifically, the question to be answered in its simplest form is whether there is any trend in general prices through time. The date of sale for the comparables ranges from July 2024 to January 2025, as well as a current listing. All of the closed sales have occurred within the last six months, with one of the sales occurring a few weeks before the date of inspection for the subject. The rural residential market in Jefferson County has historically exhibited gradual signs of growth. Therefore, due to the relatively recent dates of sale, no market conditions adjustments are applied to the comparables.

After quantitative adjustments, the comparables indicate a range on a price per site basis from $89,000 to $150,000 per site. The next step is to consider the appropriate qualitative adjustments to apply to the comparables for the analysis of the subject.

Qualitative Adjustments

The individual comparable sales are now compared to the subject as it relates to qualitative adjustments, including *Location*, *Site Size (Acres)*, *Site Utility, Utilities in Place,* and *Improvements.*

An adjustment grid has been prepared, as shown on the following page, simulating the thought process a prudent and knowledgeable purchaser might use if involved in comparing the comparables to the subject property. This chart is presented as an aid in depicting the positive and negative influences that impact the market value of properties in this market segment.

Location

The subject is located on the Toandos Peninsula, off of Toandos Road, which is a private, gated road finished with gravel and dirt. L-1 and L-5 are also located on the Toandos Peninsula, but are accessed off of Coyle Road, which is a finished and county-maintained arterial. Additionally, L-5 is located in a subdivision plat. These comparables are therefore adjusted downward for location. L-2 contains a considerable amount of frontage along a higher trafficked arterial (Center Road), which is a less desirable attribute for a rural residential property. Thus, this comparable is adjusted upward for location. The remaining sales are similar enough when compared to the subject in location that no adjustment is needed for this factor.

Site Size

The subject contains 6.38 acres. All of the comparables are similar enough in size to forgo an adjustment.

Site Utility

The subject property has a combination of sloped and level topography. L-1 and L-2 have more sloped topography and are adjusted upward, with L-1 reported to have a very confined potential homesite due to topography. Thus, upward adjustments are appropriate for this factor, with a stronger adjustment applied to L-1. L-5 has less areas of sloping than the subject and is adjusted downward. The remaining comparables are generally similar to the subject in site utility and no adjustments are applied.

Comparable Number		L-1	L-2	L-3	L-4	L-5
Sale Price	n/a	$89,000	$120,000	$135,000	$150,000	$150,000
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Financing	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Conditions of Sale	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length	Arms Length
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Buyer Expenditures/Other		None	None	None	None	None
Adjustment		$0	$0	$0	$0	$0
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Date of Sale	Feb-25	Listing	Jul-24	Oct-24	Nov-24	Jan-25
Months Since Sale		0	6	3	3	0
Adjustment		0.00%	0.00%	0.00%	0.00%	0.00%
Adjusted Price		$89,000	$120,000	$135,000	$150,000	$150,000
Adjusted Price/Site		$89,000	$120,000	$135,000	$150,000	$150,000
Qualitative Adjustments						
Location		Superior	Inferior	Similar	Similar	Superior
Adjustment		-	+			-
Size (Acres)	6.38	4.67	7.10	5.51	5.05	4.97
Adjustment						
Site Utility		Inferior	Inferior	Similar	Similar	Superior
Adjustment		+ +	+			-
Utilities in Place		Superior	Superior	Similar	Inferior	Similar
Adjustment		-	-		+	
Improvements		Inferior	Similar	Inferior	Superior	Inferior
Adjustment		+		+	- -	+
Total Adjustment		Upward	Upward	Upward	Downward	Downward

Utilities in Place

The subject has electrical service, but a well and septic system are needed for conventional residential development. Although the subject currently has a septic system in place, it was not approved at the time of installation and the ability to legally utilize this infrastructure is speculative. Therefore, the property is essentially viewed as not having a septic system for analysis purposes. The historical functionality of the existing system, however, suggests that the site's soils are capable of supporting such a system. L-1 also has electrical service and there is an approved septic design in place. This comparable is adjusted downward for utilities. L-2 has electrical service as well as a drilled well and is also adjusted downward for this factor. L-4 does not have electrical service and is adjusted upward. L-3 and L-5 are similar to the subject in this regard and no adjustments are needed.

Improvements

The subject is improved with a small cabin/carport structure, as well as a storage shed. L-4 has a newer tiny home in average/good condition; thus, a strong downward adjustment is applied to this comparable. L-2 is improved with some outbuildings; thus, no adjustment is applied to this comparable. L-1, L-3 and L-5 do not contain improvements or outbuildings. These comparables are adjusted upward for this factor.

Conclusion

The five comparables indicate a range from $89,000 to $150,000 per site. Predicated upon the previous discussion and taking into consideration the location and quality of the subject property, a value higher than L-3 ($135,000/site), but lower than L-4 ($150,000) and L-5 ($150,000/site) is reasonable. Based on my analysis and discussion herein, a value estimate of **$145,000**, as bracketed and supported by the central tendencies of L-3 and L-4, is concluded for subject property, resulting in an overall value, as follows:

VALUE BY THE SALES COMPARISON APPROACH

Acres	Value
6.38	$145,000

Predicated upon the previous analysis, the opinion of value for the subject property by the Sales Comparison Approach is as follows:

Market Value Indication by the Sales Comparison Approach, as of February 20, 2025: $145,000

Reconciliation

Only the Sales Comparison Approach is utilized for this appraisal assignment. The Sales Comparison Approach allows for the comparison of similar type properties to the subject, noting for similarities and differences between the comparables and the subject property. This approach contributes a credible value conclusion and is the most (and only) relevant approach for this type of property.

Based upon the preceding data and discussions, the "as is" market value of the subject property, as of the date of inspection, February 20, 2025, is estimated at:

ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS

$145,000

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and represent my personal, impartial and unbiased professional analyses, opinions, and conclusions.

3. I have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.

4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. I have made personal inspections of the property that is the subject of this report.

8 Katherine E. Tiffany, License Number 1002112, provided significant real property appraisal assistance to the person signing this report relevant to the subject research, market research, comparable confirmation, analysis and/or report preparation.

9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.

12. I am competent and qualified to perform the appraisal assignment.

13. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

14. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.



Chad C. Johnson, MAI
State of Washington Certification 1101662

CHAD C. JOHNSON, MAI

GENERAL EDUCATION

BA, Business Administration, Option in Real Estate, Washington State University

Relevant Coursework
- Real Estate Principles
- Real Estate Finance
- Real Estate Valuation
- Real Estate Investment
- Real Estate Law

CERTIFICATIONS

Washington State Certified General Real Estate Appraiser
Certification 1101662
Issue Date: March 31, 2005

PROFESSIONAL DESIGNATION

MAI, Appraisal Institute

PROFESSIONAL EXPERIENCE

Real Estate Appraiser and Consultant
SH&H Valuation and Consulting (formerly Strickland, Heischman & Hoss, Inc.)
June 2001 to Present

SELECTED APPRAISAL INSTITUTE COURSES

Course 310, Basic Income Capitalization (February 2002)
Course 320, General Applications (December 2004)
Course 410, Standards of Professional Practice, Part A (September 2001)
Course 420, Standards of Professional Practice, Part B (September 2001)
Course 510, Advanced Income Capitalization (December 2002)
Course 520, Highest & Best Use and Market Analysis (September 2006)
Course 530, Advanced Sales Comparison and Cost Approaches (September 2008)
Course 540, Report Writing and Valuation Analysis (August 2003)
Course 550, Advanced Applications (January 2009)
Uniform Appraisal Standards for Federal Land Acquisitions – Practical Applications (May 2017)
Eminent Domain and Condemnation (August 2018)
Fundamentals of the Uniform Appraisal Standards for Federal Land Acquisitions (October 2020)
Various Continuing Education Courses and Seminars

PARTIAL LIST OF PROPERTY TYPES APPRAISED

Apartments
Agricultural Properties
Aquaculture Properties
Automobile Dealerships
Automobile Repair Facilities
Banks
Bowling Alleys
Business Parks
Cardlock Fueling Facilities
Carwashes
Churches
Commercial Land
Commercial Subdivisions
Condominium Developments
Conservation Easements
Daycare Centers
Food Processing Plants
Gas Station/Convenience Stores
Golf Courses
Health Clubs
Hotels/Motels
Industrial Properties
Industrial Subdivisions
Institutional Properties
Leasehold Interests
Medical Offices
Mineral Extraction Operations
Mixed-Use Properties
Natatoriums
Nurseries
Private Schools
Professional Offices
Recreational Properties
Religious Retreats
Residential Land
Residential Subdivisions
Resource and Forest Land Properties
Restaurants
Retail Properties
Right-of-Way Acquisitions
Self-Storage Facilities
Shellfish Processing Plants
Single-Family Residences
Waterfront Properties

APPRAISAL EXPERIENCE IN THE FOLLOWING WASHINGTON COUNTIES

Benton County
Clallam County
Clark County
Cowlitz County
Franklin County
Grant County
Grays Harbor County
Island County
Jefferson County
King County
Kitsap County
Kittitas County
Lewis County
Mason County
Okanogan County
Pacific County
Pierce County
San Juan County
Skagit County
Snohomish County
Spokane County
Thurston County
Whatcom County
Yakima County

PARTIAL LIST OF CLIENTS FOR WHICH I HAVE COMPLETED APPRAISALS

1st Security Bank (formerly Anchor Bank)
Alaska USA Federal Credit Union
Bank of America
Bank of the Pacific
Bank of the West
Bank of Washington
BECU
Capitol Land Trust
Center for Natural Lands Management
Central Kitsap School District
City of Enumclaw
City of Kent
City of Tacoma
City of University Place
City of Yakima
Columbia Bank
Commencement Bank
Community National Bank & Trust
CUSG/CU Services Group
First Federal
Forterra
Grays Harbor County
Great Peninsula Conservancy
Harborstone Credit Union
Heritage Bank
HomeStreet Bank
Hood Canal Salmon Enhancement Group
Jefferson County
Jefferson Land Trust
Key Bank
Kitsap Bank
Kitsap Credit Union
Mountain Pacific Bank
Native American Bank, NA
Nature Conservancy of Washington
Nisqually Land Trust
North Kitsap School District
North Olympic Land Trust
Northwest Christian Credit Union
Northwest Farm Credit Services
Northwest Watershed Institute
O Bee Credit Union
Olympia Federal
Pierce County
Peoples Bank
Port of Silverdale
Portage Bank
PUD No. 1 of Clallam County
Puyallup School District
Quinault Nation Enterprise Board
Security State Bank
Snohomish County
South Whidbey Parks & Recreation District
Sportsmen's National Land Trust
Sunwest Bank
TAPCO Credit Union
Thurston County
Thurston First Bank
Timberland Bank
Trust for Public Lands
Tukwila School District
Umpqua Bank
UniBank
US Bank
US Department of Agriculture – Forest Service
US Department of the Interior (DOI-AVSO)
Washington Department of Fish and Wildlife
Washington Department of Natural Resources
Washington Farm Service Agency
Washington Parks & Recreation Commission
Washington Business Bank
Washington Trust Bank
WCLA Credit Union
WSECU
Wells Fargo Bank
Wells Fargo Wealth Management
Whidbey Camano Land Trust
Yakima County Public Services
Zions First National Bank
Various Attorneys, Accountants & Individuals

ASSUMPTIONS AND LIMITING CONDITIONS

Unless noted otherwise in the body of the report, this appraisal is subject to the following assumptions and limiting conditions.

1. No responsibility is assumed for legal or title considerations. Title to the subject property is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is assumed to be under responsible ownership and competent management and is assumed available for its highest and best use.

2. There are no existing judgments or pending or threatened litigation that impact the value of the property.

3. There are no hidden or undisclosed conditions of the land or of the improvements that impact the value of the property.

4. Information, public and private, relevant to sale price indications is assumed to be correct.

5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.

6. Information, estimates and opinions contained in the report, obtained from others, including third-party sources, are assumed to be reliable and have not been independently verified and no warranty is given for accuracy.

7. An appraisal is inherently subjective and represents my opinion as to the value of the property appraised.

8. The conclusions stated in my appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.

9. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.

10. When environmental impact studies are not provided in conjunction with the appraisal, I reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.

11. Unless otherwise agreed to in writing, I am not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

12. I have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

13. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and I have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in my appraisal.

14. I accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.

15. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.

16. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.

17. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

18. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.

19. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.

20. The current purchasing power of the dollar is the basis for the value stated herein. I have assumed that no extreme fluctuations in economic cycles will occur.

21. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by my analysis will vary from my estimates, and the variations may be material. The *Americans with Disabilities Act (ADA)* became effective in the 1990s. I have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the *ADA* accessibility guidelines. I claim no expertise in *ADA* issues, and render no opinion regarding compliance of the subject with *ADA* regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

22. No studies have been provided to me indicating the presence or absence of hazardous materials on the subject property or in the improvements, and my valuation is predicated upon the assumption that the subject property is free and clear of any environmental hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because I am not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.

23. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. I am not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

24. The appraisal report and the value conclusion within the appraisal is predicated upon the assumption that the satisfactory completion of construction, repairs or alterations will be performed in a workmanlike manner.

25. It is expressly acknowledged that in any action which may be brought against SH&H Valuation and Consulting, or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "SH&H Valuation and Consulting Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the "SH&H Valuation and Consulting Parties" shall not be responsible or liable for an incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the "SH&H Valuation and Consulting Parties" in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

26. SH&H Valuation and Consulting, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless I provide my prior written consent. I expressly reserve the unrestricted right to withhold my consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless my prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

27. The conclusions contained in this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. SH&H Valuation and Consulting and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While I am of the opinion that my findings are reasonable based on current market conditions, I do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, I assume competent and effective management and marketing for the duration of the projected holding period of this property.

28. Any prospective value estimates presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of my estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

29. The value estimate herein is subject to these and to any other assumptions or conditions set forth in the body of this report, but which may have been omitted from this list of Assumptions and Limiting Conditions.

1. **Extraordinary Assumption:** *"an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."*[5] Extraordinary assumptions assume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis.

   There are no extraordinary assumptions relevant to this appraisal.

2. **Hypothetical Conditions:** *"a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."*[6] A hypothetical condition assumes conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis.

   There are no hypothetical conditions relevant to this appraisal.

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[5] *Uniform Standards of Professional Appraisal Practice, 2024 Edition,* Appraisal Standards Board, The Appraisal Foundation, Washington D.C., p. 4.

[6] *Ibid,* p. 4.

ADDENDA

STATE OF WASHINGTON

DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION

WASHINGTON STATE DEPARTMENT OF LICENSING

THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER SUPERVISOR

CHAD CARTER JOHNSON

1101662	03/31/2005	12/15/2026
License Number	Issue Date	Expiration Date

Marcus J Glasper, Director

(R/4/23)

First American Title Insurance Company

ALTA COMMITMENT FOR TITLE INSURANCE
issued by
FIRST AMERICAN TITLE INSURANCE COMPANY

NOTICE

IMPORTANT – READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I – Requirements; Schedule B, Part II – Exceptions; and the Commitment Conditions, First American Title Insurance Company, a Nebraska corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I – Requirements have not been met within 180 days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

COMMITMENT CONDITIONS

1. DEFINITIONS

a. "Discriminatory Covenant": Any covenant, condition, restriction, or limitation that is unenforceable under applicable law because it illegally discriminates against a class of individuals based on personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or other legally protected class.

b. "Knowledge" or "Known": Actual knowledge or actual notice, but not constructive notice imparted by the Public Records.

c. "Land": The land described in Item 5 of Schedule A and improvements located on that land that by State law constitute real property. The term "Land" does not include any property beyond that described in Schedule A, nor any right, title, interest, estate, or easement in any abutting street, road, avenue, alley, lane, right-of-way, body of water, or waterway, but does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.

d. "Mortgage": A mortgage, deed of trust, trust deed, security deed, or other real property security instrument, including one evidenced by electronic means authorized by law.

e. "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.

f. "Proposed Amount of Insurance": Each dollar amount specified in Schedule A as the Proposed Amount of Insurance of each Policy to be issued pursuant to this Commitment.

g. "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.

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AMERICAN LAND TITLE ASSOCIATION

h. "Public Records": The recording or filing system established under State statutes in effect at the Commitment Date under which a document must be recorded or filed to impart constructive notice of matters relating to the Title to a purchaser for value without Knowledge. The term "Public Records" does not include any other recording or filing system, including any pertaining to environmental remediation or protection, planning, permitting, zoning, licensing, building, health, public safety, or national security matters.

i. "State": The state or commonwealth of the United States within whose exterior boundaries the Land is located. The term "State" also includes the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam.

j. "Title": The estate or interest in the Land identified in Item 3 of Schedule A.

2. If all of the Schedule B, Part I – Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

a. the Notice;
b. the Commitment to Issue Policy;
c. the Commitment Conditions;
d. Schedule A;
e. Schedule B, Part I – Requirements;
f. Schedule B, Part II – Exceptions; and
g. a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company is not liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

a. The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
   i. comply with the Schedule B, Part I – Requirements;
   ii. eliminate, with the Company's written consent, any Schedule B, Part II – Exceptions; or
   iii. acquire the Title or create the Mortgage covered by this Commitment.
b. The Company is not liable under Commitment Condition 5.a. if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
c. The Company is only liable under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
d. The Company's liability does not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Condition 5.a. or the Proposed Amount of Insurance.
e. The Company is not liable for the content of the Transaction Identification Data, if any.
f. The Company is not obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I – Requirements have been met to the satisfaction of the Company.
g. The Company's liability is further limited by the terms and provisions of the Policy to be issued to the Proposed Insured.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT; CHOICE OF LAW AND CHOICE OF FORUM

a. Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
b. Any claim must be based in contract under the State law of the State where the Land is located and is restricted to the terms and provisions of this Commitment. Any litigation or other proceeding brought by the Proposed Insured against the Company must be filed only in a State or federal court having jurisdiction.

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c. This Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.

d. The deletion or modification of any Schedule B, Part II – Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.

e. Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.

f. When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT IS ISSUED BY AN ISSUING AGENT
The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for closing, settlement, escrow, or any other purpose.

8. PRO-FORMA POLICY
The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. CLAIMS PROCEDURES
This Commitment incorporates by reference all Conditions for making a claim in the Policy to be issued to the Proposed Insured. Commitment Condition 9 does not modify the limitations of liability in Commitment Conditions 5 and 6.

10. CLASS ACTION
ALL CLAIMS AND DISPUTES ARISING OUT OF OR RELATING TO THIS COMMITMENT, INCLUDING ANY SERVICE OR OTHER MATTER IN CONNECTION WITH ISSUING THIS COMMITMENT, ANY BREACH OF A COMMITMENT PROVISION, OR ANY OTHER CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THE TRANSACTION GIVING RISE TO THIS COMMITMENT, MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY. NO PARTY MAY SERVE AS PLAINTIFF, CLASS MEMBER, OR PARTICIPANT IN ANY CLASS OR REPRESENTATIVE PROCEEDING. ANY POLICY ISSUED PURSUANT TO THIS COMMITMENT WILL CONTAIN A CLASS ACTION CONDITION.

FIRST AMERICAN TITLE INSURANCE COMPANY
1 First American Way, Santa Ana, CA 92707



By:_____
Kenneth D. DeGiorgio, President



By:_____
Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:
Issuing Agent: Horizon Title Group, Inc.
Issuing Office: 2424 South Park Avenue, PO Box 598
Port Townsend, WA 98368
Issuing Office's ALTA® Registry ID: 1167581
Loan ID Number:
Commitment Number: 05-5234-TTJ
Issuing Office File Number: 05-5234-TTJ
Property Address: 1125 Toandos Road, Quilcene, WA 98376

SCHEDULE A

1. Commitment Date: September 16, 2024 8:00 AM

2. Policy to be issued:

		AMOUNT	PREMIUM	TAX	TOTAL
a.	2021 ALTA Owner's Standard Policy	$	$0.00	$	$0.00

PROPOSED INSURED: **Northwest Watershed Institute Inc., a Washington nonprofit corporation**
The estate or interest to be insured: **fee simple**

3. The estate or interest in the Land at the Commitment Date is:
fee simple

4. The Title is, at the Commitment Date, vested in:
Thomas J. Hough, a single man

5. The Land is described as follows:
See Exhibit A attached hereto and made a part hereof.

HORIZON TITLE GROUP, INC.
2424 South Park Avenue, PO Box 598, Port Townsend,
WA 98368
Telephone: (360) 385-1322

Countersigned by:

HORIZON Title Group

_____
Rochelle Lewis
Horizon Title Group, Inc., License #603575523

FIRST AMERICAN TITLE INSURANCE COMPANY
1 First American Way, Santa Ana, CA 92707

By:_____
Kenneth D. DeGiorgio, President

By:_____
Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I – Requirements; and Schedule B, Part II – Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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SCHEDULE B, PART I – Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.

2. Pay the agreed amount for the estate or interest to be insured.

3. Pay the premiums, fees, and charges for the Policy to the Company.

4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

   Duly authorized and executed Deed from Thomas J. Hough, a single man, to Northwest Watershed Institute Inc., a Washington nonprofit corporation, to be executed and recorded at closing.

5. Lien of the real estate excise sales tax and surcharge upon any sale of said Land, if unpaid.

6. General Taxes. The first portion $441.77 becomes delinquent after April 30th. The second portion $441.17 becomes delinquent after October 31st.
   Year: 2024
   Amount Billed: $882.94
   Amount Paid: $882.94
   Amount Due: $0.00, plus interest and penalty, if delinquent
   Tax Account No.: 701 153 003
   Assessed value: $110,654.00
   PID No.: 17274

7. The Company has been asked to issue a policy(ies) without disclosure of the liability amount. This commitment shall be effective only when the amount of the policy(ies) committed for has been inserted in Schedule "A" hereof. The forthcoming policy must be issued in an amount at least equal to the full value of the estate insured in accordance with our rating schedule on file in the office of the Washington State Insurance Commissioner.

   The Company may have further requirements if the undisclosed amount to be insured exceeds the current assessed valuation.

8. The Land described in this commitment appears to be residential in nature and may be subject to the provisions of RCW 6.13.010, et seq. (homestead statute) if the Land is occupied as a primary residence. If the Land is occupied as a primary residence, RCW 6.13.060 requires that all documents conveying or encumbering the Land must be executed by each spouse or domestic partner, individually. Alternatively, the company will accept a deed identifying the non-vested spouse occupying the Land as the Grantor and the vested spouse as the Grantee. This applies if the non-vested spouse currently resided in the residence or if the vested spouse resides in the residence and the non- vested spouse doesn't reside in the residence but has lived there within the previous 6 months. In the event that the company receives documents to insure that are not executed as required, the company may be unable to record or to insure the transaction. Please contact your Title Officer if you have any questions.

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SCHEDULE B, PART II – Exceptions

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.

2. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records.

3. Any facts, rights, interest, or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.

4. Easements, claims of easements, or encumbrances which are not shown by the Public Records.

5. Discrepancies, conflicts in boundary lines, shortages in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the Public Records.

6. (a) Unpatented mining claims; (b) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Water rights, claims or title to water, ditch or ditch right, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records; (d) Indian Tribal Codes or Regulations, Indian Treaty or Aboriginal Rights, including easements or equitable servitudes.

7. Any lien or right to a lien for services, labor, equipment or material or medical assistance, unless such lien is shown by the Public Records as of Date of Policy.

8. Any service, installation, connection, maintenance, construction, tap or reimbursement charges/costs for sewer, water, garbage or electricity.

9. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records.

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10. Easement, including terms and provisions contained therein:
    Disclosed by: Decree entered in Jefferson County Superior Court Cause No. 7222
    For: Ingress and egress over road as it existed on October 06, 1966

11. Easement, including terms and provisions contained therein:
    Recorded: December 30, 1969
    Recording No.: 203763
    For: Road purposes

12. Easement, including terms and provisions contained therein:
    Recorded: June 12, 1990
    Recording No.: 331591
    For: Underground electric transmission and/or distribution system

13. Easement, including terms and provisions contained therein:
    Recorded: September 19, 2011
    Recording No.: 562353
    For: Electric transmission and/or distribution system

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EXHIBIT "A"

The Land referred to herein below is situated in the County of Jefferson, State of Washington and is described as follows:

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;
thence along said Myers Tract, South 15° 42' S4" East, 19.22 feet;
Thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet; .
thence continuing along said Easterly line of Myers Tract, South 34° 96' 24" East, 190.24 feet;
thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

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INFORMATIONAL NOTES

1. The Company requires the proposed insured to verify that the Land covered by this commitment is the Land intended to be conveyed in this transaction. The description of the Land may be incorrect, if the application for title insurance contained incomplete or inaccurate information. Notify the Company well before closing if changes are necessary. Closing instructions must indicate that the legal description has been reviewed and approved by all parties.

2. As of the date hereof there are no matters against Northwest Watershed Institute Inc., a Washington nonprofit corporation, which would appear as exceptions in the policy to issue, except as shown herein.

3. Abbreviated Legal Description: PTN E1/2 SW S15 T27 R1W (TAX 2)

4. The vestee(s) herein acquired title by deed recorded July 10, 1991 under Auditor's File No. 341821 .pdf). The record discloses no other conveyances of the property herein described within the last 24 months.

5. The situs address of the Land herein described is: 1125 Toandos Road, Quilcene, WA 98376

6. Map

7. Combined Exception Documents

8. **RECORDING PACKAGE INSTRUCTIONS:**

   Jefferson, Clallam, Kitsap, Mason, and **San Juan** County recording packages must be sent to the following address:
   Horizon Title Group, Inc.
   2424 South Park Avenue
   Port Townsend, WA 98368

   Pacific County recording packages must be sent to the following address:
   Horizon Title Group, Inc.
   1308 37th Street
   Seaview, WA 98644

9. PLEASE NOTE: THERE WILL BE A FEE OF $5.00 + TAX PER E-RECORDED DOCUMENT INCLUDED ON ALL RECORDING INVOICES.

10. NOTE: A FEE MAY BE CHARGED UPON THE CANCELLATION OF THIS COMMITMENT PURSUANT TO WASHINGTON STATE INSURANCE CODE AND THE FILED RATE SCHEDULE OF THIS COMPANY.

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TRANSAMERICA
TITLE INSURANCE COMPANY

Transamerica
Title Insurance Company

341821

THIS SPACE PROVIDED FOR RECORDER'S USE
VOL 341 PAGE 558
OF OFFICIAL RECORDS
REQUEST OF
JEFFERSON TITLE
1991 JUL 10 AM 11: 26
MARY E. GARBOURY
JEFFERSON COUNTY AUDITOR
BY _____ DEPUTY

FILED FOR RECORD AT REQUEST OF
JEFFERSON TITLE COMPANY, INC.
37546-R/E#6580-SM

WHEN RECORDED RETURN TO
Name THOMAS J. HOUGH
Address P.O. Box 92
City, State, Zip Nordland, WA 98358

Statutory Warranty Deed

THE GRANTOR GLENN R. WOOD, Trustee of DISCOVERY INVESTMENTS, a Trust

for and in consideration of TEN DOLLARS AND OTHER VALUABLE CONSIDERATION

in hand paid, conveys and warrants to THOMAS J. HOUGH, a single man

the following described real estate, situated in the County of Jefferson, State of Washington:

SEE EXHIBIT "A" AS ATTACHED HERETO AND MADE A PART HEREOF.

SUBJECT TO: Easement established in decree entered in Jefferson County Superior Court Cause No. 7222; Easement under Auditor's File No. 203763; Easement under Auditor's File No. 331591.

JEFFERSON COUNTY EXCISE TAX
Aff. No. 66029
Date Paid 7-10-91 Amt. 250.92
By C M'Nally Deputy
TREASURER

Dated July 3, 19 91

DISCOVERY INVESTMENTS
BY: Glenn R Wood
GLENN R. WOOD, Trustee

STATE OF WASHINGTON)
) ss
COUNTY OF JEFFERSON)

On this 5th day of July, 19 91, personally appeared Glenn R. Wood to me known to be the individual described in and who executed the within and foregoing instrument, and on oath stated that he was authorized to execute the instrument and acknowledged it as the Trustee of DISCOVERY INVESTMENTS to be the free and voluntary act of said party for the uses and purposes mentioned in the instrument.

Susan Patricia Monroe
Notary Public in and for the State of Washington, residing at Chimacum
My commission expires: 10/6/92

JUL 10 1991 VOL 341 PAGE 558

My appointment expires _____

LPB-10

Form 3153-4 Rev. 4-76

Unofficial Copy

EXHIBIT A

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;
thence along said Myers Tract, South 15° 42' 54" East, 19.22 feet;
thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet;
thence continuing along said Easterly line of Myers Tract, South 34° 06' 24" East, 190.24 feet;
thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

Unofficial Copy

121

Pioneer National Title Insurance Company
WASHINGTON TITLE DIVISION

208162

A-1964

REAL ESTATE CONTRACT

THIS CONTRACT, made and entered into this 14th day of December, 1970

between Lowell R. Day and Edith Day, his wife,

hereinafter called the "seller," and Gene Jay Myers and Elizabeth F. Myers, his wife,

hereinafter called the "purchaser,"

WITNESSETH: That the seller agrees to sell to the purchaser and the purchaser agrees to purchase from the seller the following described real estate, with the appurtenances, in Jefferson County, State of Washington:

A tract of land situated in the east half of the Southwest Quarter of Section 15, Township 27 North, Range 1 West, W.M., Jefferson County, Washington, described as:
Beginning at the Northwest corner of said subdivision, thence South 89°40'30" East 378.13 feet along the North line of said subdivision; thence South 5°14'56" East 218.89 feet; thence South 14°43'51" East 202.05 feet; thence South 24°41'28" East 173.94 feet; thence South 15°42'54" East 218.66 feet; thence South 33°56'38" East 209.75 feet; thence South 34°06'24" East 359.00 feet; thence South 25°45'10" East 350.50 feet; thence South 19°46'48" East 65.96 feet; thence West 1080.54 feet to the West line of said subdivision; thence North 0°12'56" East along the west line of said subdivision 1633.00 feet to the point of beginning.

The terms and conditions of this contract are as follows: The purchase price is ----------
Eighteen thousand seven hundred fifty and no/100 ($18750.00) Dollars, of which
Five thousand and no/100----------($5000.00) Dollars have been paid, the receipt whereof is hereby acknowledged, and the balance of said purchase price shall be paid as follows:
One hundred thirty-five and no/100----------($135.00) Dollars, or more at purchaser's option, on or before the 1st day of April , 1971 ,
and One hundred thirty-five and no/100---------- ($135.00) Dollars, or more at purchaser's option, on or before the 1st day of each succeeding calendar month until the balance of said purchase price shall have been fully paid. The purchaser further agrees to pay interest on the diminishing balance of said purchase price at the rate of eight per cent per annum from the 1st day of March , 1971 , which interest shall be deducted from each installment payment and the balance of each payment applied in reduction of principal. All payments to be made hereunder shall be made at OLYMPIC INVESTMENTS, Chimacum, Wash., 98325 or at such other place as the seller may direct in writing.

NO. 20205
JEFFERSON COUNTY
TRANSACTION EXCISE TAX
PAID
COUNTY TREASURER
AMOUNT 1875 00

208162

As referred to in this contract, "date of closing" shall be March 1, 1971

(1) The purchaser assumes and agrees to pay before delinquency all taxes and assessments that may as between grantor and grantee hereafter become a lien on said real estate; and if by the terms of this contract the purchaser has assumed payment of any mortgage, contract or other encumbrance, or has assumed payment of or agreed to purchase subject to, any taxes or assessments now a lien on said real estate, the purchaser agrees to pay the same before delinquency.

(2) The purchaser agrees, until the purchase price is fully paid, to keep the buildings now and hereafter placed on said real estate insured to the actual cash value thereof against loss or damage by both fire and windstorm in a company acceptable to the seller and for the seller's benefit, as his interest may appear, and to pay all premiums therefor and to deliver all policies and renewals thereof to the seller.

(3) The purchaser agrees that full inspection of said real estate has been made and that neither the seller nor his assigns shall be held to any covenant respecting the condition of any improvements thereon nor shall the purchaser or seller or the assigns of either be held to any covenant or agreement for alterations, improvements or repairs unless the covenant or agreement relied on is contained herein or is in writing and attached to and made a part of this contract.

(4) The purchaser assumes all hazards of damage to or destruction of any improvements now on said real estate or hereafter placed thereon, and of the taking of said real estate or any part thereof for public use; and agrees that no such damage, destruction or taking shall constitute a failure of consideration. In case any part of said real estate is taken for public use, the portion of the condemnation award remaining after payment of reasonable expenses of procuring the same shall be paid to the seller and applied as payment on the purchase price herein unless the seller elects to allow the purchaser to apply all or a portion of such condemnation award to the rebuilding or restoration of any improvements damaged by such taking. In case of damage or destruction from a peril insured against, the proceeds of such insurance remaining after payment of the reasonable expense of procuring the same shall be devoted to the restoration or rebuilding of such improvements within a reasonable time, unless purchaser elects that said proceeds shall be paid to the seller for application on the purchase price herein.

(5) The seller has delivered, or agrees to deliver within 15 days of the date of closing, a purchaser's policy of title insurance in standard form, or a commitment therefor, issued by Pioneer National Title Insurance Company, insuring the purchaser to the full amount of said purchase price against loss or damage by reason of defect in seller's title to said real estate as of the date of closing and containing no exceptions other than the following:

a. Printed general exceptions appearing in said policy form;
b. Liens or encumbrances which by the terms of this contract the purchaser is to assume, or as to which the conveyance hereunder is to be made subject; and
c. Any existing contract or contracts under which seller is purchasing said real estate, and any mortgage or other obligation, which seller by this contract agrees to pay, none of which for the purpose of this paragraph (5) shall be deemed defects in seller's title.

March 8, 1971

(6) If seller's title to said real estate is subject to an existing contract or contracts under which seller is purchasing said real estate, or any mortgage or other obligation, which seller is to pay, seller agrees to make such payments in accordance with the terms thereof, and upon default, the purchaser shall have the right to make any payments necessary to remove the default, and any payments so made shall be applied to the payments next falling due the seller under this contract.

(7) The seller agrees, upon receiving full payment of the purchase price and interest in the manner above specified, to execute and deliver to purchaser a statutory warranty fulfillment deed to said real estate, excepting any part thereof hereafter taken for public use, free of encumbrances except any that may attach after date of closing through any person other than the seller, and subject to the following:

Easements and restrictions presently of Public Record.

(8) Unless a different date is provided for herein, the purchaser shall be entitled to possession of said real estate on date of closing and to retain possession so long as purchaser is not in default hereunder. The purchaser covenants to keep the buildings and other improvements on said real estate in good repair and not to permit waste and not to use, or permit the use of, the real estate for any illegal purpose. The purchaser covenants to pay all service, installation or construction charges for water, sewer, electricity, garbage or other utility services furnished to said real estate after the date purchaser is entitled to possession.

(9) In case the purchaser fails to make any payment herein provided or to maintain insurance, as herein required, the seller may make such payment or effect such insurance, and any amounts so paid by the seller, together with interest at the rate of 10% per annum thereon from date of payment until repaid, shall be repayable by purchaser on seller's demand, all without prejudice to any other right the seller might have by reason of such default.

(10) Time is of the essence of this contract, and it is agreed that in case the purchaser shall fail to comply with or perform any condition or agreement hereof or to make any payment required hereunder promptly at the time and in the manner herein required, the seller may elect to declare all the purchaser's rights hereunder terminated, and upon his doing so, all payments made by the purchaser hereunder and all improvements placed upon the real estate shall be forfeited to the seller as liquidated damages, and the seller shall have right to re-enter and take possession of the real estate; and no waiver by the seller of any default on the part of the purchaser shall be construed as a waiver of any subsequent default.

Service upon purchaser of all demands, notices or other papers with respect to forfeiture and termination of purchaser's rights may be made by United States Mail, postage pre-paid, return receipt requested, directed to the purchaser at his address last known to the seller.

(11) Upon seller's election to bring suit to enforce any covenant of this contract, including suit to collect any payment required hereunder, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, which sums shall be included in any judgment or decree entered in such suit.

If the seller shall bring suit to procure an adjudication of the termination of the purchaser's rights hereunder, and judgment is so entered, the purchaser agrees to pay a reasonable sum as attorney's fees and all costs and expenses in connection with such suit, and also the reasonable cost of searching records to determine the condition of title at the date such suit is commenced, which sums shall be included in any judgment or decree entered in such suit.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first written above.

x Gene Jay Myers (SEAL)

x Elizabeth G Myers (SEAL)

Lowell R. Day (SEAL)

Edith H. Day (SEAL)

STATE OF WASHINGTON, } ss.

County of Jefferson

On this day personally appeared before me Lowell R. Day and Edith Day

to me known to be the individual s described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of March, 1971

Notary Public in and for the State of Washington

residing at Chimacum

NOTARY PUBLIC STATE OF WASHINGTON

TO Gene Jay Myers
4348 - 91st Ave. S.E.
Mercer Island, Wash., 98040

Pioneer National Title Insurance Company
WASHINGTON TITLE DIVISION

Filed for Record at Request of

THIS SPACE RESERVED FOR RECORDER'S USE

RECORDED IN VOLUME 24 OF OFFICIAL RECORDS OF PAGE 189 REQUEST OF

PIONEER NATIONAL TITLE INSURANCE CO.

'71 MAR 8 PM 3:42

BETTY J. TEMPLE
JEFFERSON COUNTY AUDITOR
BY [signature] DEPUTY

RECORDED - INDEXED - PROOF READ

Vol. 24 Page 189

March 8, 1971

15-27-1W

RECORDED ___ 9:25 P.M.
Vol. 16 Official Record
Page 611-14 Request of
PLANSAMERICA TITLE INSURANCE CO.
JAN 19 1970
BETTY J. TEMPLE, Jefferson County Auditor
By N. Hartfield
Recorded ___ Indexed ___ Proof Read ___

203763

EASEMENT

THIS AGREEMENT made and entered into this 30th day of December, 1969, by and between Harold Pederson and Ruby A. Pederson, husband and wife, Walter A. Pederson and Janet Pederson, husband and wife, and Lowell R. Day and Edith Day, husband and wife, hereinafter known as the party of the first part, and Marie Workman, a widow, hereinafter known as party of the second part.

The first parties are the owners of the following described real estate, to-wit:

The East half of the Southwest quarter of Section 15, Township 27 North, Range 1 West, W.M., Jefferson County, Washington;

The second party is the owner of:

The Northwest quarter of the Southwest quarter of said Section 15;

Each party is desirous of securing an easement over and across the land of the other party as hereinafter set forth , and in consideration of each party granting to the other respective easements, the parties grant as follows:

Party of the first part hereby grants to party of the second part an easement for road purposes by the most feasible route to connect with existing road which runs in a general Northerly and Southerly direction across the east half of the southwest quarter of said section, also an easement to use the existing road.

Party of the second part grants unto party of the first part an easement for road purposes over and across the Northwest quarter of the southwest quarter of said section, following the general course of an existing road.

The road easements herein granted are thirty (30) feet in width, and permanent and perpetual.

The road easements herein granted will be used jointly by

NO REAL ESTATE
SALES TAX REQUIRED
COUNTY TREASURER
Arthur Swanson

A. CLEMENS GRADY
ATTORNEY AT LAW
112 TAYLOR STREET
PORT TOWNSEND,
WASHINGTON

both the party of the first part and party of the second part, and will connect with each other.

All parties making use of the easement agree to share in the upkeep and maintenance of the road in proportion to their use thereof.

Both grantors and grantees, their successors and assigns reserve the right to use the said road, AND Easements for ingress and egress to all such properties as may be owned by the respective parties in either Section 15 or 22, Township 27 North, Range 1, West W.M., Jefferson County, Washington.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their signaturesthis 30th day of December, 1969.

Marie G. Workman

Harold Pederson

Ruby A. Pederson

Walter Pederson

Janet Pederson

Lowell R Day

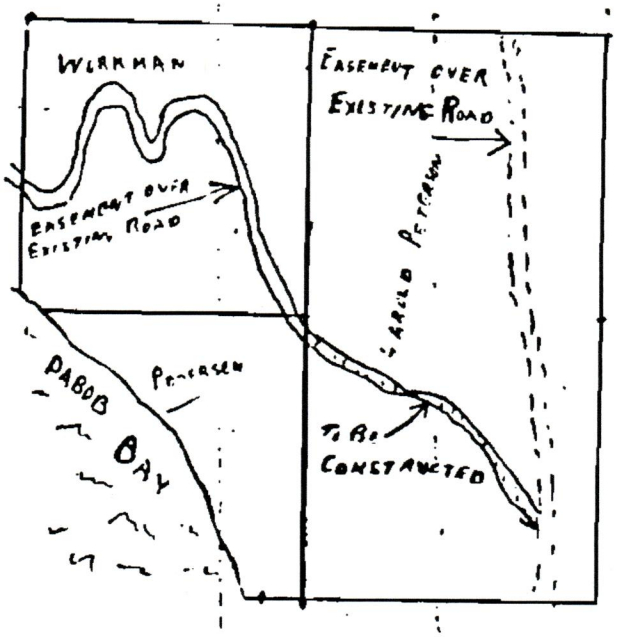
Edith H. Day

A rought plet of the granted easements, not drawn to scale, is attached to show the general course of the respective easements herein conveyed.

A. CLEMENS GRADY
ATTORNEY AT LAW
[illegible] TAYLOR STREET
PORT TOWNSEND,
WASHINGTON

Dec. 19, 1970

S. W. 1/4 of SEC. 15 T. W. P. 27 N. R. 1 W. W. M.



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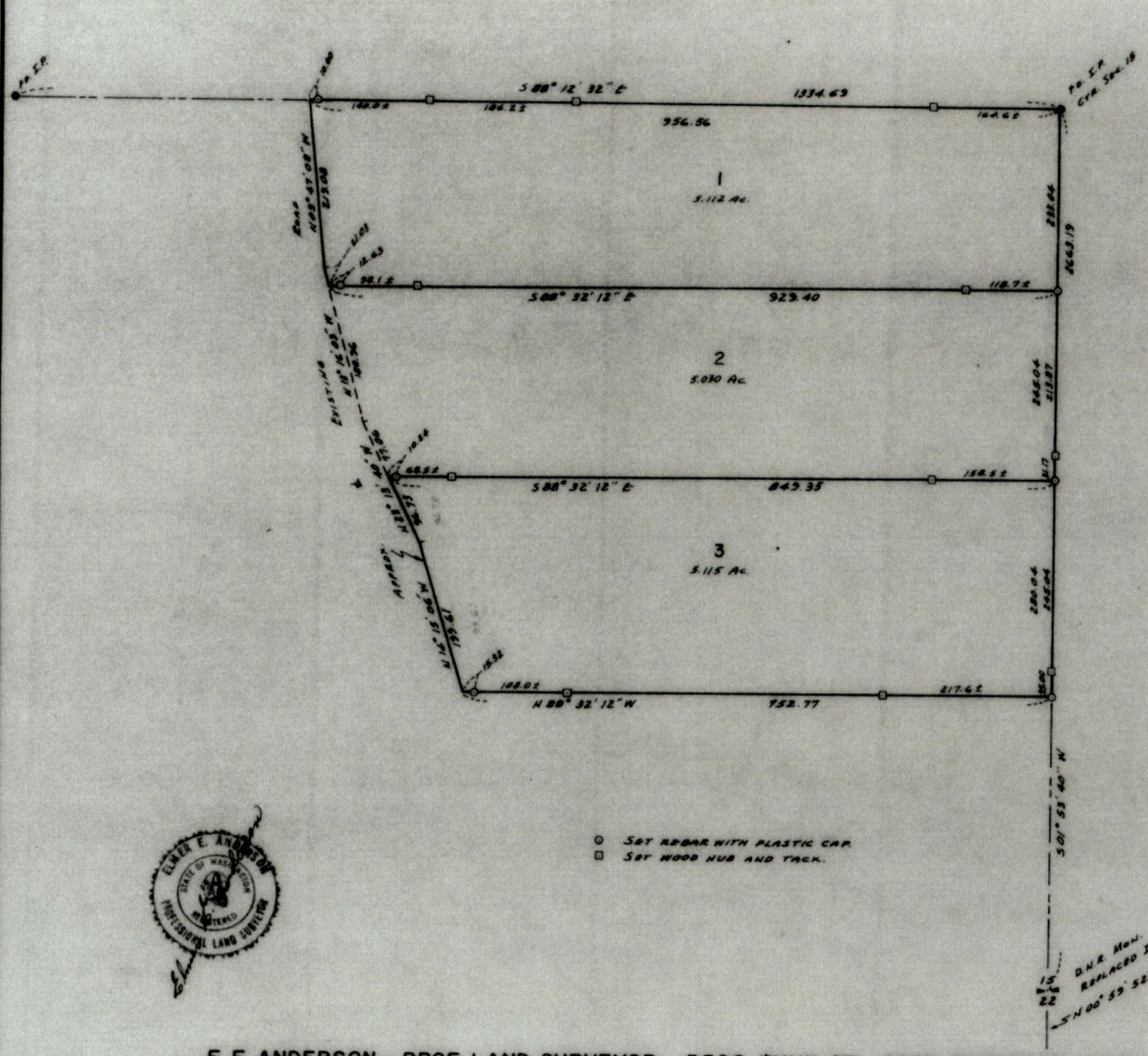

ELMER E. ANDERSON
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL LAND SURVEYOR

BASIS OF BEARINGS
NORTH AND SOUTH CENTERLINE OF SEC. 22 PER D.N.R.

TRACT SUBDIVISION BY R.F. MILLPOINTER, DATED FEB., 1971.

E.E. ANDERSON - PROF. LAND SURVEYOR - 5528 KUHN ST., PORT TOWNSEND, WASH. 98368 (206) 385-1225

261138
AUDITOR'S CERTIFICATE

Filed for record this 5 day of Oct., 1979 at 2 PM. in book 3 of Surveys page 156 at the request of E.E. ANDERSON

Donna Canfield
County Auditor

SURVEYOR'S CERTIFICATE

This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Survey Recording Act at the request of STANLEY BROOKS in AUG., 19 79

E.E. ANDERSON

Certificate No. 11520

SURVEY OF TRACTS 1 AND 3.

SEC. 15, TWP. 27 N., R. 1 W., W.M.

STANLEY BROOKS
1617 IRONSIDES
BREMERTON, WASH. 98310

DWN BY	DATE	JOB NO.
E.E.A.	8/28/79	
CHKD BY	SCALE	SHEET
F.T.F.	1" = 100'	1 OF 1

IVOR MURRAY & COPY CENTER

DEPUTY COUNTY AUDITOR

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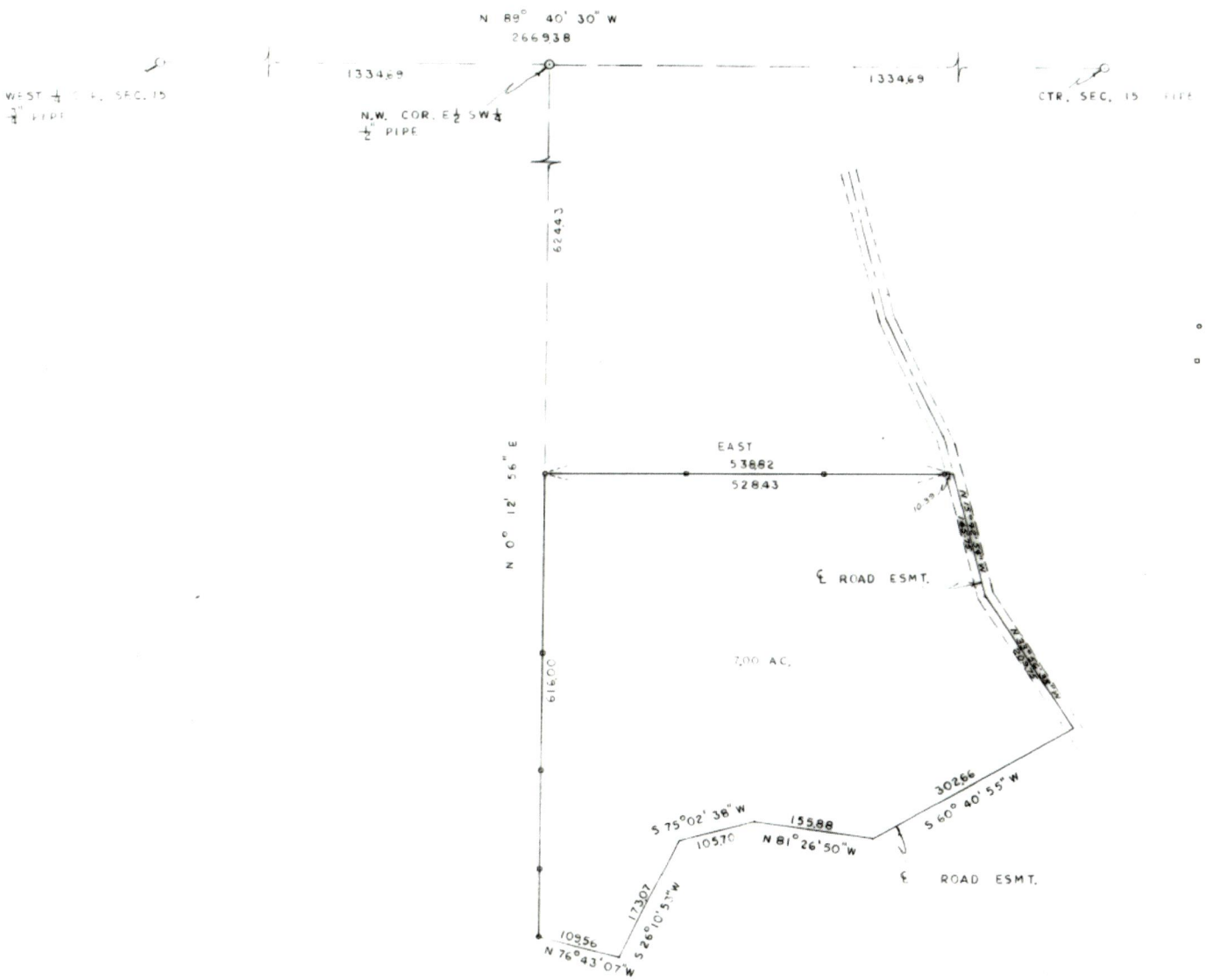


MERIDIAN: EAST WEST ℄ SEC. 15

SCALE: 1" = 100'

○ SET ½" RE-ROD

□ SET 1" X 2" LINE STAKE

LEGAL DESCRIPTION

A TRACT OF LAND IN THE E½ SW¼ OF SEC. 15, T 27 N, R 1 W, W.M., DESCRIBED AS BEG. AT A POINT ON THE WEST LINE OF SAID SUBD. WHICH IS S 0° 12' 56" W 624.43' FROM THE N.W. COR. THEREOF, TH S 0° 12' 56" W 616' TO THE N.W. COR. OF A TRACT OF LAND DESC. UNDER A.F.N. 224-02; TH. S 76° 43' 07" E 109.56'; TH. N 26° 10' 53" E 173.07'; TH. N 75° 02' 38" E 105.70'; TH. S 81° 26' 40" E 155.88'; TH. N 60° 40' 55" E 302.66' TO THE N.E. COR. OF SAID TRACT DESC. UNDER A.F.N. 224-02; TH N 33° 56' 38" W 209.75'; TH. N 15° 42' 54" W 165.75'; TH. WEST 538.82' TO THE P.O.B. TOGETHER WITH & SUBJECT TO ESMTS. OF RECORD.

SURVEY FOR: GENE MYERS

R. F. MILLPOINTER
LAND SURVEYOR
MARCH 26, 1980

ROBERT F. MILLPOINTER
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL LAND SURVEYOR

G. MYERS MAR. 80
7172

R.F. Millpointer

265499

4 19 May 70 80
Survey
R. F. Millpointer
N. Gartfield
Deputy

331591

9001555 NJ
SW 35-27-1W
95-97
RECORDS
JEFFERSON TITLE COMPANY
12 AM 11: 35

PUGET POWER

EASEMENT FOR UNDERGROUND ELECTRIC SYSTEM

For and in consideration of One Dollar ($1.00) and other valuable consideration, the receipt of which is hereby acknowledged,

GLENN R. WOOD, Trustee of Discovery Investments

("Grantor" herein), grants, conveys and warrants to PUGET SOUND POWER & LIGHT COMPANY, a Washington corporation ("Grantee" herein), for the purposes hereinafter set forth a perpetual easement under, across and over the following described real property (the "Property" herein) in Jefferson County, Washington.

See Exhibit "A" attached hereto and by this reference made a part hereof.

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property (the "Right-of Way" herein) described as follows:

~~A Right-of-Way _____ feet in width having _____ feet of such width on each side of a center line described as follows:~~

The easement roadway within the above-described property.

NO REAL ESTATE
SALES TAX REQUIRED
COUNTY TREASURER
BY J Bishop Deputy

No Monetary Consideration

1. **Purpose.** Grantee shall have the right to construct, operate, maintain, repair, replace and enlarge an underground electric transmission and/or distribution system upon and under the Right-of-Way together with all necessary or convenient appurtenances therefor, which may include but are not limited to the following: underground conduits, cables, communication lines; vaults, manholes, switches, and transformers; and semi-buried or ground mounted facilities. Following the initial construction of its facilities, Grantee may from time to time construct such additional facilities as it may require.

2. **Access.** Grantee shall have the right of access to the Right-of-Way over and across the Property to enable Grantee to exercise its rights hereunder, provided, that Grantee shall compensate Grantor for any damage to the Property caused by the exercise of said right of access.

3. **Obstructions; Landscaping.** Grantee may from time to time remove trees, bushes, or other obstructions within the Right-of-Way and may level and grade the Right-of-Way to the extent reasonably necessary to carry out the purposes set forth in paragraph 1 hereof, provided, that following any such work, Grantee shall, to the extent reasonably practicable, restore the Right-of-Way to the condition it was immediately prior to such work. Following the installation of Grantee's underground facilities, Grantor may undertake any ordinary improvements to the landscaping of the Right-of-Way, provided that no trees or other plants shall be placed thereon which would be unreasonably expensive or impractical for Grantee to remove and restore.

4. **Grantor's Use of Right-of-Way.** Grantor reserves the right to use the Right-of-Way for any purpose not inconsistent with the rights herein granted, provided: that Grantor shall not construct or maintain any building or other structure on the Right-of-Way which would interfere with the exercise of the rights herein granted; that no digging, tunneling or other form of construction activity shall be done on the Property which would disturb the compaction or unearth Grantee's facilities on the Right-of-Way, or endanger the lateral support to said facilities; and that no blasting shall be done within 15 feet of the Right-of-Way.

5. **Indemnity.** By accepting and recording this easement, Grantee agrees to indemnify and hold harmless Grantor from any and all claims for injuries and/or damages suffered by any person which may be caused by the Grantee's exercise of the rights herein granted; provided, that Grantee shall not be responsible to Grantor for any injuries and/or damages to any person caused by acts or omissions of Grantor.

6. **Abandonment.** The rights herein granted shall continue until such time as Grantee ceases to use the Right-of-Way for a period of five (5) successive years, in which event this easement shall terminate and all rights hereunder shall revert to Grantor, provided that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its facilities on the Right-of-Way within any period of time from the date hereof.

7. **Successors and Assigns.** The rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

DATED this 6th day of March, 1990.

GRANTOR

Glenn R. Wood, Trustee of
Discovery Investments

Glenn R Wood

STATE OF WASHINGTON)
SS
COUNTY OF Jefferson)

On this day personally appeared before me Glenn R. Wood
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of March, 19 90.

NOTARY PUBLIC STATE OF WASHINGTON

Susan Patricia Monroe
Notary Public in and for the State of Washington,
residing at Chimacum
My Commission Expires 10/6/92

STATE OF WASHINGTON)
SS
COUNTY OF)

On this day personally appeared before me
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that
signed the same as free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this day of , 19 .

Notary Public in and for the State of Washington,
residing at
My Commission Expires

STATE OF WASHINGTON)
SS
COUNTY OF)

On this day personally appeared before me
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that
signed the same as free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this day of , 19 .

Notary Public in and for the State of Washington,
residing at
My Commission Expires

STATE OF WASHINGTON)
SS
COUNTY OF)

CORPORATE ACKNOWLEDGMENT

On this day of , 19 , before me, the undersigned, personally appeared
and
to me known to be the and , respectively, of
the corporation that executed the foregoing instrument,
and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein
mentioned, and on oath stated that authorized to execute the said instrument and that the
seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Notary Public in and for the State of Washington,
residing at
My Commission Expires

Unofficial Copy

9001555 NJ
SW 15-27-1W
G.R. Wood

Tract 4, described as follows:

That portion of the East half of the Southwest quarter of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
thence South, along the North and South centerline of said Section, 758 feet to the True Point of Beginning;
thence West, a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;
thence along said Myers Tract, South 15°42'54" East, 19.22 feet;
thence continue along said Easterly line of Myers Tract South 33°56'38" East 209.75 feet;
thence continuing along said Easterly line of Myers Tract, South 34°06'24" East 190.24 feet;
thence East a distance of 521.44 feet to intersect the North and South centerline of said Section 15, at a point 350 feet South of the Point of Beginning;
thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.

Unofficial Copy

562353 PGS:2 EASE
09/19/2011 03:57 PM $63.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Donna Eldridge, Auditor

RETURN ADDRESS:
Puget Sound Energy, Inc.
Attn: ROW Department
3130 S. 38th Street
Tacoma, WA 98409
KO

NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURER
BY: _____ Deputy

EASEMENT

JEFFERSON TITLE COMPANY has placed this document of record as a customer courtesy and accepts no liability for the accuracy or validity of the document.

REFERENCE #:
GRANTOR: **HOUGH**
GRANTEE: **PUGET SOUND ENERGY, INC.**
SHORT LEGAL: **NE-SW-15-27N-01W**
ASSESSOR'S PROPERTY TAX PARCEL: **701-153-003**

No Monetary Consideration

For and in consideration of One Dollar ($1.00) and other valuable consideration in hand paid, **THOMAS J. HOUGH, a single man,** ("Grantor" herein), hereby conveys and warrants to **PUGET SOUND ENERGY, INC.,** a Washington Corporation ("Grantee" herein), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along across and through the following described real property ("Property" herein) in **JEFFERSON** County, Washington:

TRACT 4 - THAT PORTION OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 27 NORTH, RANGE 1 WEST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT THE CENTER OF SAID SECTION; THENCE SOUTH ALONG THE NORTH AND SOUTH CENTER LINE OF SAID SECTION, 758 FEET TO THE TRUE POINT OF BEGINNING; THENCE WEST A DISTANCE OF 752.77 FEET TO INTERSECT THE EASTERLY LINE OF THAT CERTAIN TRACT OF LAND SOLD TO GENE RAY MYERS BY REAL ESTATE CONTRACT RECORDED MARCH 8, 1971, AUDITOR'S NO. 208162; THENCE ALONG SAID MYERS TRACT, SOUTH 15°42'54" EAST, 19.22 FEET; THENCE CONTINUE ALONG SAID EASTERLY LINE OF MYERS TRACT, SOUTH 33°56'38" EAST, 209.75 FEET; THENCE CONTINUING ALONG SAID EASTERLY LINE OF MYERS TRACT, SOUTH 34°06'24" EAST, 190.24 FEET; THENCE EAST A DISTANCE OF 521.44 FEET TO INTERSECT THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 15 AT A POINT 350 FEET SOUTH OF THE POINT OF BEGINNING; THENCE NORTH TO THE POINT OF BEGINNING. SITUATE IN THE COUNTY OF JEFFERSON, STATE OF WASHINGTON.

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property ("Easement Area" herein) described as follows:
An Easement Area **TEN (10)** feet in width having **FIVE (5)** feet of such width on each side of a centerline described as follows:

THE CENTERLINE OF GRANTEE'S FACILITIES AS NOW CONSTRUCTED, TO BE CONSTRUCTED, EXTENDED OR RELOCATED LYING WITHIN THE ABOVE DESCRIBED PROPERTY.

1. Purpose. Grantee shall have the right to use the Easement Area to construct, operate, maintain, repair, replace, improve, remove, and enlarge one or more utility systems for purposes of transmission, distribution and sale of electricity. Such systems may include, but are not limited to:

Underground Facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing.

Following the initial construction of all or a portion of its systems, Grantee may, from time to time, construct such additional facilities as it may require for such systems. Grantee shall have the right of access to the Easement Area over and across the Property to enable Grantee to exercise its rights hereunder. Grantee shall compensate Grantor for any damage to the Property caused by the exercise of such right of access by Grantee.

2. Easement Area Clearing and Maintenance. Grantee shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in the Easement Area. Grantee shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area.

3. Grantor's Use of Easement Area. Grantor reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted, provided, however, Grantor shall not construct or maintain any buildings, structures or other objects on the Easement Area and Grantor shall do no blasting within 300 feet of Grantee's facilities without Grantee's prior written consent.

4. Indemnity. Grantee agrees to indemnify Grantor from and against liability incurred by Grantor as a result of Grantee's negligence in the exercise of the rights herein granted to Grantee, but nothing herein shall require Grantee to indemnify Grantor for that portion of any such liability attributable to the negligence of Grantor or the negligence of others.

5. Abandonment. The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area for a period of five (5) successive years, in which event, this easement shall terminate and all rights hereunder, and any improvements remaining in the Easement Area, shall revert to or otherwise become the property of Grantor; provided, however, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

6. Successors and Assigns. Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

DATED this 29 day of August, 2011.

GRANTOR:

BY: Thomas J. Hough
THOMAS J. HOUGH

BY: _____

STATE OF WASHINGTON)
) SS
COUNTY OF JEFFERSON)

On this 29th day of AUGUST, 2011, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **THOMAS J. HOUGH**, to me known to be the individual(s) who executed the within and foregoing instrument, and acknowledged that HE signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal hereto affixed the day and year in this certificate first above written.

KERRY L. ROBINSON NOTARY PUBLIC 6-25-2013 STATE OF WASHINGTON

Robinson
(Signature of Notary)

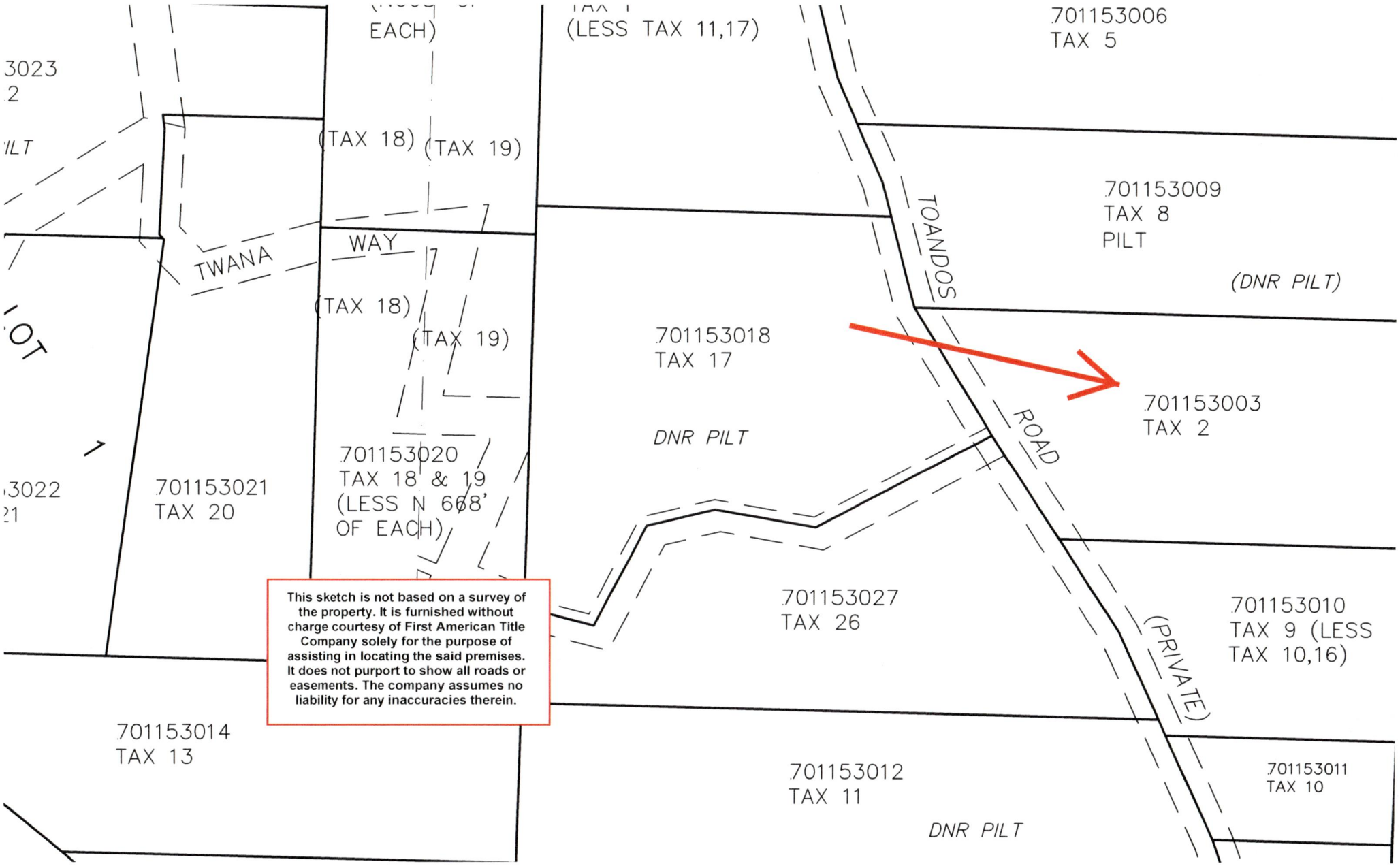
KERRY L. ROBINSON
(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington

Residing at PORT TOWNSEND, WA

My Appointment Expires: 6/25/2013

Notary seal, text and all notations must not be placed within 1" margins



This sketch is not based on a survey of the property. It is furnished without charge courtesy of First American Title Company solely for the purpose of assisting in locating the said premises. It does not purport to show all roads or easements. The company assumes no liability for any inaccuracies therein.

AGREEMENT FOR CONTINGENT
PURCHASE AND SALE OF VACANT REAL ESTATE

(Dabob Bay Natural Area - Hough)

THIS AGREEMENT FOR CONTINGENT PURCHASE AND SALE OF VACANT REAL ESTATE (the "Agreement") is made as of the 15th day of November, 2024, by and between the NORTHWEST WATERSHED INSTITUTE, a Washington non-profit corporation and/or assigns (hereinafter referred to as the "Buyer") and THOMAS J. HOUGH, as his separate estate, (hereinafter referred to as "Seller") (collectively, the "Parties").

WHEREAS, Seller is the owner of certain real property consisting of approximately 6.38 acres at 1125 Toandos Road, Quilcene in Jefferson County, Washington; and

WHEREAS, Seller desires to convey said real property to Buyer, and Buyer desires to acquire said real property;

NOW, THEREFORE, in exchange for the mutual promises and covenants herein contained, and other good and valuable consideration, the mutual receipt and sufficiency of which is hereby acknowledged by Seller and Buyer, it is agreed as follows:

SECTION 1 PROPERTY

Seller shall sell and convey to Buyer, and Buyer shall purchase and accept from Seller, all subject to the terms and conditions of this Agreement, that certain real property located in Jefferson County, Washington, the legal description of which is set forth on Exhibit A attached hereto and incorporated by this reference herein, together with the following:

(i) All rights, tenements, hereditaments, easements, associated tidelands, and appurtenances, including, but not limited to, any rights, title and interest of Seller in and to all trees, crops, oil, gas, sand, gravel, water rights, or mineral rights;

(ii) All improvements, if any, and other items located upon or within said real property;

(iii) All easements, rights-of-way and other rights used in connection with said real property, including but not limited to the following: maintenance easements, rights to adjacent streets, roads, alleys and rights-of-way;

(iv) All permits, plans, licenses, surveys, consultant's reports on all matters, including

but not limited to soils, engineering, traffic, environmental matters, and wetlands made by, for or on behalf of Seller with respect to the property, and an assignment of all representations and warranties made therein to Seller.

The parcel of land, together with the improvements, rights and interests described above, are collectively referred to herein as the "Property."

SECTION 2 PURCHASE PRICE

2.1 Amount. The purchase price ("Purchase Price") to be paid for the Property shall be the greater of the sum of ONE HUNDRED AND TWENTY THOUSAND U.S. Dollars ($120,000.00) or the Fair Market Value of the Property as determined by a qualified appraiser in an appraisal commissioned and paid for by Buyer. If the Fair Market Value exceeds $120,000, the Parties agree to amend this Agreement to make such amount the Purchase Price. Buyer's obligation to purchase the Property is contingent on the availability of funding to the Buyer. If Buyer does not obtain sufficient funding to purchase the Property and complete the Agreement prior to the closing date, then Buyer may terminate this Agreement without further obligation other than loss of its Deposit as provided herein.

2.2 Earnest Money Deposit. Within ten (10) days following the execution and delivery of this Agreement, Buyer shall open escrow with First American Title of Jefferson County in Port Townsend, Washington (the "Escrow Agent"), by depositing with Escrow Agent a copy of this Agreement and the sum of One Thousand Dollars ($1,000.00) (the "Deposit"), in the form of a personal check payable to Escrow Agent. In the event that this transaction is consummated as contemplated by this Agreement, the Deposit shall be applicable to the Purchase Price. In the event that this transaction is not consummated as contemplated by this Agreement, the Deposit shall be returned to Buyer; provided, however, that in the event that this transaction is not consummated as contemplated by this Agreement because Buyer has not obtained sufficient funding to purchase the Property, the Deposit shall be paid over to Seller.

2.3 Payment. Purchase Price shall be paid into escrow by a Buyer warrant or wire transfer payable to the Escrow Agent on the Closing Date as defined below.

2.4 Compensating Tax. If the property is in forest land designation under chapter 84.33 RCW, this transaction is exempt from the payment of compensating tax as provided by RCW 84.33.140 (13)(c), or if the property is in open space, agricultural, or timberland classification under chapter 84.34 RCW, this transaction is exempt from the payment of additional tax as provided by RCW 84.34.108 (6)(f).

SECTION 3 CLOSING

3.1 Closing Date. "Closing," "Closing Date" or "Date of Closing" as those terms are used herein, shall mean the date upon which all documents are recorded and monies paid to complete

the purchase contemplated herein. The Date of Closing shall be as soon as practical to facilitate an orderly closing but no later than June 30, 2025 unless otherwise agreed in writing by the Parties.

3.2 Escrow. This transaction shall be closed in escrow at First American Title of Jefferson County, 2424 S. Park Ave, Port Townsend WA 98368 ("Escrow Company"), which shall be arranged by Buyer within ten (10) days of execution of this Agreement. The Parties shall deposit the necessary documents and funds in escrow sufficiently in advance of the Closing Date to facilitate an orderly closing. Buyer and Seller shall each pay one-half of the Escrow Company's fee.

SECTION 4 CONVEYANCE, TITLE INSURANCE, AND POSSESSION

4.1 Possession. Buyer shall be entitled to possession of the Property on the Closing Date, but Buyer shall have a right of entry pursuant to Section 5 below.

4.2 Form of Deed. On the Closing Date, Seller shall convey title to the Property to Buyer by Statutory Warranty Deed, free and clear of all assessments, monetary liens or encumbrances securing the payment of money, and subject only to any other encumbrances or defects accepted by Buyer in writing.

4.3 Preliminary Commitment.

(a) Seller has obtained a preliminary commitment for an ALTA Owner's Standard Coverage Policy of title insurance (hereafter "Preliminary Commitment") from First American Title of Jefferson County. Seller further warrants that title shall be good, marketable and insurable subject only to the exceptions approved by Buyer pursuant to subsection 4.3(b).

(b) Within thirty (30) days of execution of this Agreement, the Buyer shall notify the Seller in writing of any exceptions thereto which are wholly or conditionally acceptable to the Buyer (hereafter "Title Notice"). Following giving of Title Notice, if additional encumbrances affecting the Property arise, Buyer shall have twenty (20) days from receipt thereof to review and approve these additional items. Failure of the Buyer to so approve in writing any exception to Seller's title shown in the Preliminary Commitment or arising thereafter shall be deemed to be a disapproval of such exception.

4.4 Policy Condition of Closing. Seller shall, prior to or at the Closing Date, at its sole cost and expense, undertake (by the exercise of its reasonable efforts and with due diligence) to remove, eliminate or modify any exceptions not acceptable to Buyer. Closing shall be conditioned upon Title Company issuing its ALTA Owner's Standard Coverage Policy insuring fee title to the Property in the name of Buyer in the amount of the Purchase Price, subject only to (i) the printed form exceptions contained in the ALTA Owner's policy and (ii) such exceptions accepted by Buyer.

4.5 Use of Purchase Price. Purchase Price to be paid by Buyer to Seller at Closing may be used in whole or in part by Seller by and through the Escrow Company to remove any liens, liabilities, or encumbrances which Seller is to have removed.

4.6 Cost of Policy. Seller shall be responsible for the cost of the title insurance policy. Buyer shall be responsible for requesting and for paying the cost of any additional endorsements, co-insurance policies and reinsurance certificates issued by Title Company at Buyer's request.

SECTION 5 BUYER'S RIGHT AFTER ACCEPTANCE

5.1 Inspection Contingency. After the date of this Agreement, Seller shall permit Buyer and/or its designated agents to enter upon the Property at all reasonable times for the purpose of conducting environmental assessments and investigating the Property and the physical condition thereof, including, without limitation, soil, water, and air conditions, and the condition of improvements, if any, upon the Property. Inspections by Buyer, if any, shall not be construed as estopping actions upon any warranty made herein.

5.2 Buyer's Waiver of Disclosure Statement. Buyer and Seller acknowledge that the Property may or may not be considered "commercial real estate" as defined in Chapter 64.06 RCW, and hereby waive all rights, obligations, and remedies (including, without limitation, the right of rescission) which may be applicable or available to the parties hereto. Buyer acknowledges that Buyer has been advised of Buyer's right (to the extent applicable to the subject transaction) to receive a completed Seller Disclosure Statement pursuant to Chapter 64.06 RCW and that Buyer hereby waives that right, whether or not applicable, provided, however, that Seller shall complete and deliver to Buyer Section 6 (Environmental) of the Seller Disclosure Statement relating to the Property within five (5) days after the execution and delivery of this Agreement.

5.3 Studies.

(a) Seller Studies. Within five days of the date of this Agreement, Seller shall deliver to Buyer true copies of all studies, reports, surveys, soils tests, reviews, correspondence with all governmental entities, environmental checklists and reports, plans and other printed or written material (all of which are collectively referred to as the "Seller's Studies") prepared or received by, or on behalf of, Seller with respect to the Property and

any part thereof. Seller authorizes Buyer to speak with any person preparing Seller's Studies with respect to the contents thereof. Buyer shall not be responsible for any cost associated with Seller's Studies, except for the cost of any additional inquiry or investigation that Buyer deems necessary with respect to the Seller's Studies.

(b) Buyer Studies. Buyer shall have the right to prepare, or have prepared, appraisals, market and engineering studies, soils tests, feasibility studies, surveys, resurveys or survey updates, environmental investigations and such other tests, studies or investigations (all of which are collectively referred to as the "Buyer's Studies") with respect to the Property. Buyer shall be solely responsible for costs of all Buyer's Studies.

(c) Termination. If the Buyer determines at its sole discretion that the Seller Studies or Buyer's Studies indicate the Property is not suitable for the intended use by Buyer or the Property presents risk of liability unacceptable to Buyer, Buyer may terminate this Agreement without further obligation so long as such termination is provided to Seller in writing within 120 days of this Agreement. If no such notice is provided to Seller, Buyer's inspection contingency shall be deemed waived. Should Buyer timely terminate this Agreement under his Inspection Contingency, Buyer shall be entitled to a refund of any earnest money funds paid into escrow.

5.4 Subsequent Acts. Between the date of this Agreement and the Closing Date, Seller shall maintain the Property and keep the Property in condition at least as good as on the date of this Agreement. Seller shall not remove any timber, harvestable crop, improvements, minerals, sand, gravel, or other item from the Property after the date of this Agreement without prior, written approval by Buyer. At least ten (10) calendar days prior to the Closing Date, Seller shall have removed all junked vehicles, mobile homes, outhouses, temporary structures or personal property that are not intended to be a part of this transaction, and equipment, machines, other solid waste and trash from the Property to the satisfaction of Buyer.

SECTION 6 CONTINGENCIES

6.1 Conditions. Buyer's obligations under this Agreement are subject to and contingent upon the following:

(a) The truth and accuracy as of the Closing Date of all representations and warranties of Seller set forth in this Agreement or in any instrument or document delivered by Seller to Buyer.

(b) The delivery by Seller to Buyer on or prior to the Closing Date of all documents and instruments required by the terms of this Agreement.

(c) The performance on or prior to Closing by Seller of all acts required under this Agreement.

(d) The absence at Closing of any violation of any federal, Buyer or local law, rule, regulation or ordinance affecting the use, occupancy or condition of the Property.

(e) The absence at Closing of any failure to comply with the order of any court, government authority or agency pertaining to the Property or the use, occupancy or condition of the Property.

(f) The absence at Closing of any proceeding or threat of any proceeding to condemn all or any part of the Property by a proceeding in eminent domain.

(g) Conveyance of acceptable title as provided in Section 4.

(h) Approval of Seller's and Buyer's Studies pursuant to subsection 5.2.

(i) The availability of funding to purchase the Property and complete the Agreement.

6.2. Waiver. If any condition specified in Section 6.1 is not met at Closing, Buyer may waive such condition in writing, or Buyer may terminate this Agreement without any further liability, subject to paragraphs 5.2 and 2.2. Upon such termination, the Deposit and any monies deposited by Buyer pursuant to this Agreement, together with all interest earned thereon shall be promptly returned to Buyer; provided, however, that if the termination is due only to the unavailability of funding to purchase the Property and complete the Agreement, the Deposit, together with all interest earned thereon, shall be paid over to Seller as liquidated damages and as Seller's sole remedy and not as a forfeiture or penalty. Upon disbursement of the Deposit by the Escrow Agent as provided herein, neither Buyer nor Seller shall have any further liability to the other under this Agreement, except for all indemnity provisions set forth herein which shall survive for such term as provided for in this Agreement

SECTION 7 REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer. Each of these representations and warranties is material and is relied upon by Buyer. Each of the representations and warranties shall be deemed accurate through Closing and shall survive Closing.

7.1 Title. Title to the Property is vested in Seller.

7.2 No Liabilities. There exists upon the Property no condition which is in violation of any statute, ordinance, regulation or administrative or judicial order or holding, whether or not appearing in the public records pertaining to the Property.

7.3 Correctness. All information furnished by Seller to Buyer with respect to the Property is

accurate and true.

7.4 Litigation. To the best of Seller's knowledge, there is no pending or threatened litigation affecting the Property or any portion thereof, including but not limited to alleged violation of federal, Buyer or local environmental laws. Neither Seller nor its predecessors have received any notice relating to a breach or suspected breach of any environmental laws.

7.5 Condition of Property. To the best of Seller's knowledge, Seller represents and warrants the following: there are no apparent or latent defects in the Property; the Property does not contain any underground storage tanks, surface impoundments, asbestos or asbestos-containing material, or polychlorinated biphenyls (PCBs) or PCB-containing materials, past or present refuse dump sites, chemical storage sites, areas of heavily stained soil, or sites of known hazardous material releases other than those indicated and described by exhibit attached hereto; and the Property is free from the presence of hazardous waste or materials and no hazardous waste or materials have been generated, stored, released, disposed of, or transported over, on or within the Property. The term "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, Buyer or local statute, regulation, rule or ordinance now in effect, including but not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et seq., and the Model Toxics Control Act, RCW 70A.305D. Seller has no undisclosed knowledge of any fact or condition that would materially impair the market value of the Property, would materially increase the cost of operating the Property or would be inconsistent with the terms of this Agreement.

7.6 Authorization. Seller has the right and authority to enter into this Agreement and all documents contemplated by this Agreement, to make the representations and warranties set forth herein and to perform this Agreement in accordance with its terms. Neither the execution of this Agreement nor its performance by Seller will conflict with or result in the breach of any mortgage, deed of trust, encumbrance, restriction, covenant, agreement or other undertaking whatever.

7.7 Vacancy. No one is presently occupying the Property, either with or without Seller's permission.

SECTION 8 INDEMNITY AND HOLD HARMLESS

Seller agrees to indemnify, defend with counsel acceptable to Buyer, and hold harmless Buyer, its agencies, employees, officers and agents from (a) all liabilities, losses, claims, demands, damages, assessments, costs and expenses (including reasonable attorneys' and consultants' fees) of every kind (hereafter "Liabilities") resulting from, arising out of or relating to the breach by Seller of any of its warranties, representations or covenants contained in this Agreement and (b) all Liabilities arising under, resulting from or arising out of any activities of Seller, its agents, employees, contractors, subcontractors, permittees, or licensees at the Property prior to or at

Closing, including but not limited to the use, disposal, transportation, generation, or sale of hazardous material as defined in subsection 7.5.

SECTION 9 DESTRUCTION OR CONDEMNATION

Seller shall bear the risk of loss prior to Closing. If, on or before the Closing Date, either the Property is materially damaged, or condemnation proceedings are commenced with respect to the Property, Buyer shall have the right, at its sole election, by giving notice to Seller, either to terminate this Agreement or to purchase the Property in accordance with this Agreement. If Buyer elects to terminate this Agreement, all rights and obligations of Seller and Buyer shall terminate. If Buyer elects to purchase the Property in accordance with this Agreement, Buyer shall be entitled to all insurance proceeds or condemnation awards payable by reason of such damage or condemnation. In the event there is no insurance or inadequate insurance to cover the damage, Buyer shall be entitled to a reduction in the Purchase Price equal to the market value of the Property destroyed or damaged. Seller shall immediately give notice to Buyer upon the occurrence of any damage to the improvements on the Property or the initiation of any condemnation proceedings affecting the Property. The term "material damage" as used in this section shall mean any damage or destruction that cannot be repaired or replaced within ninety (90) days.

SECTION 10 CLOSING AND CLOSING COSTS

Prior to or on the Closing Date, Seller and Buyer shall deposit the following documents and funds in escrow, and the Escrow Company shall close the escrow in accordance with the instructions of Buyer and Seller consistent with this Agreement:

10.1 Seller Obligations. Seller shall deposit the following:

(a) duly executed and acknowledged Statutory Warranty Deed conveying the Property to Buyer and a Real Estate Excise Tax Affidavit;

(b) escrow instructions, as required of Seller to close this transaction in accordance with this Agreement;

(c) if Seller is a corporation or partnership, a certified resolution authorizing the execution of all documents delivered at the Closing;

(d) pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, a nonforeign affidavit, stating that Seller is not a foreign person and providing Seller's United Buyers taxpayer identification number. If Seller is not able to certify that it is not a "foreign person," Buyer is authorized to withhold a portion of the purchase price at closing for U. S. Income Tax purposes; and

(e) such other instruments or documents as may be required pursuant to the provisions hereof or as mutually agreed by Seller and Buyer to be necessary to fully consummate the transaction contemplated hereby.

10.2 Buyer Obligations. Buyer shall deposit the following:

(a) The Purchase Price; and

(b) such other funds and documents, including without limitation, escrow instructions as are required of Buyer, to close the purchase in accordance with this Agreement.

10.3 Prorations. All rents and other income, if any, and water, sewer, utility and maintenance charges, and any other expenses with respect to the operation of the Property shall be prorated between Seller and Buyer as of the Closing Date, and to the extent information then available, such proration shall be made as of the Date of Closing. Such proration shall be adjusted and completed after the Closing Date as and when complete information becomes available, and Buyer and Seller agree to cooperate and use their best efforts to complete such prorations not later than sixty (60) days after the Closing Date. No insurance prorations shall be made. Seller shall pay any assessments charged against the Property in full prior to or at Closing. Seller shall pay all real estate taxes and personal property taxes, if any, through the Date of Closing. In the event Seller has prepaid any real estate taxes, Seller may seek a refund from the appropriate county official; Buyer shall have no obligation to refund or pay any such amount to Seller. Seller shall pay any real property excise tax due, and the cost of any revenue stamps, if applicable, required to complete this transaction. Buyer will pay recording fees.

SECTION 11 SURVIVAL

The representations, warranties, indemnification and obligations (to the extent such obligations are not fully performed at closing) contained herein are intended to be operative after delivery of Seller's deed to the Property in order to be fully effective and shall be deemed not to have merged in the deed.

SECTION 12 REAL ESTATE COMMISSION

Seller shall pay any real estate commission payable in connection with this transaction. Any real estate agent or broker acting in this transaction shall be deemed to be the sole agent of Seller.

SECTION 13 NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be deemed given upon personal service or receipt after deposit in the United Buyers first class mail addressed as follows:

To Seller:

Thomas J. Hough
1125 Toandos Road
Quilcene, WA 98376

With copy to Barbara Hough-Hood by email to bhood1996@gmail.com

To Buyer:

Peter Bahls, Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

The foregoing addresses may be changed by written notice.

SECTION 14 MISCELLANEOUS

14.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties. No other prior and contemporaneous negotiations, understandings and agreements, whether oral or written shall be deemed to exist or bind any of the Parties hereto.

14.2 Binding Nature. All rights and obligations arising out of this Agreement shall inure to the benefit of and be binding upon the respective successors, heirs, assigns, administrators, executors and marital communities, if any, of the Parties hereto.

14.3 Washington Law. This Agreement shall be construed, interpreted and enforced pursuant to the laws of the Buyer of Washington. Venue shall be in Jefferson County, unless this Agreement is assigned to a state agency in which case venue shall be in Thurston County. The terms of this Agreement shall be given their ordinary meaning and shall not be presumed construed in favor of or against either party hereto.

14.4 Time of the Essence. Time is of the essence of this Agreement. No waiver or consent to any breach or other default in the performance of any of the terms of this Agreement shall be deemed to constitute a waiver of any subsequent breach of the same or any other term or condition hereof. In the event time for performance falls on a weekend or legal holiday designated by the United Buyers or Washington Buyer, performance shall be deemed to be timely rendered if so rendered on the next business day.

14.5 Captions. The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

14.6 Invalidity. If any provisions of this Agreement shall be invalid, void or illegal, it shall in no way affect, impair or invalidate any of the other provisions hereof.

14.7 Counterparts. This Agreement may be signed in counterparts, any one of which shall be deemed an original.

14.8 Date of Agreement. The date of this Agreement shall be the date on which the last party executes this Agreement. Said date shall be inserted on the first page hereof when such date is determined.

14.9 Good Faith. Both Parties shall act reasonably and in good faith in order to consummate this transaction, and Seller shall neither sell nor dispose of any of the Property nor cause or suffer the creation of any matter of record, or defect in the title to the Property for the purpose of avoiding its obligation to close.

14.10 Default. In the event that either party defaults in the performance of any of that party's obligations under this Agreement, the non-defaulting party shall have all remedies available in law or equity, but neither party shall be liable for consequential damages.

14.11 Attorneys' Fees and Costs. If either party is required to retain an attorney to bring suit or seek arbitration to interpret or enforce any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, paralegal fees, accountant and other expert witness fees and all other fees, costs and expenses actually incurred and reasonably necessary in connection therewith, including those incurred on appeal, in addition to all other amounts provided by law, regardless of whether the matter proceeds to judgment or is resolved by the defaulting party curing the default.

14.12 Assignability. This Agreement shall not be assigned without the prior written consent of the other party except as otherwise provided in this Agreement. Seller may wish to gain certain tax benefits available to Seller under I.R.C.§1031 by using a qualified intermediary to facilitate a delayed exchange for the Property to be conveyed under this Agreement. The qualified intermediary shall be released from any obligations under this Agreement. Seller shall remain fully liable to perform all obligations under this Agreement, including but not limited to Seller's representations, warranties and indemnification regarding the Property. Seller shall convey the Property directly to Buyer. The success or failure of the anticipated tax consequences from the I.R.C.§1031 delayed exchange shall not be deemed a term, condition, or contingency of this Agreement, nor shall such tax consequences be deemed a legal excuse for nonperformance by Seller.

14.13 Advice of Counsel. Seller acknowledges that it has had an opportunity to seek independent legal advice regarding the transaction.

14.14 Submission. This Agreement must be executed by Seller, and an original delivered to

Buyer, at the address set forth in this Agreement, on or before 4:00 p.m. on February 9, 2024, to be considered by Buyer. This Agreement shall not be binding upon Buyer until signed by an authorized representative of Buyer.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date and year set forth opposite their respective names.

SELLER:

Thomas J. Hough

Dated: T.J.H. Nov. 15, 2024

BUYER:

NORTHWEST WATERSHED INSTITUTE

Dated: Nov 20 2024

By: _____
PETER BAHLS
Executive Director

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF JEFFERSON)

On this 15th day of November, 2024, before me personally appeared THOMAS J. HOUGH, to me known to be the person that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said person for the uses and purposes therein mentioned.

Dated: November 15, 2024

Anna C. Brown

Notary Public
Print Name Anna C. Brown
My commission expires 06-22-25

ANNA C BROWN
Notary Public
State of Washington
Commission # 77938
My Comm. Expires Jun 22, 2025

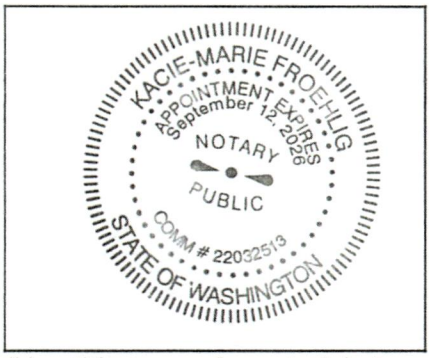
(Use this space for notarial stamp/seal)

BUYER ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss:
COUNTY OF JEFFERSON)

On this 20th day of November, 2024, before me personally appeared PETER BAHLS, to me known to be the Executive Director of Northwest Watershed Institute that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that the execution of the instrument was duly authorized and that the seal affixed, if any, is the corporate seal of said corporation.

In witness whereof I have hereunto set my hand and affixed my official seal this 20th day of November 2024



Kacie Marie Froehlig
Notary Public
Print Name Kacie-Marie Froehlig
My commission expires 09-12-2026

(Use this space for notarial stamp/seal)

EXHIBIT A
Legal Description of the Property
(HOUGH)

Tract 4, described as follows:

That portion of the East 1/2 of the Southwest 1/4 of Section 15, Township 27 North, Range 1 West, W.M., described as follows:

Beginning at the center of said Section;
Thence South along the North and South center line of said Section, 758 feet to the True Point of Beginning;
Thence West a distance of 752.77 feet to intersect the Easterly line of that certain tract of land sold to Gene Ray Myers by Real Estate Contract recorded March 8, 1971, Auditor's No. 208162;thence along said Myers Tract, South 15° 42' S4" East, 19.22 feet;
Thence continue along said Easterly line of Myers Tract, South 33° 56' 38" East, 209.75 feet; thence continuing along said Easterly line of Myers Tract, South 34° 96' 24" East, 190.24 feet;
Thence East a distance of 521.44 feet to intersect the North and South center line of said Section 15 at a point 350 feet South of the Point of Beginning;
Thence North to the Point of Beginning.

Situate in the County of Jefferson, State of Washington.



3609 Market Place West, Suite 201, University Place, WA 98466
p. 253.564.3230 | f. 253.564.3143

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 24 2006

NORTHWEST WATERSHED INSTITUTE
3407 EDDY STREET
PORT TOWNSEND, WA 98368-0000

Employer Identification Number:
93-1325820
DLN:
17053259778026
Contact Person:
CLINTON L FORTNER ID# 31163
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated JANUARY 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	1,500,000.00	
4020 · Foundation	2,000.00	
4030 · State Funds	42,000.00	
Total Grant Revenue		1,544,000.00
Contributed Income		
4040 · Restricted	131,000.00	
4050 · Unrestricted	120,000.00	
Contributed Income - Other	0.00	
Total Contributed Income		251,000.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	18,000.00	
4182 · Rental Income - Yarr Caretaker	6,000.00	
Total Rental/Lease Income		28,000.00
Consulting/Miscellaneous		
4210 · Consulting Fees	2,000.00	
Total Consulting/Miscellaneous		2,000.00
Total Income		1,825,000.00
Gross Profit		1,825,000.00
Expense		
Health benefits		
6096 · Health insurance	34,000.00	
6094 · HSA Contribution	10,600.00	
Total Health benefits		44,600.00
6041 · Paypal Fees		300.00
6010 · Advertising		100.00
6030 · Automobile Expense		2,500.00
6040 · Bank Service Charges		500.00
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,000.00	
6093 · Liability Insurance	4,000.00	
Total Insurance		8,000.00
Land Acquisition		
6170 · Closing Expenses	40,000.00	
6150 · Land	1,300,000.00	
Land Acquisition - Other	0.00	
Total Land Acquisition		1,340,000.00
6180 · Licenses and Permits		0.00
6210 · Miscellaneous		0.00
Payroll Expenses		
Gross wages		
6237 · Education Director	24,000.00	
6231 · Director	90,000.00	
6232 · Stewardship Director	36,000.00	
6233 · Project Assistant	7,000.00	
6234 · Field Crew	88,000.00	
Total Gross wages	245,000.00	

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Payroll Taxes		
6246 · Paid Family and Medical Leave	0.00	
6240 · Medicare	3,500.00	
6241 · Social Security	15,000.00	
6243 · Workers Comp	11,000.00	
6245 · WA State Unemployment	3,600.00	
Total Payroll Taxes	33,100.00	
Payroll Expenses - Other	0.00	
Total Payroll Expenses		278,100.00
6250 · Postage and Delivery		750.00
6260 · Printing and Reproduction		750.00
Professional Fees		
6271 · Accounting	1,500.00	
6274 · Legal Fees	2,000.00	
Total Professional Fees		3,500.00
Program Expense		
6284 · Student Stipend	2,000.00	
6282 · Fees	1,600.00	
6283 · Project subcontractors	40,000.00	
6286 · Overrun	0.00	
Total Program Expense		43,600.00
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	0.00	
6310 · Building Repairs	50,000.00	
6320 · Computer Repairs	250.00	
6330 · Equipment Repairs	3,000.00	
Repairs and Maintenance - Other	500.00	
Total Repairs and Maintenance		53,750.00
Supplies		
6420 · Field Supplies	30,000.00	
6440 · Office Supplies	2,000.00	
Total Supplies		32,000.00
Taxes		
6510 · Property Taxes	5,000.00	
Total Taxes		5,000.00
Telephone/Communications		
6650 · Mobile phone	1,800.00	
6610 · Internet Server	800.00	
6620 · Telephone - Local	0.00	
Telephone/Communications - Other	0.00	
Total Telephone/Communications		2,600.00
Travel & Ent		
6720 · Meals	140.00	
Total Travel & Ent		140.00
Utilities		
6810 · Gas and Electric	600.00	
Utilities - Other	0.00	
Total Utilities		600.00

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25
9000 · Suspense	0.00
Total Expense	1,830,390.00
Net Ordinary Income	-5,390.00
Other Income/Expense	
Other Income	
7010 · Interest Income	10,000.00
Total Other Income	10,000.00
Other Expense	
8016 · Conservation Ease/Deed Restri	0.00
Total Other Expense	0.00
Net Other Income	10,000.00
Net Income	**4,610.00**

Northwest Watershed Institute

BOARD OF DIRECTORS 2024-25

Board Members and Officers	**Affiliation and Term on the Board of Directors**
Peter Bahls President, Vice-President, Treasurer 3407 Eddy Street Port Townsend, WA 98368	Peter Bahls is currently full time Executive Director and Conservation Biologist for Northwest Watershed Institute. Term – 2023-2025
Jean Ball Board Member 10221 Center Road, Quilcene, WA 98368	Jean Ball is a farmer and naturalist in Quilcene, Washington. Term – 2024-2026
Scott Calhoun Board Member 5710 59th Ave NE Seattle, WA 98105	Scott Calhoun studied biology and geology in college and graduate school where he specialized in shorelines and watersheds. He owns forestland in the Tarboo watershed. Term – 2024-2026
Janis Henry Secretary 14445 SE 55th Street Bellevue, WA 98006	Janis Henry is a retired biotech patent attorney and chemist with over 30 years of experience. She is a life-long nature enthusiast and embraces adventure travel. Term – 2023-2025
Gene Jones Board Member 5860 NE Totten Road Poulsbo, WA 98370	Gene Jones is a member of the Port Gamble S'Klallam Tribe and spiritual leader for four Tribes in the Olympic Peninsula region. Term – 2023-2025
Liz Hoenig Kanieski 1005 Lawrence Street Port Townsend, WA 98368	Liz Hoenig Kanieski has over 25 years of experience as a field biologist, environmental educator, and environmental planner. Much of her work has focused on watershed protection, citizen engagement and water resources. Term – 2023-2025
Keith Lazelle Board Member PO Box 192 Quilcene, WA 98376	Keith Lazelle is an award-winning nature photographer who lives on Dabob Bay. His work has been used by many environmental organizations including Audubon, Hoh River Trust, The Nature Conservancy, and NWI. Term – 2024-2026

Northwest Watershed Institute

STAFF ROSTER 2025

Peter Bahls, Executive Director

Wesley Meyers, Stewardship Director

Megan Brookens, Education and Outreach Director

Robin Enge, Administrative Assistant

Eva Ellis, Field Crew

Bernt Goodson, Field Crew

Zack Hawkes, Field Crew

Hanna Petersen, Field Crew

Veronica Phelan, Field Crew

Grace Rabbitt Burke, Field Crew

Trevor Williams, Field Crew

Abel Dances, Carpenter

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	2,057,763.40	
4020 · Foundation	1,614.27	
4030 · State Funds	41,710.22	
Total Grant Revenue		2,101,087.89
Contributed Income		
4040 · Restricted	130,710.00	
4050 · Unrestricted	116,423.00	
Contributed Income - Other	520.00	
Total Contributed Income		247,653.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	7,673.37	
4182 · Rental Income - Yarr Caretaker	4,139.46	
Total Rental/Lease Income		15,812.83
Consulting/Miscellaneous		
4210 · Consulting Fees	1,155.00	
Total Consulting/Miscellaneous		1,155.00
Total Income		2,365,708.72
Gross Profit		2,365,708.72
Expense		
Health benefits		
6096 · Health insurance	31,075.72	
6094 · HSA Contribution	10,300.00	
Total Health benefits		41,375.72
6041 · Paypal Fees		289.80
6010 · Advertising		127.05
6030 · Automobile Expense		2,033.19
6040 · Bank Service Charges		499.77
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,130.00	
6093 · Liability Insurance	4,059.45	
Total Insurance		8,189.45
Land Acquisition		
6170 · Closing Expenses	0.00	
Total Land Acquisition		0.00
6180 · Licenses and Permits		15.00
6210 · Miscellaneous		163.37
Payroll Expenses		
Gross wages		
6237 · Education Director	23,754.50	
6231 · Director	73,333.48	
6232 · Stewardship Director	33,682.00	
6233 · Project Assistant	6,119.00	
6234 · Field Crew	86,245.20	
Total Gross wages	223,134.18	

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Payroll Taxes		
6246 · Paid Family and Medical Leave	1.19	
6240 · Medicare	3,305.81	
6241 · Social Security	14,169.09	
6243 · Workers Comp	10,942.09	
6245 · WA State Unemployment	3,687.53	
Total Payroll Taxes	32,105.71	
Payroll Expenses - Other	4,853.32	
Total Payroll Expenses		260,093.21
6250 · Postage and Delivery		744.74
6260 · Printing and Reproduction		758.11
Professional Fees		
6271 · Accounting	1,375.00	
6274 · Legal Fees	324.50	
Total Professional Fees		1,699.50
Program Expense		
6284 · Student Stipend	0.00	
6282 · Fees	1,553.89	
6283 · Project subcontractors	82,835.44	
6286 · Overrun	68.55	
Total Program Expense		84,457.88
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	9,769.44	
6310 · Building Repairs	9,207.34	
6320 · Computer Repairs	248.20	
6330 · Equipment Repairs	2,868.14	
Repairs and Maintenance - Other	474.37	
Total Repairs and Maintenance		22,567.49
Supplies		
6420 · Field Supplies	8,204.99	
6440 · Office Supplies	1,951.11	
Total Supplies		10,156.10
Taxes		
6510 · Property Taxes	4,963.81	
Total Taxes		4,963.81
Telephone/Communications		
6650 · Mobile phone	1,567.40	
6610 · Internet Server	758.50	
6620 · Telephone - Local	81.26	
Telephone/Communications - Other	142.28	
Total Telephone/Communications		2,549.44
Travel & Ent		
6720 · Meals	144.65	
Total Travel & Ent		144.65
Utilities		
6810 · Gas and Electric	696.03	
Utilities - Other	770.16	
Total Utilities		1,466.19

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24
9000 · Suspense	267.06
Total Expense	456,161.53
Net Ordinary Income	1,909,547.19
Other Income/Expense	
Other Income	
7010 · Interest Income	9,952.06
Total Other Income	9,952.06
Other Expense	
8016 · Conservation Ease/Deed Restri	782,040.09
Total Other Expense	782,040.09
Net Other Income	-772,088.03
Net Income	**1,137,459.16**

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

	Jun 30, 24	
ASSETS		
Current Assets		
Checking/Savings		
First Fed CD -3090		51,430.51
First Federal CD -3091		51,523.58
First Fed Savings		52,417.11
1020 · Checking - Kitsap		59,986.66
Total Checking/Savings		215,357.86
Accounts Receivable		
1200 · Accounts Receivable		22,048.75
Total Accounts Receivable		22,048.75
Other Current Assets		
1250 · Prepaid Insurance		2,115.50
1300 · Employee advance		163.88
1499 · Undeposited Funds		111,313.33
Total Other Current Assets		113,592.71
Total Current Assets		350,999.32
Fixed Assets		
1513 · Vehicle - 2001 Ford xtra Cab		8,000.00
1554 · Trailers		4,000.00
1512 · Vehicle - Ford pickup		4,150.00
1530 · Kubota Tractor		16,709.10
1590 · Accumulated Depreciation		-28,592.08
Property		
1555 · Capital Improvements	3,035.20	
1551 · Land	2,197,217.48	
Total Property		2,200,252.68
Total Fixed Assets		2,204,519.70
TOTAL ASSETS		**2,555,519.02**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable		5,965.77
Total Accounts Payable		5,965.77
Other Current Liabilities		
2100 · Payroll Liabilities		
2105 · Fica, Medicare, FWH Payable	5,148.22	
2109 · WA - Paid Fam Med Leave Emp.	446.33	
2120 · Workers Comp Payable	5,013.23	
2130 · SUTA & EAF Payable	1,663.44	
2125 · FUTA Payable	267.06	
2100 · Payroll Liabilities - Other	489.77	
Total 2100 · Payroll Liabilities		13,028.05
2250 · Rental Security Deposit		3,000.00
Total Other Current Liabilities		16,028.05
Total Current Liabilities		21,993.82
Total Liabilities		21,993.82

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

	Jun 30, 24
Equity	
1110 · Retained Earnings	1,396,066.04
Net Income	1,137,459.16
Total Equity	2,533,525.20
TOTAL LIABILITIES & EQUITY	**2,555,519.02**

Northwest
Watershed Institute

3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 *fax* 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

Memo

To: Tarboo Creek Conservation Project File

From: Peter Bahls, Executive Director

CC:

Date: February 25, 2025

Re: Executive Committee Resolution to Submit Jefferson County Conservation Futures 2025 Application for the *Toandos Forest* project.

At its Annual Board Meeting of June 21, 2024, the Board of Directors of Northwest Watershed Institute unanimously approved the following resolution –

An executive committee comprised of Peter Bahls and Janis Henry shall serve as an executive committee to have the power to make on-going decisions between Board meetings per the existing by-laws.

On February 25, 2025 the executive committee approved the following resolution –

DECIDED – Northwest Watershed Institute shall sponsor and submit a grant application for Jefferson County Conservation Futures 2025 Program for the Toandos Forest project within the boundaries of the state's Dabob Bay Natural Area.

Priority: The Toandos Forest property is 6x the size of the Upper Yarr property and is at high risk of development if JCCF funding is not awarded, so it is considered the top priority for NWI.

Peter Bahls
President

Janis Henry
Secretary

February 27, 2025

Peter Bahls, Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

Dear Mr. Bahls:

I understand that Northwest Watershed Institute is applying for Jefferson County Conservation Futures (JCCF) grant funding to acquire and protect **Toandos Forest**, 6.38 acres of forestland within the state's Dabob Bay Natural Area boundaries. If successful, the grant funding will protect the forest under county deed restrictions and allow older forest habitats to develop, while permitting some limited harvest of trees and other forest products. We strongly support this project and want to convey the importance of the forest as a cultural resource to the Tribes.

The JCCF grant application states that cultural resources include "...traditional, religious, ceremonial, and social uses and activities of affected Indian Tribes...". I want to make it clear that the Toandos Forest is a cultural resource under this definition and the proposed plan for protection and restoration would help grow its importance.

Four tribes - Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe - are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon the forests of the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious.

Currently, the Tribe is enjoying a renaissance of weavers and artists using traditional methods and materials; especially materials from the cedar tree. For example, tribal members harvest the inner bark of large cedar trees for weaving baskets and clothing used for ceremonial purposes. They also harvest wood from cedar, big leaf maple, and alder trees to make large box drums, masks, and other traditional objects that the Tribes have used for thousands of years for religious and social ceremonies. However, with the conversion of vast areas to private industrial tree farms and development projects, it is increasing difficult for the Tribes to access forests suitable for traditional cultural uses.

The proposed project will protect an important cultural resource for the Tribes: a growing native forest where, with good stewardship, the benefits to the Tribes will continue to grow as the forest develops into an older, biologically diverse forest with a large variety of indigenous plants and trees of cultural importance. The Tarboo forest is significant not just for the materials it can offer over time, but the opportunity for the Tribe to harvest locally; the process of harvesting itself is infused with traditional, social and religious meaning that we want to pass on to the coming generations.

Sincerely,

Laura L. Price

Laura Price
Cultural Resources Director
Port Gamble S'Klallam Tribe
31912 Little Boston RD NE
Kingston WA 98346
Office: 360-297-9655
Cell: 360-509-7723

EXAMPLE OF RE-RECORD OF SWD FOR CONSERVATION FUTURES PURPOSES

AFTER RECORDING RETURN TO:

Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

DOCUMENT TITLE: Statutory Warranty Deed – Re-Record

GRANTOR: Rosie L. von Engel

GRANTEE: Northwest Watershed Institute

ABBREVIATED LEGAL DESCRIPTION (Complete description on Page 1): S29 T28 R1W Tax 2

ASSESSOR'S TAX PARCEL NUMBER(S): 801 293 003

REFERENCE NUMBERS OF RELATED DOCUMENTS: 658592

The parties are re-recording the Statutory Warranty Deed, recorded on 01/17/2023 in the official records of Jefferson County, Washington, under Auditor's File No. 658592 (a copy of which is attached hereto as Exhibit A), for the sole purpose of including language required by Jefferson County providing funding to Grantee Northwest Watershed Institute's acquisition of the property described in said Statutory Warranty Deed, and without additional consideration from Grantee to Grantor.

STATUTORY WARRANTY DEED
(RE-RECORD)

THE GRANTOR Rosie L. von Engel, now according to the application for title insurance Rose/Marie Ludmilla von Engel, as her separate estate for an in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION in hand paid, conveys and warrants to Northwest Watershed Institute, a Washington nonprofit corporation the following described real estate, situated in the County of Jefferson, State of Washington (the "Property"):

Tax Parcel Number(s): 801 293 003

That portion of the North 100 feet of the Southeast ¼ of the Southwest ¼ of Section 29, Township 28 North, Range 1 West, W.M. and that portion of the Northeast ¼ of the Southwest ¼ of said Section 29 lying Easterly of the Quilcene-Center County Road right of way as conveyed by Deed recorded March 13, 1956 under Auditor's File No. 149069 and Southerly of the Old Tarboo Lake Road as conveyed by Deed recorded March 1, 1948 under Auditor's File No. 112974, in Jefferson County, Washington;

Together with the West 158 feet of the North 100 feet of the Southwest ¼ of the Southeast ¼ in said Section 29.

Situate in the County of Jefferson, State of Washington.

SUBJECT TO: Covenants, Conditions, Restrictions, Easements, Plats and Surveys, if any, affecting title, which may appear in the public record

Grantee's costs of acquiring the Property were provided in part by grant funding from the Jefferson County Conservation Futures property tax authorized by Washington law. Grantee hereby agrees to be bound by Jefferson County Code (JCC) 3.08.030(9), the uses authorized under RCW 84.34.230, including the obligation to ensure the long-term conservation of the Property in accordance with the terms and conditions of this Notice of Grant Restrictions and Restrictive Covenants for Conservation Purposes, and to obtain the consent of Jefferson County prior to any conveyance of any interest acquired hereby. Consistent with JCC 3.08.030(9), the Property shall not be converted to a different use unless and only if other equivalent lands or interest in lands within Jefferson County are received by Grantee in exchange.

{Signature page(s) to follow}

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTOR:

_____
Rosie L. von Engel

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Rosie L. von Engel, known to me or proved by satisfactory evidence to be the individual described in this instrument, acknowledged before me that she signed this instrument as her free and voluntary act and deed for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

IN WITNESS WHEREOF, Grantee has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTEE:

NORTHWEST WATERSHED INSTITUTE

By:_____

Its:_____

Date:_____

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Peter Bahls, known to me or proved by satisfactory evidence to be the individual described in this instrument, acting in his capacity as Executive Director of Northwest Watershed Institute, acknowledged before me that he signed this instrument as the free and voluntary act and deed of such corporation for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

EXHIBIT A

Original Statutory Warranty Deed

{attached}

2025 Jefferson County Conservation Futures Fund 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 (360) 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. Project Title: **Upper Yarr Creek Protection**

2. Conservation Futures Acquisition Request: **$26,000**

   Conservation Futures O&M Request: **$0**

3. Total Conservation Futures Request: **$26,000**

4. Please indicate the type of interest contemplated in the acquisition process.
   X Warranty Deed OR Easement __ Other (*Please describe below.)*

   In whose name will the property title be held after acquisition? **Northwest Watershed Institute**

5. Applicant Information

Name of Applicant or Organization: **Northwest Watershed Institute**

Contact: **Peter Bahls**

Title: **Executive Director/Conservation Biologist**

Address: **3407 Eddy Street, Port Townsend, WA 98368**

Phone: **(360) 821-9566, ext.** ____ _____ Fax: ____ ext. ____

Email: **peter@nwwatershed.org**

6. Sponsor Information: *(if different than applicant)* **Same**

Organization Name:

Contact:

Title:

Address:

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

This application was approved by the sponsor's legally responsible body (*e.g., board, council, etc.)* on **February 25, 2025**

7. Project Location

Street Address or Description of Location: **12 Old Tarboo Road, Quilcene**
Driving Directions from Port Townsend: **South on Center Road, left at Old Tarboo Road and park**
Section: **29** Township: **28 N** Range: **1 W**

Assessor's Parcel Number(s): **801-293-003**

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. **The parcel is to be acquired with CF funds**

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

801-293-003 = $34,125

8. Existing Conditions

New Site: **Yes** No _____ Number of Parcels: **1**

Addition to Existing Site: Yes **No** _____ Acres to Be Acquired: **1.03**

Total Project Acreage (if different):_____ Current Zoning: **1 per 5**

Existing Structures/Facilities: **No**

Any current covenants, easements or restrictions on land use: **No**

Current Use: **Vacant land**

Waterfront *(name of body of water):* **Yarr Creek, tributary to Tarboo Creek**

Shoreline (*linear feet*): **NA**

Owner Tidelands/Shorelands: **NA**

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, and why you think preserving this property is important. Name three top objectives for the property (other than those related to funding). Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Fund 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.

Background, goals, and objectives

Since 2002, Northwest Watershed Institute (NWI), Jefferson Land Trust, and over 40 partnering organizations have been working on a landscape scale project to protect and restore the Tarboo-Dabob Bay watershed, with over 4,000 acres conserved to date. The three main objectives of the conservation effort are to: 1) protect and restore the stream and wetland corridor, from the headwaters of Tarboo Creek to Dabob Bay, 2) conserve uplands for sustainable forestry, 3) preserve lands within the Dabob Bay Natural Area.

For this project, NWI proposes to permanently protect a one acre parcel of critical stream and riparian habitat along Upper Yarr Creek. NWI purchased the property in 2023 to prevent development that would have impacted water quality, wildlife habitat, and downstream salmon habitat in Yarr Creek and Tarboo Creek.

The Jefferson County Conservation Futures Manual does not appear to prevent a conservation organization from securing reimbursement toward a property purchased prior to the grant agreement being in place. The manual does require that a Statutory Warranty Deed (SWD) be placed on the property that includes a paragraph of specific deed restriction language required by the county. Since this property was purchased by NWI in 2023, NWI is requesting county approval for reimbursement toward the fee simple appraised value of the property through one of two methods: 1) after the Conservation Futures grant agreement is in place, NWI re-records the Statutory Warranty Deed and includes the county's required language (see Supplemental information for example of the re-record of deed restriction), or 2) prior to signing a Conservation Futures grant agreement, NWI sells the property to an interim private buyer, then after the grant agreement is place, NWI purchases the property back and records a new SWD with the addition of the county's deed restrictions.

<u>Proposed uses</u>

The Property will be owned and stewarded by NWI as a unit of the Tarboo Wildlife Preserve. The property will serve as one of the places NWI brings students and other groups for field tours and educational trips to learn about the Tarboo watershed and stream habitats.

<u>Critical dates and urgency</u>

To afford permanent protection and stewardship of the property, NWI needs to secure at least partial reimbursement for the purchase made in 2023. The property has no deed restriction on it at present and NWI may need to sell the property in the future without funding to help fund the purchase and long term stewardship.

11. Estimate costs below, including the estimated or appraised value of the propert(ies) or property right(s) to be acquired, even if Conservation Futures Fund 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.

	JCCF Request	Match to JCCF	Total Cost	Timeline
Acquistion				
NWI Upper Yarr Ck property	20,000	20,000	40,000	Aug-25
Acquisition Related Costs:				Aug-25
Deed recording/legal/closing costs	1,000		1,000	
Appraisal	5,000		5,000	
Operations and Maintenance (O&M)				
Stewardship Plan		3,400	3,400	Sep-25
Project management and administration		2,600	2,600	Mar-25-Sept 25
Total Project Costs	26,000	26,000	52,000	
Percent match to JCCF		50%		

Estimated or Appraised Value of Propert(ies) to be Acquired: $**40,000**

Total Estimated Acquisition-related Cost (*see Conservation Futures Manual for eligible costs*): **$8,600**

Total Operation and Maintenance Cost: **$3,400**

Total Project Cost: **$52,000**

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):

Estimate of fee simple fair market value is based on a sale of property to NWI in 2023 for $37,000 and some increase since then.

Scored Questions

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

Sponsors or other organizations are required to contribute to acquisition of the proposed site and/or operation and maintenance activities.

1 a. Please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures Fund program funds.

Describe

1 b. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	**$26,000**	**$0**	**50%**
Matching Funds/Resources*	**$22,600**	**$3,400**	**50%**
Total Project Acquisition Cost	**$48,600**	**$3,400**	**100%**

** 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 c. Source of matching funds/resources	Amount of contribution	Contribution approved?		If not, when?	Contribution available now?		If not, when?
NWI land match	**$20,000**	**Yes**	No	**2025**	**Yes**	No	**2025**
NWI labor donation	**$6,000**	**Yes**	No	**2025**	**Yes**	No	**2025**

NOTE: Fifty-percent (50%) matching funds are required, and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right can 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 has the project sponsor identified the long-term stewardship issues for the proposed project?

2 a. Identify any factors, threats, or stressors that could negatively affect the conservation values and/or community benefits for which the property would be conserved.

No major stewardship issues. Property boundaries have been surveyed and marked. Adjoining property on two sides is permanently protected for forestry under conservation easement by Leopold-Freeman Forests.

2 b. Describe the management strategies that the stewardship plan will include to address the identified factors, threats, or stressors, including any actions planned to make these negative outcomes or impacts less likely.

Stewardship plan will the following management strategies: baseline assessment and restoration and stewardship plan to include: debris cleanup, annual monitoring for weed control and encroachment issues, road decommission and revegetation, potential selective thinning (non-commercial), and tree planting as needed to help restore older forest habitat and species and structural diversity.

2 c. Describe any existing water rights, and current uses of water. Identify any conservation values currently being protected that are dependent on these sources of water.

No water rights and no use of water on the property.

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.

Northwest Watershed Institute is a nonprofit conservation organization that provides scientific, technical and on-the-ground support for watershed restoration and has been conducting habitat stewardship and restoration projects in the Tarboo watershed for over 20 years. NWI employs

conservation biologists and professional restoration field crew and has extensive experience stewarding and managing the Tarboo Wildlife Preserve and private and state conservation properties using professional staff, experienced field crew, contractors, and volunteers.

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

_____No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures Fund funds.

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

Yes. NWI has been involved in eleven previous successful Conservation Futures funded projects in the Tarboo watershed including nine conservation easement projects proposed jointly by NWI and JLT and two fee simple projects. NWI is now completing the West Slope Forest acquisition funded in 2024.

4. 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:

X is specifically identified in an adopted open space, conservation, or resource preservation program or plan, or community conservation effort, that provided opportunities for public review and comment. *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 that was open to public review, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*

__is a stand-alone project, or part of a project that was not open to public review.

Jefferson Land Trust's *Jefferson County Conservation Plan* (2010) generally identifies the Property as within a priority forest conservation area. https://www.saveland.org/wp-content/uploads/2016/06/2010_JLT_ConservationPlan_LoRes.pdf

More specifically, the Property is within two mapped priority areas of the *Tarboo Creek/Dabob Bay Implementation Strategy*, a Sub-Plan of JLT's *Jefferson County Conservation Plan (2010)*. Those priority areas are: 1) the priority habitat stream corridor area and 2) the priority forests area.

The Property is a top priority in Northwest Watershed Institute's *Tarboo Watershed Conservation Strategy* to protect and restore the stream and wildlife corridor of Tarboo Creek (Objective 1) and also fits within the Forestland protection objective (objective 3) http://www.nwwatershed.org/tarboo-watershed-conservation-strategy.html

The proposed properties are within a large priority terrestrial conservation area identified and mapped in the *Willamette Valley- Puget Trough- -Georgia Basin Ecoregional Assessment* (2004 Floberg et al). This priority area includes much of the Tarboo and Thorndyke watersheds. The Ecoregional plan, developed by Washington Department of Fish and Wildlife and The Nature Conservancy, is one of the primary conservation plans for Puget Sound and has received extensive public and scientific review.

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

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

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

NWI purchased the property in 2023 in a bidding war with another potential buyer who wanted to move onto the property with a trailer and storage containers that would likely have caused severe impacts to Yarr Creek, its riparian habitat, and downstream habitat on Tarboo Creek and NWI's Tarboo Wildlife Preserve. The property is comprised mostly of critical habitat of Yarr Creek, its riparian forest and associated steep slope ravines. If NWI cannot secure funding to protect the property under county deed restriction and help fund long term stewardship, NWI may need to sell the parcel and it could be heavily impacted by inappropriate residential development.

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

6 a. Summarize the project's conservation values and how the CFF funds requested support these values.

The project's conservation values are extremely high relative to CF funds requested because the project is low cost and most of the acreage represents critical stream and riparian habitat.

Upper Yarr Creek flows into Tarboo Creek on the Tarboo Wildlife Preserve, so protection of this small critical parcel helps secure water quality and important salmon habitat downstream.

The property also adjoins permanently conserved forestlands on two sides, so protection of this parcel will help long term wildlife connectivity of the larger area.

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

The project's conservation values of stream, salmon habitat, and water quality, as well as wildlife habitat and connectivity are directly served by NWI's objective to fully and permanently protect the parcel as a unit of the Tarboo Wildlife Preserve.

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

7 a. **X** 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).

7 b. **X** provides habitat for native flora and fauna. Identify the documented habitat(s) and native flora or fauna species that will be protected by the project.

7 c. **X** contributes to a wildlife corridor or migration route identified by Washington Connectivity Working Group or other peer-reviewed source.

.

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]

Priority and Listed Species on-site

Tarboo Creek tributaries	**Priority Riparian Habitat**
Western toad (nearby)	**State Candidate and Federal Species of Concern**
Pileated woodpecker (on site)	**State Candidate**

Documented observations by Peter Bahls, NWI

Listed Species benefited downstream in lower Yarr Creek and Tarboo Creek:

Puget Sound steelhead (likely)	**State Candidate and Federal Threatened**
Hood Canal coho salmon (Yarr Ck)	**Federal Species of Concern**
Western Brook lamprey (likely)	**Federal Species of Concern**

Documented in WDFW fish distribution mapping and NWI survey data

Listed Species benefited downstream in Tarboo-Dabob Bay (documented rearing habitat)

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

Documented in NWI's nearshore fish survey report - http://www.nwwatershed.org/uploads/pdf/tarbooFishSurvey.pdf

Provides habitat for a variety of native flora and fauna

The project will protect stream, riparian and forest habitats that support a high diversity of at-risk fish, bird, amphibian, and mammal species that occur in Pacific Northwest forests, including western toad, amphibians, bats, bear, cougar, blacktail deer, and neo-tropical migratory birds. The property comprises stream and riparian habitat along the Yarr Creek ravine, especially important for birds and other wildlife.

Wildlife corridor

The property is a small but critical piece of a long-term effort to protect a significant wildlife corridor from the Tarboo valley to the uplands along Yarr Creek and also directly connects with large protected forestlands. For example, during the Conservation Futures field tour, a radio collared cougar named Yenewes was on a kill site on lower Yarr Creek about ¼ mile away. She has a den with three cubs on the other side of Center Road and is frequently tracked in this area (Matt Mahan, Panthera project).

---

[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

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

8. 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.

Upper Yarr Creek is listed in DNR's stream type mapping as fish bearing, and cutthroat may occur. Lower Yarr Creek, about one-quarter mile downstream, has documented use as spawning habitat by coho salmon and coastal cutthroat trout (per NWI spawning surveys since 2002). The project will protect downstream water quality for salmon in Yarr Creek and Tarboo Creek, as well as helping protect water quality of Dabob Bay, used by juvenile rearing salmon.

Listed Species benefited in adjacent downstream Yarr Creek and Tarboo Creek:

Puget Sound steelhead (historic)	**State Candidate and Federal Threatened**
Hood Canal coho salmon	**Federal Species of Concern**
Western Brook lamprey	**Federal Species of Concern**

Listed Species benefited downstream in Tarboo-Dabob Bay (documented rearing habitat)

Hood Canal summer chum salmon	**State Candidate and Federal Threatened**
Puget Sound Chinook salmon	**State Candidate and Federal Threatened**

9. To what degree does the project preserve farmland for agricultural use OR preserve forestland for forest management?

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

Forest management (non-commercial) will be conducted for restoration purposes, such as weed control, hand selective thinning of young alder, planting of native tree species to restore older forest habitat. These activities will be detailed in the proposed Stewardship Plan.

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

Complete protection of the parcel will allow for full preservation and restoration of soils, water quality, and other watershed functions over time.

9 c. Does this project preserve a mix of quality farmland and forestland?

This specific project involves forestland and habitat protection and does not include agriculture. However, if the definition of agriculture is broadened to include native food foraging, the Property has potential for gathering of black truffles and other edible mushrooms and deer hunting. In addition, although this property does not include agricultural lands, within the context of the large conservation effort for the Tarboo-Dabob Bay watershed, NWI, JLT, and partners are preserving a mix of agricultural lands, forestlands, wetlands, and wildlife habitats.

10. To what degree does this project increase resiliency to and mitigation of climate change, and is the project's scale significant in regards to increasing climate resiliency?

10. Describe how this project will increase resiliency to and mitigation of climate change. Is the project's scale significant in regards to increasing climate resiliency?

This project will increase habitat and wildlife resilience to climate extremes of winter flooding and summer high temperatures by:

1) **protecting riparian vegetation and their undisturbed steep slopes that are vulnerable to increased erosion and sediment impacts to stream habitats during winter flooding, and**
2) **protecting riparian forests and their ability to provide shade that will help reduce summer stream temperatures and impacts to fish.**

11. What area does the project serve?

11 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.

Although the project acreage is small, it benefits a broad county area because it is a key part of a conservation project that extends from the headwaters of Tarboo Creek to the state's Dabob Bay Natural Area to protect and restore habitats and wildlife connectivity on a landscape scale. In particular, the project proposes protection of a critical section of Yarr Creek, where, if developed, there would likely be outsized impacts on downstream salmon habitat, adjoining protected habitats of the Leopold-Freeman Forest and the Tarboo Wildlife Preserve, and potentially the water quality of Dabob Bay, regionally important for shellfish production and public recreation.

11 b. Is the project located in an area that is under-represented by CFF 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.*

No.

12. To what degree is the applicant committing to providing educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

12. Describe the educational or interpretive opportunities that the applicant will provide for 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] Provide the time frames when each of the above will be implemented.

The Property is easily accessible from Center Road and NWI plans to use it as site for supervised field trips of the Tarboo watershed for NWI's education programs for students and community members.

As described in the letter from the Port Gamble S'Klallam Tribe, the Property will also serve an important place for the Tribes to pass on traditions of sustainable gathering of forest plants used for cultural purposes and ceremonies.

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[2] The words "education" and "interpretation" are interpreted broadly by the CFF Committee.

The Property is also available for public access by prior permission, including deer hunting, berry picking, and mushroom picking, three important recreational uses in rural areas

13. To what degree does the project preserve historic or culturally significant resources[3]?

13. The proposed acquisition

__ includes historic or culturally significant resources[4] and

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

X is recognized locally has 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.

Please see letter from Laura Price, Cultural Resources Director for the Port Gamble S'Klallam Tribe, that attests to the importance of this Property for preserving and restoring cultural resources.

The Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon a diversity of intact native plant communities in the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious. The project site's forest is easily accessible and will provide resources for tribal uses, such as cedar bark for basket weaving. If funded, the project will permanently conserve the forest while allowing sustainable harvest and gathering to maintain tribal cultural traditions.

Standalone O & M Projects

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

14. 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

[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.

Upper Yampa

values of the site and whether the proposed O & M activities will mitigate those threats and/or prevent potential future threats.

Verification

15. Sponsor commitments:

15 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.

15 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. PB Initials 2/28/25 Date

15 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.
PB Initials 2/28/25 Date

15 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. PB Initials 2/28/25 Date

15 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. PB Initials 2/28/25 Date

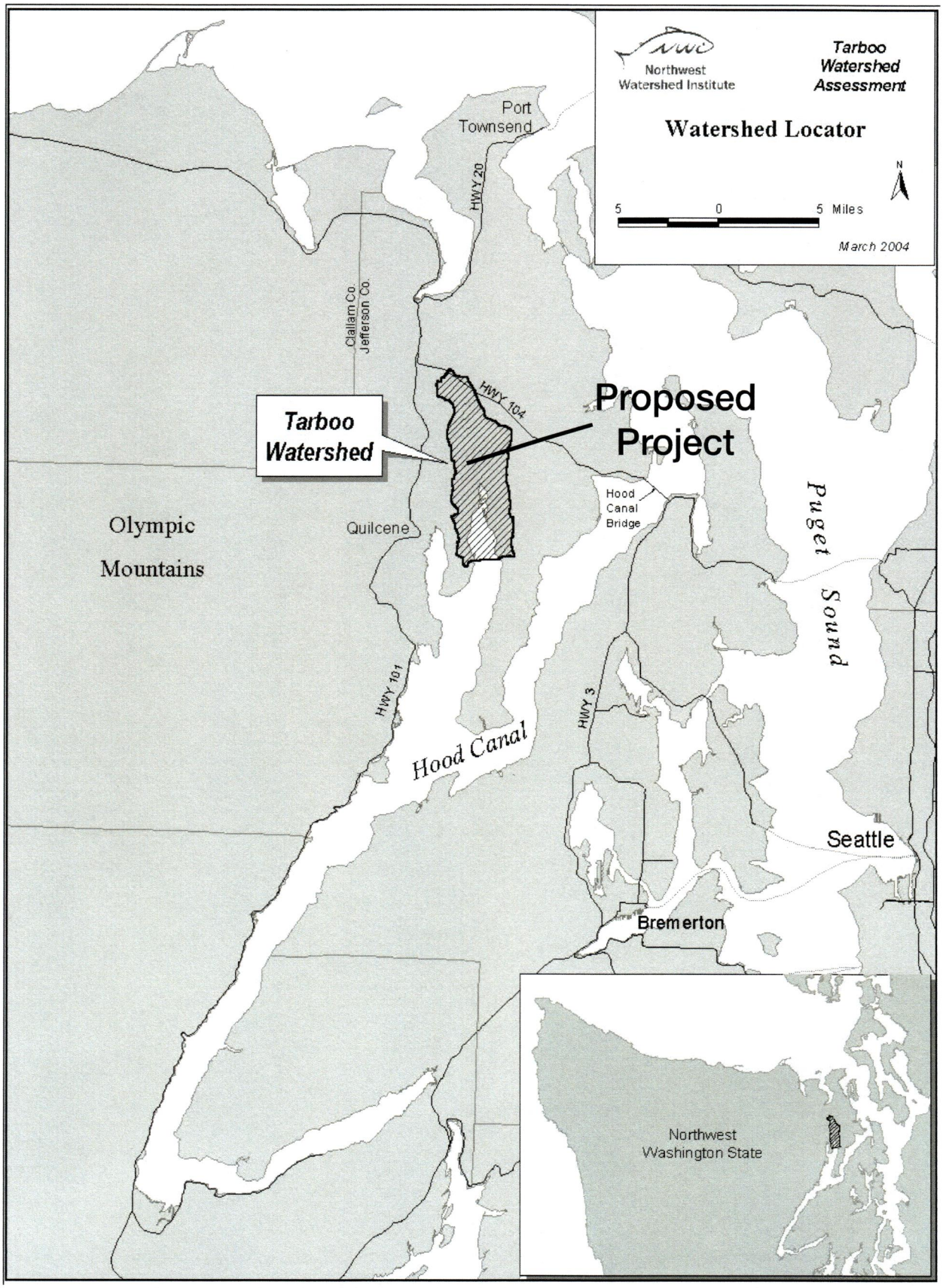


Figure 1. Project location within the Tarboo Creek-Dabob Bay and Hood Canal watersheds.

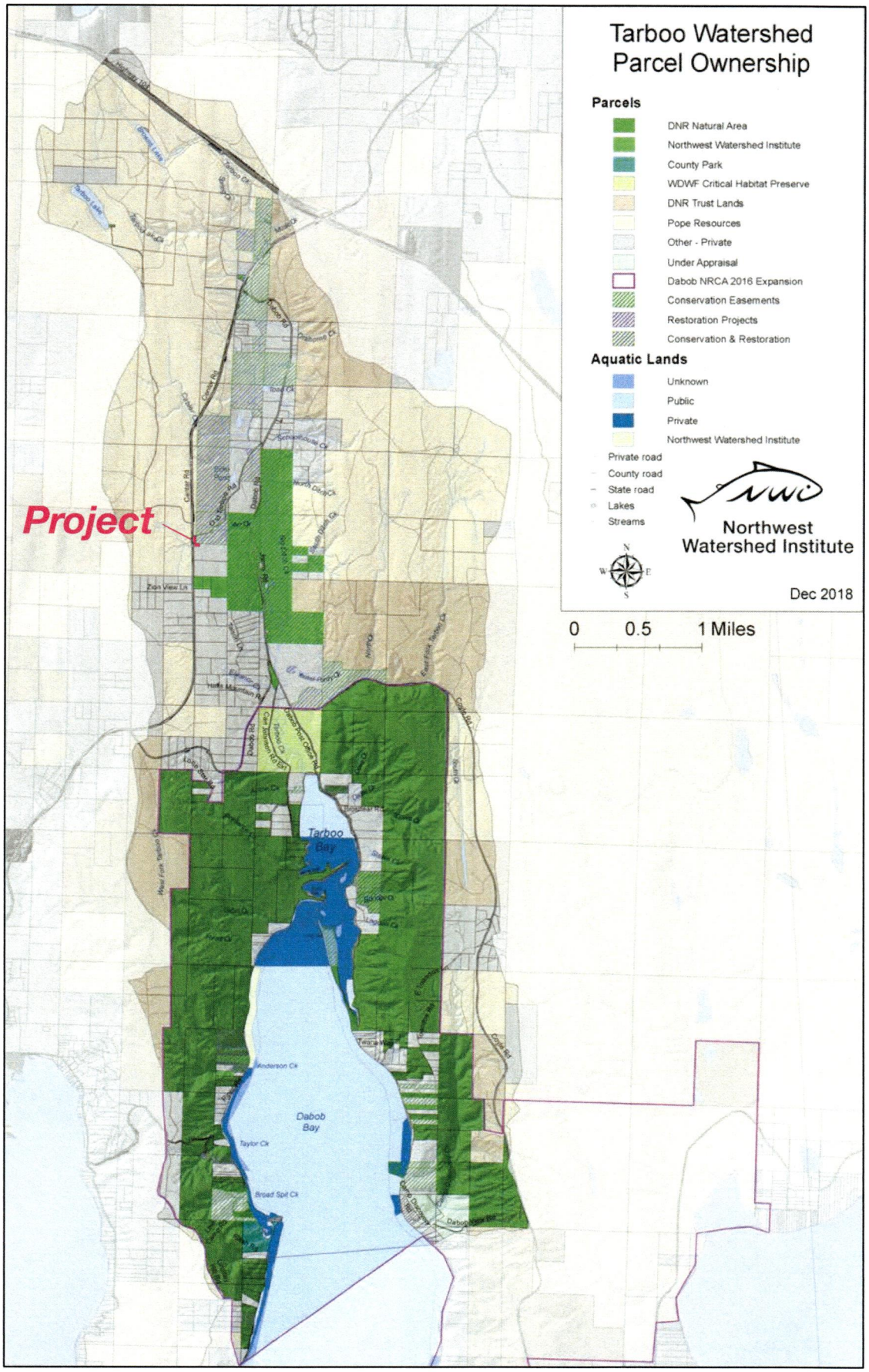


Figure 2. Project location within the Tarboo Creek watershed.

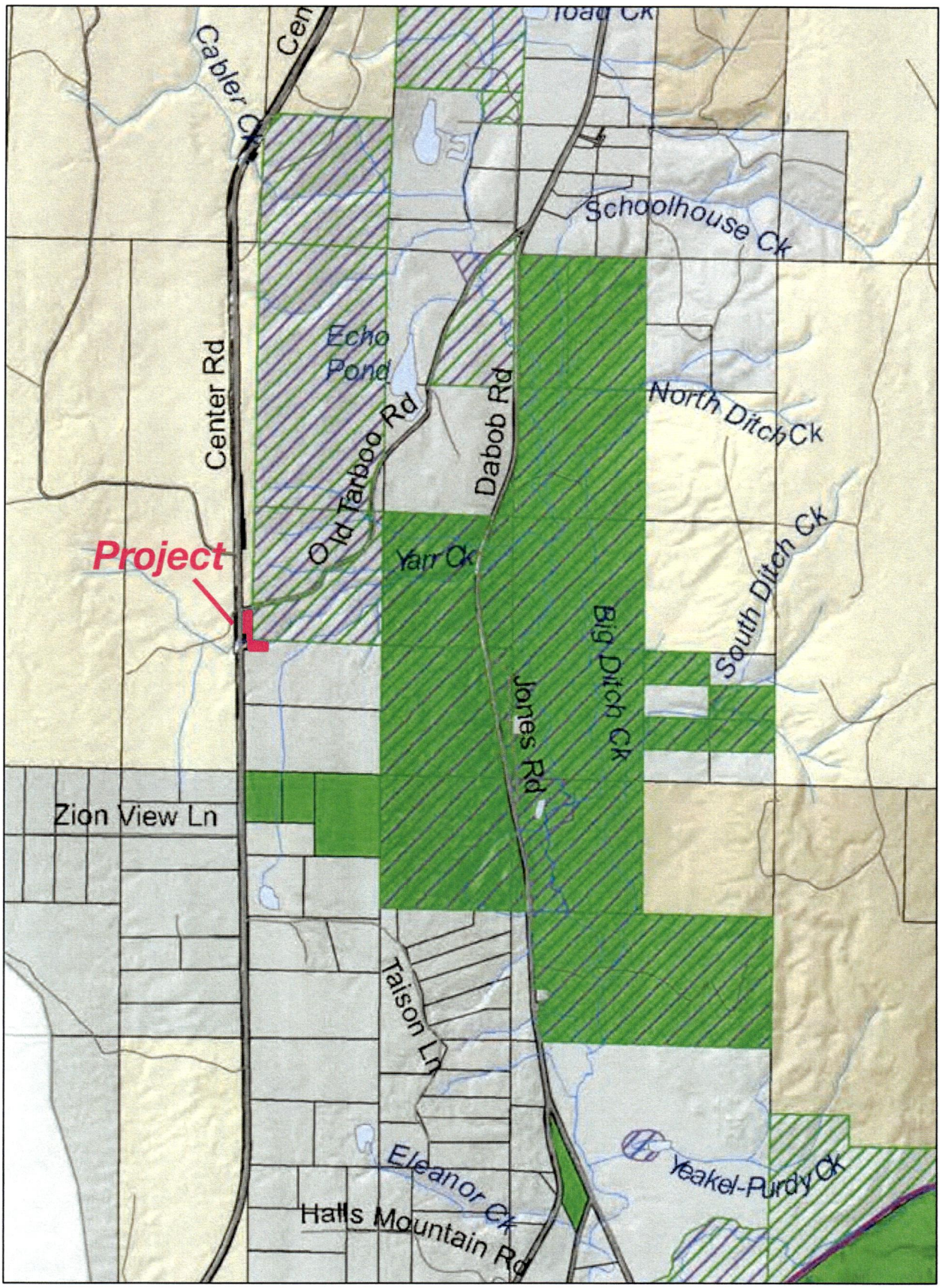


Figure 3. The proposed acquisition adjoins permanently conserved lands of the Leopold-Freeman Forests (hatched lines) and upstream of NWI's Tarboo Wildlife Preserve (green).

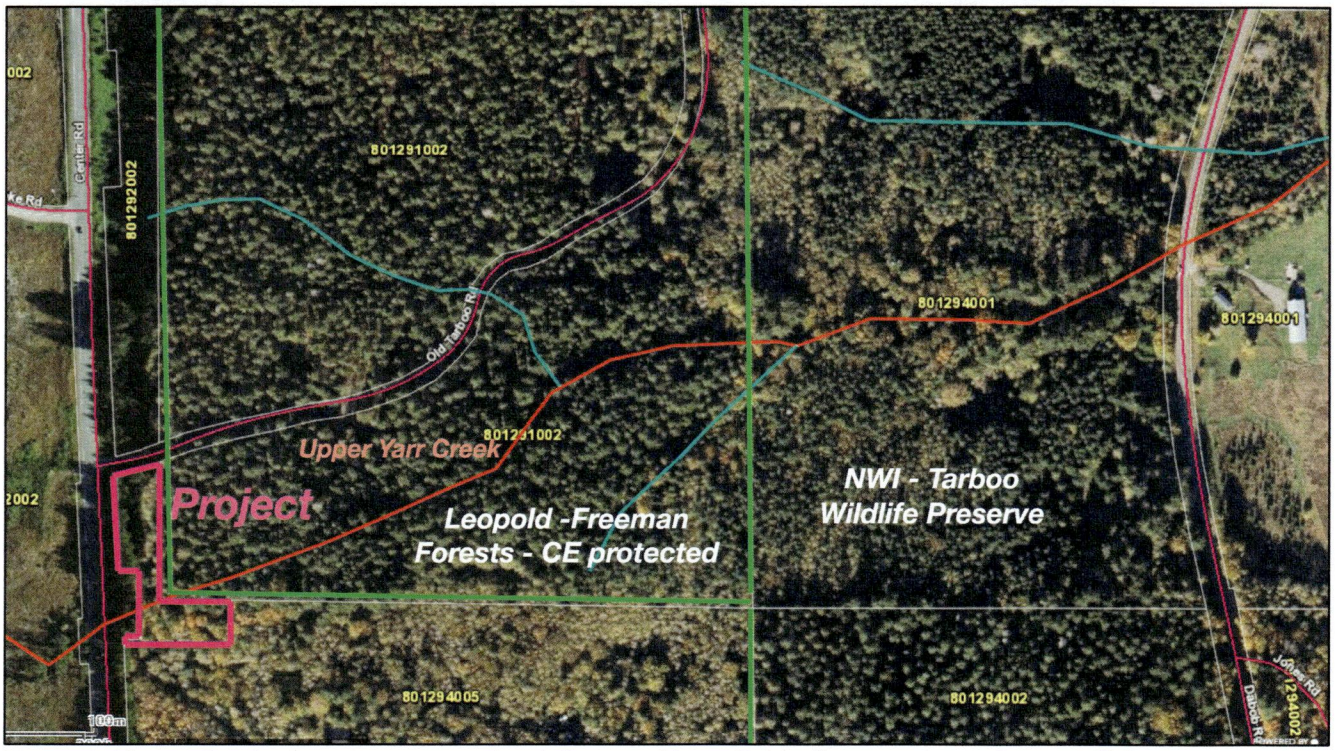


Figure 4. The project is along Upper Yarr Creek (mapped in red) that flows to the Tarboo Widllife Preserve.

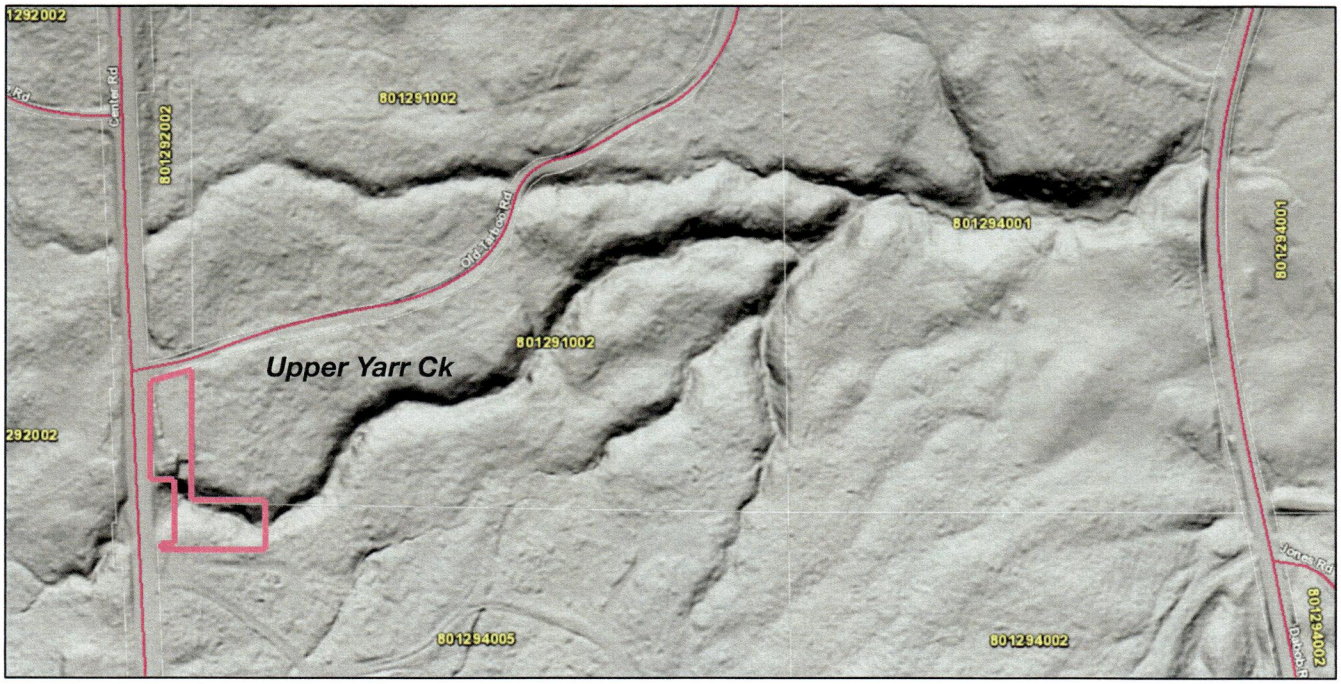


Figure 5. Lydar show the project in relation to Yarr Creek and tributaries in ravines.



Figure 6. Arial photo showing actual stream course and riparian vegetation through the property.

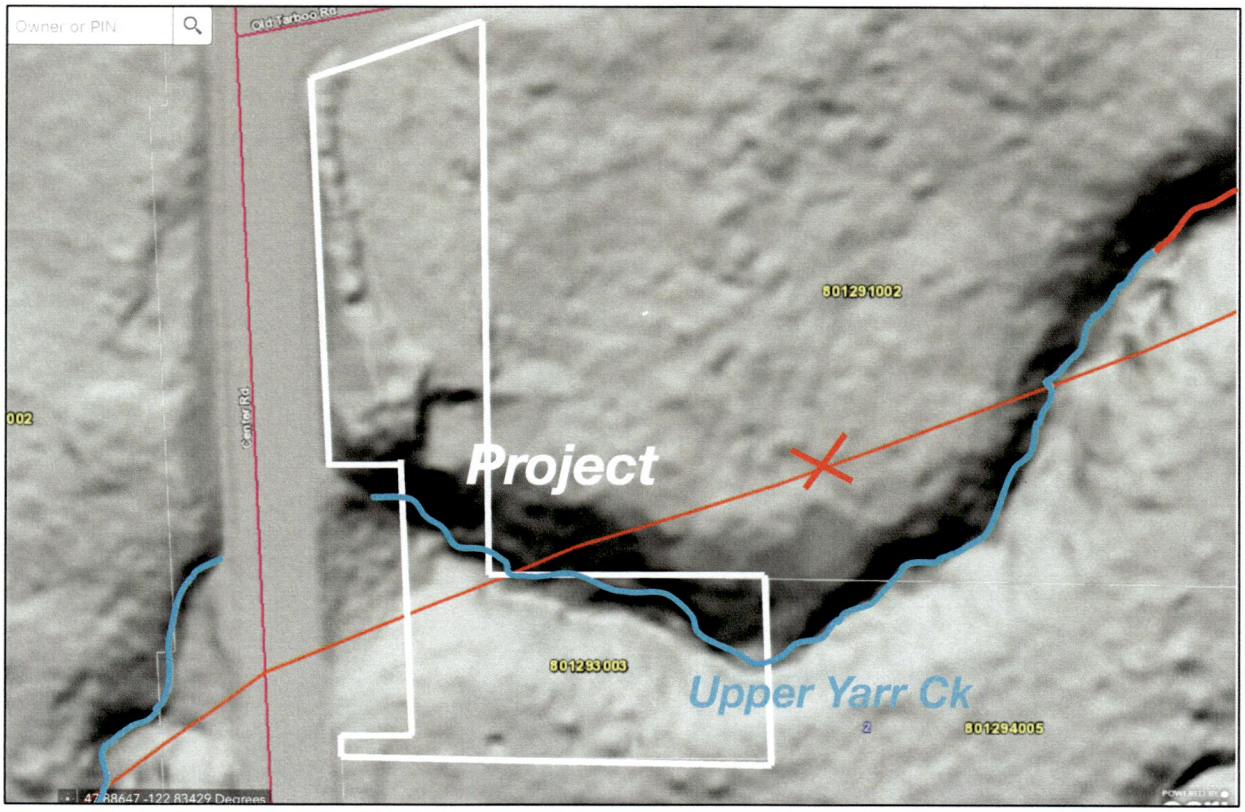


Figure 7.Lydar image showing Upper Yarr Creek in ravine that runs through the property. Orange line is incorrect stream location shown on Jefferson County GIS.



Figure 8. Upper Yarr Creek and riparian forest on the property. Most of the property is Priority Habitat.



Figure 9. Mixed mature native forest on the property.



Figure 10. Steep side slope in Upper Yarr Creek ravine.



Figure 11. The south side of property includes younger hardwood forest.



Figure 12. Western toad, a state listed at-risk species, has been found nearby and is expected to use forest habitat on the property.

Jefferson County Conservation Futures Proposal 2025
Upper Yarr Creek Acquisition Project

SUPPLEMENTAL MATERIALS

Proof of willing seller: See narrative, project sponsor proposing to sell deed restriction to property already owned by NWI.

Estimate of value: No appraisal required. Requesting $20,000 or less.

Site location map: See separate PDF, maps and photos

Critical areas map: See separate PDF, maps and photos

Project boundary map: See separate PDF, maps and photos

Color images: See separate PDF, maps and photos

Development plan or Narrative: NA

Proof of 501c3 status

Current budget: 2024-2025

Board roster: 2024-2025

Staff roster: 2025

Financial statements: last fiscal year July 2023-June 2024

Resolution to submit proposal: NWI executive committee resolution

Cultural Resources letter from Port Gamble S'Klallam Tribe, Feb 27, 2025

Northwest
Watershed Institute

3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 *fax* 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

February 27, 2025

Dear Jefferson County Conservation Futures Committee:

NWI is willing to protect the Upper Yarr Creek property through compensation to NWI for placing a permanent county deed restriction on the property that prohibits all uses incompatible with habitat conservation and restoration.

Sincerely,

Peter Bahls
Executive Director

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 24 2006

NORTHWEST WATERSHED INSTITUTE
3407 EDDY STREET
PORT TOWNSEND, WA 98368-0000

Employer Identification Number:
93-1325820
DLN:
17053259778026
Contact Person:
CLINTON L FORTNER ID# 31163
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated JANUARY 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	1,500,000.00	
4020 · Foundation	2,000.00	
4030 · State Funds	42,000.00	
Total Grant Revenue		1,544,000.00
Contributed Income		
4040 · Restricted	131,000.00	
4050 · Unrestricted	120,000.00	
Contributed Income - Other	0.00	
Total Contributed Income		251,000.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	18,000.00	
4182 · Rental Income - Yarr Caretaker	6,000.00	
Total Rental/Lease Income		28,000.00
Consulting/Miscellaneous		
4210 · Consulting Fees	2,000.00	
Total Consulting/Miscellaneous		2,000.00
Total Income		1,825,000.00
Gross Profit		1,825,000.00
Expense		
Health benefits		
6096 · Health insurance	34,000.00	
6094 · HSA Contribution	10,600.00	
Total Health benefits		44,600.00
6041 · Paypal Fees		300.00
6010 · Advertising		100.00
6030 · Automobile Expense		2,500.00
6040 · Bank Service Charges		500.00
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,000.00	
6093 · Liability Insurance	4,000.00	
Total Insurance		8,000.00
Land Acquisition		
6170 · Closing Expenses	40,000.00	
6150 · Land	1,300,000.00	
Land Acquisition - Other	0.00	
Total Land Acquisition		1,340,000.00
6180 · Licenses and Permits		0.00
6210 · Miscellaneous		0.00
Payroll Expenses		
Gross wages		
6237 · Education Director	24,000.00	
6231 · Director	90,000.00	
6232 · Stewardship Director	36,000.00	
6233 · Project Assistant	7,000.00	
6234 · Field Crew	88,000.00	
Total Gross wages	245,000.00	

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25	
Payroll Taxes		
6246 · Paid Family and Medical Leave	0.00	
6240 · Medicare	3,500.00	
6241 · Social Security	15,000.00	
6243 · Workers Comp	11,000.00	
6245 · WA State Unemployment	3,600.00	
Total Payroll Taxes	33,100.00	
Payroll Expenses - Other	0.00	
Total Payroll Expenses		278,100.00
6250 · Postage and Delivery		750.00
6260 · Printing and Reproduction		750.00
Professional Fees		
6271 · Accounting	1,500.00	
6274 · Legal Fees	2,000.00	
Total Professional Fees		3,500.00
Program Expense		
6284 · Student Stipend	2,000.00	
6282 · Fees	1,600.00	
6283 · Project subcontractors	40,000.00	
6286 · Overrun	0.00	
Total Program Expense		43,600.00
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	0.00	
6310 · Building Repairs	50,000.00	
6320 · Computer Repairs	250.00	
6330 · Equipment Repairs	3,000.00	
Repairs and Maintenance - Other	500.00	
Total Repairs and Maintenance		53,750.00
Supplies		
6420 · Field Supplies	30,000.00	
6440 · Office Supplies	2,000.00	
Total Supplies		32,000.00
Taxes		
6510 · Property Taxes	5,000.00	
Total Taxes		5,000.00
Telephone/Communications		
6650 · Mobile phone	1,800.00	
6610 · Internet Server	800.00	
6620 · Telephone - Local	0.00	
Telephone/Communications - Other	0.00	
Total Telephone/Communications		2,600.00
Travel & Ent		
6720 · Meals	140.00	
Total Travel & Ent		140.00
Utilities		
6810 · Gas and Electric	600.00	
Utilities - Other	0.00	
Total Utilities		600.00

Northwest Watershed Institute
Profit & Loss Budget Overview
July 2024 through June 2025

	Jul '24 - Jun 25
9000 · Suspense	0.00
Total Expense	1,830,390.00
Net Ordinary Income	-5,390.00
Other Income/Expense	
Other Income	
7010 · Interest Income	10,000.00
Total Other Income	10,000.00
Other Expense	
8016 · Conservation Ease/Deed Restri	0.00
Total Other Expense	0.00
Net Other Income	10,000.00
Net Income	**4,610.00**

Northwest Watershed Institute

BOARD OF DIRECTORS 2024-25

Board Members and Officers	**Affiliation and Term on the Board of Directors**
Peter Bahls President, Vice-President, Treasurer 3407 Eddy Street Port Townsend, WA 98368	Peter Bahls is currently full time Executive Director and Conservation Biologist for Northwest Watershed Institute. Term – 2023-2025
Jean Ball Board Member 10221 Center Road, Quilcene, WA 98368	Jean Ball is a farmer and naturalist in Quilcene, Washington. Term – 2024-2026
Scott Calhoun Board Member 5710 59th Ave NE Seattle, WA 98105	Scott Calhoun studied biology and geology in college and graduate school where he specialized in shorelines and watersheds. He owns forestland in the Tarboo watershed. Term – 2024-2026
Janis Henry Secretary 14445 SE 55th Street Bellevue, WA 98006	Janis Henry is a retired biotech patent attorney and chemist with over 30 years of experience. She is a life-long nature enthusiast and embraces adventure travel. Term – 2023-2025
Gene Jones Board Member 5860 NE Totten Road Poulsbo, WA 98370	Gene Jones is a member of the Port Gamble S'Klallam Tribe and spiritual leader for four Tribes in the Olympic Peninsula region. Term – 2023-2025
Liz Hoenig Kanieski 1005 Lawrence Street Port Townsend, WA 98368	Liz Hoenig Kanieski has over 25 years of experience as a field biologist, environmental educator, and environmental planner. Much of her work has focused on watershed protection, citizen engagement and water resources. Term – 2023-2025
Keith Lazelle Board Member PO Box 192 Quilcene, WA 98376	Keith Lazelle is an award-winning nature photographer who lives on Dabob Bay. His work has been used by many environmental organizations including Audubon, Hoh River Trust, The Nature Conservancy, and NWI. Term – 2024-2026

Northwest Watershed Institute

STAFF ROSTER 2025

Peter Bahls, Executive Director

Wesley Meyers, Stewardship Director

Megan Brookens, Education and Outreach Director

Robin Enge, Administrative Assistant

Eva Ellis, Field Crew

Bernt Goodson, Field Crew

Zack Hawkes, Field Crew

Hanna Petersen, Field Crew

Veronica Phelan, Field Crew

Grace Rabbitt Burke, Field Crew

Trevor Williams, Field Crew

Abel Dances, Carpenter

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Ordinary Income/Expense		
Income		
Grant Revenue		
4010 · Federal Funds	2,057,763.40	
4020 · Foundation	1,614.27	
4030 · State Funds	41,710.22	
Total Grant Revenue		2,101,087.89
Contributed Income		
4040 · Restricted	130,710.00	
4050 · Unrestricted	116,423.00	
Contributed Income - Other	520.00	
Total Contributed Income		247,653.00
Rental/Lease Income		
4165 · Olson tideland lease	4,000.00	
4175 · Rental Income Reinertsen Rental	7,673.37	
4182 · Rental Income - Yarr Caretaker	4,139.46	
Total Rental/Lease Income		15,812.83
Consulting/Miscellaneous		
4210 · Consulting Fees	1,155.00	
Total Consulting/Miscellaneous		1,155.00
Total Income		2,365,708.72
Gross Profit		2,365,708.72
Expense		
Health benefits		
6096 · Health insurance	31,075.72	
6094 · HSA Contribution	10,300.00	
Total Health benefits		41,375.72
6041 · Paypal Fees		289.80
6010 · Advertising		127.05
6030 · Automobile Expense		2,033.19
6040 · Bank Service Charges		499.77
6060 · Depreciation Expense		1,600.00
Insurance		
6091 · Auto	4,130.00	
6093 · Liability Insurance	4,059.45	
Total Insurance		8,189.45
Land Acquisition		
6170 · Closing Expenses	0.00	
Total Land Acquisition		0.00
6180 · Licenses and Permits		15.00
6210 · Miscellaneous		163.37
Payroll Expenses		
Gross wages		
6237 · Education Director	23,754.50	
6231 · Director	73,333.48	
6232 · Stewardship Director	33,682.00	
6233 · Project Assistant	6,119.00	
6234 · Field Crew	86,245.20	
Total Gross wages	223,134.18	

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24	
Payroll Taxes		
6246 · Paid Family and Medical Leave	1.19	
6240 · Medicare	3,305.81	
6241 · Social Security	14,169.09	
6243 · Workers Comp	10,942.09	
6245 · WA State Unemployment	3,687.53	
Total Payroll Taxes	32,105.71	
Payroll Expenses - Other	4,853.32	
Total Payroll Expenses		260,093.21
6250 · Postage and Delivery		744.74
6260 · Printing and Reproduction		758.11
Professional Fees		
6271 · Accounting	1,375.00	
6274 · Legal Fees	324.50	
Total Professional Fees		1,699.50
Program Expense		
6284 · Student Stipend	0.00	
6282 · Fees	1,553.89	
6283 · Project subcontractors	82,835.44	
6286 · Overrun	68.55	
Total Program Expense		84,457.88
6290 · Rent		12,000.00
Repairs and Maintenance		
6350 · Septic Repair	9,769.44	
6310 · Building Repairs	9,207.34	
6320 · Computer Repairs	248.20	
6330 · Equipment Repairs	2,868.14	
Repairs and Maintenance - Other	474.37	
Total Repairs and Maintenance		22,567.49
Supplies		
6420 · Field Supplies	8,204.99	
6440 · Office Supplies	1,951.11	
Total Supplies		10,156.10
Taxes		
6510 · Property Taxes	4,963.81	
Total Taxes		4,963.81
Telephone/Communications		
6650 · Mobile phone	1,567.40	
6610 · Internet Server	758.50	
6620 · Telephone - Local	81.26	
Telephone/Communications - Other	142.28	
Total Telephone/Communications		2,549.44
Travel & Ent		
6720 · Meals	144.65	
Total Travel & Ent		144.65
Utilities		
6810 · Gas and Electric	696.03	
Utilities - Other	770.16	
Total Utilities		1,466.19

Northwest Watershed Institute
Profit & Loss
July 2023 through June 2024

	Jul '23 - Jun 24
9000 · Suspense	267.06
Total Expense	456,161.53
Net Ordinary Income	1,909,547.19
Other Income/Expense	
Other Income	
7010 · Interest Income	9,952.06
Total Other Income	9,952.06
Other Expense	
8016 · Conservation Ease/Deed Restri	782,040.09
Total Other Expense	782,040.09
Net Other Income	-772,088.03
Net Income	**1,137,459.16**

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

		Jun 30, 24
ASSETS		
Current Assets		
Checking/Savings		
First Fed CD -3090		51,430.51
First Federal CD -3091		51,523.58
First Fed Savings		52,417.11
1020 · Checking - Kitsap		59,986.66
Total Checking/Savings		215,357.86
Accounts Receivable		
1200 · Accounts Receivable		22,048.75
Total Accounts Receivable		22,048.75
Other Current Assets		
1250 · Prepaid Insurance		2,115.50
1300 · Employee advance		163.88
1499 · Undeposited Funds		111,313.33
Total Other Current Assets		113,592.71
Total Current Assets		350,999.32
Fixed Assets		
1513 · Vehicle - 2001 Ford xtra Cab		8,000.00
1554 · Trailers		4,000.00
1512 · Vehicle - Ford pickup		4,150.00
1530 · Kubota Tractor		16,709.10
1590 · Accumulated Depreciation		-28,592.08
Property		
1555 · Capital Improvements	3,035.20	
1551 · Land	2,197,217.48	
Total Property		2,200,252.68
Total Fixed Assets		2,204,519.70
TOTAL ASSETS		**2,555,519.02**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable		5,965.77
Total Accounts Payable		5,965.77
Other Current Liabilities		
2100 · Payroll Liabilities		
2105 · Fica, Medicare, FWH Payable	5,148.22	
2109 · WA - Paid Fam Med Leave Emp.	446.33	
2120 · Workers Comp Payable	5,013.23	
2130 · SUTA & EAF Payable	1,663.44	
2125 · FUTA Payable	267.06	
2100 · Payroll Liabilities - Other	489.77	
Total 2100 · Payroll Liabilities		13,028.05
2250 · Rental Security Deposit		3,000.00
Total Other Current Liabilities		16,028.05
Total Current Liabilities		21,993.82
Total Liabilities		21,993.82

Northwest Watershed Institute
Balance Sheet
As of June 30, 2024

	Jun 30, 24
Equity	
1110 · Retained Earnings	1,396,066.04
Net Income	1,137,459.16
Total Equity	2,533,525.20
TOTAL LIABILITIES & EQUITY	**2,555,519.02**

Northwest
Watershed Institute

3407 Eddy Street | Port Townsend, Washington 98368
voice 360.385.6786 *fax* 360.385.2839
email peter@nwwatershed.org | www.nwwatershed.org

Memo

To: Tarboo Creek Conservation Project File

From: Peter Bahls, Executive Director

CC:

Date: February 25, 2025

Re: Executive Committee Resolution to Submit Jefferson County Conservation Futures 2025 Application for the *Upper Yarr Creek* project.

At its Annual Board Meeting of June 21, 2024, the Board of Directors of Northwest Watershed Institute unanimously approved the following resolution –

An executive committee comprised of Peter Bahls and Janis Henry shall serve as an executive committee to have the power to make on-going decisions between Board meetings per the existing by-laws.

On February 25, 2025 the executive committee approved the following resolution –

DECIDED – Northwest Watershed Institute shall sponsor and submit a grant application for Jefferson County Conservation Futures 2025 Program to propose acquisition and restoration of the 1-acre Upper Yarr Creek project.

Priority: The Toandos Forest property is 6x the size of the Upper Yarr property and is at high risk of development if JCCF funding is not awarded, so it is considered the top priority for NWI.

Peter Bahls
President

Janis Henry
Secretary

February 27, 2025

Peter Bahls, Executive Director
Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

Dear Mr. Bahls:

I understand that Northwest Watershed Institute is applying for Jefferson County Conservation Futures (JCCF) grant funding to acquire and protect **Upper Yarr Creek**, 1 acre of stream and riparian forest habitat adjacent to protected lands of the Leopold-Freeman Forest and flowing into lower Yarr Creek on NWI's Tarboo Wildlife Preserve in the Tarboo valley. If successful, the grant funding will protect the forest under county deed restrictions and allow older forest habitats to develop. We strongly support this project and want to convey the importance of the forest and stream habitat as a cultural resource to the Tribes.

The JCCF grant application states that cultural resources include "...traditional, religious, ceremonial, and social uses and activities of affected Indian Tribes...". I want to make it clear that the Upper Yarr Creek property is a cultural resource under this definition and the proposed plan for protection and restoration would help grow its importance.

Four tribes - Port Gamble S'Klallam Tribe, Jamestown S'Klallam Tribe, Lower Elwha S'Klallam Tribe, and Skokomish Tribe - are signatories to the Point No Point Treaty and retain the right to hunt and gather within their Usual and Accustomed Area, including the Tarboo watershed. These Tribes continue to rely upon the forests of the region, as they have for thousands of years, as places where they gather traditional food, medicine, and materials for use in all aspects of their cultural life, including social and religious.

Salmon and shellfish are central to sustaining the cultural heritage of the Tribes. Yarr Creek is an important coho salmon spawning stream and these habitats are recognized by the Tribe not just as natural resources but as cultural resources vital for sustaining salmon runs, as well protecting water quality for shellfish production in Dabob Bay.

In addition, Tribal members harvest wood from cedar, big leaf maple, and alder trees to make large box drums, masks, and other traditional objects that the Tribes have used for thousands of years for religious and social ceremonies. However, with the conversion of vast areas to private industrial tree farms and development projects, it is increasing difficult for the Tribes to access forests suitable for traditional cultural uses.

The proposed project will protect important cultural resources for the Tribes: habitat that sustains salmon and shellfish and forest that provides a large variety of indigenous plants and trees of cultural importance. s.

Sincerely,

Laura L. Price

Laura Price
Cultural Resources Director
Port Gamble S'Klallam Tribe
31912 Little Boston RD NE
Kingston WA 98346
Office: 360-297-9655
Cell: 360-509-7723

EXAMPLE OF RE-RECORD OF SWD FOR CONSERVATION FUTURES PURPOSES

AFTER RECORDING RETURN TO:

Northwest Watershed Institute
3407 Eddy Street
Port Townsend, WA 98368

DOCUMENT TITLE: Statutory Warranty Deed – Re-Record

GRANTOR: Rosie L. von Engel

GRANTEE: Northwest Watershed Institute

ABBREVIATED LEGAL DESCRIPTION (Complete description on Page 1): S29 T28 R1W Tax 2

ASSESSOR'S TAX PARCEL NUMBER(S): 801 293 003

REFERENCE NUMBERS OF RELATED DOCUMENTS: 658592

The parties are re-recording the Statutory Warranty Deed, recorded on 01/17/2023 in the official records of Jefferson County, Washington, under Auditor's File No. 658592 (a copy of which is attached hereto as Exhibit A), for the sole purpose of including language required by Jefferson County providing funding to Grantee Northwest Watershed Institute's acquisition of the property described in said Statutory Warranty Deed, and without additional consideration from Grantee to Grantor.

STATUTORY WARRANTY DEED
(RE-RECORD)

THE GRANTOR Rosie L. von Engel, now according to the application for title insurance Rose/Marie Ludmilla von Engel, as her separate estate for an in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION in hand paid, conveys and warrants to Northwest Watershed Institute, a Washington nonprofit corporation the following described real estate, situated in the County of Jefferson, State of Washington (the "Property"):

Tax Parcel Number(s): 801 293 003

That portion of the North 100 feet of the Southeast ¼ of the Southwest ¼ of Section 29, Township 28 North, Range 1 West, W.M. and that portion of the Northeast ¼ of the Southwest ¼ of said Section 29 lying Easterly of the Quilcene-Center County Road right of way as conveyed by Deed recorded March 13, 1956 under Auditor's File No. 149069 and Southerly of the Old Tarboo Lake Road as conveyed by Deed recorded March 1, 1948 under Auditor's File No. 112974, in Jefferson County, Washington;

Together with the West 158 feet of the North 100 feet of the Southwest ¼ of the Southeast ¼ in said Section 29.

Situate in the County of Jefferson, State of Washington.

SUBJECT TO: Covenants, Conditions, Restrictions, Easements, Plats and Surveys, if any, affecting title, which may appear in the public record

Grantee's costs of acquiring the Property were provided in part by grant funding from the Jefferson County Conservation Futures property tax authorized by Washington law. Grantee hereby agrees to be bound by Jefferson County Code (JCC) 3.08.030(9), the uses authorized under RCW 84.34.230, including the obligation to ensure the long-term conservation of the Property in accordance with the terms and conditions of this Notice of Grant Restrictions and Restrictive Covenants for Conservation Purposes, and to obtain the consent of Jefferson County prior to any conveyance of any interest acquired hereby. Consistent with JCC 3.08.030(9), the Property shall not be converted to a different use unless and only if other equivalent lands or interest in lands within Jefferson County are received by Grantee in exchange.

{Signature page(s) to follow}

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTOR:

_____
Rosie L. von Engel

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Rosie L. von Engel, known to me or proved by satisfactory evidence to be the individual described in this instrument, acknowledged before me that she signed this instrument as her free and voluntary act and deed for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

IN WITNESS WHEREOF, Grantee has caused this instrument to be executed and delivered as of the _____ day of _____, 2025.

GRANTEE:

NORTHWEST WATERSHED INSTITUTE

By:_____

Its:_____

Date:_____

State of Washington)
) ss.
County of _____)

On this _____ day of _____, 2025, Peter Bahls, known to me or proved by satisfactory evidence to be the individual described in this instrument, acting in his capacity as Executive Director of Northwest Watershed Institute, acknowledged before me that he signed this instrument as the free and voluntary act and deed of such corporation for the uses and purposes stated therein.

_____
Notary Public for State of Washington
Residing at: _____
My commission expires:_____

EXHIBIT A

Original Statutory Warranty Deed

{attached}

Jefferson County Conservation Futures Fund (JCCFF)

Special Meeting: Hybrid between JCPH and Zoom Connection
April 01, 2025 from 2:00 to 4:30 PM
DRAFT Summary

Members Present: Tom Backman, District 3; Carol Bernthal, District 1; Laurie de Koch, District 3; Tom Ehrlichman, District 2; Rob Harbour, Interest – Working Lands; Richard Jahnke, Interest – Coastal Areas; Cheryl Lowe, Interest – Habitat Values; E. Ryan McMackin, Interest – Wetlands; Joanne Pontrello, Chair, District 2; Ron Rempel, Vice Chair, Interest – Wildlife Conservation Biology; Robert Simmons, Interest – Watersheds; Dave Wilkinson, District 1

Members Absent: None

County Staff Present: Tami Pokorny, Natural Resources Program Coordinator; Tressa Linquist, Clerk, Environmental Public Health

Others Present: Peter Bahls of Northwest Watershed Institute

I. Call to Order, Roll Call, Determination of Quorum

Chair Joanne Pontrello called the meeting to order at 2:05 PM. Roll call was performed. All members were present, quorum was met.

Tressa informed the group that measures were taken to increase Zoom security since the last meeting, and that a transcript was now being generated along with the Zoom recording.

II. Public Comments

None.

III. Summary of previous meeting

Tom B moved to approve the 04/01/2025 meeting summary. Bob seconded. The meeting summary was approved by consensus.

IV. Old Business

Approval of amended 02/19/2025 meeting summary: Tom E was satisfied with his requested changes to the summary. Rick moved to approve, Tom E seconded. The meeting summary was approved by consensus.

V. Sub-Committee Reports

Materials: The Sub-Committee has not met since our last meeting and had no updates.

Storymap: Sub-Committee (Rob, Cheryl, Tressa) will meet 04/23/2025 at JCPH at noon to begin site redesign. Now is a great time to join.

Note a correction to what was stated in the meeting: There are two spots available on the Storymap Sub-Committee, not one. Each Sub-Committee may have up to four members.

VI. New Business

Conflict of interest review

Tressa displayed again the three questions each CFFCOC member should ask of themselves regarding conflicts of interest and the projects/lands up for consideration (crafted in 2002 by county Chief Civil Deputy Prosecuting Attorney, David Alvarez). Time was allowed for reflection and voicing of recusal. No conflicts of interest were reported.

- Do you, as a member of the CFFCOC, stand to gain or lose any financial benefit as a result of the outcome of this hearing?
- Are you, as a CFFCOC member, unable to hear and consider this application in a fair and objective manner, i.e., without bias and without a predisposition to any particular result regarding this application?
- Have you, as a CFFCOC member, engaged in any communication outside this hearing with either a proponent or opponent of this particular application?

2025 Funding

The amount of funding available for this CFF cycle is estimated to be ~$321,000. This includes $252,000 from 2024 revenues and ~$69,000 in funds returned from the cancelled North Barry/Snow Creek project. These numbers need to be finalized with the Finance department, but with the total request this cycle being $230,500, it is safe to assume that there are sufficient funds available to grant each project in full, should the Committee vote to do so.

2025 funding requests

Deerfoot Forest	$110,000
Upper Yarr Creek	$26,000
Toandos Forest	$94,500

Robert's Rules of Order

A simplified procedure for conducting meetings using Robert's Rules of Order was displayed as a refresher for the group. Any motions made should be stated clearly, following the procedure, and each member should be given an opportunity to speak before a member may speak again. Respect and decorum are expected.

2025 Project Application Scoring Review and Ranking

Tressa displayed a workbook showing individual and cumulative scores for the three 2025 project applications. The 70% cutoff for automatic eligibility (outlined in the Manual, page 4) is 177 points (0.7*253 total points allowed). Average scores were displayed. Toandos Forest exceeded the cutoff, Deerfoot Forest and Upper Yarr Creek fell below the cutoff. %CVs for each project showed the Committee was more divided on the Deerfoot project, less so on Upper Yarr and Toandos Forest.

Project Name	Score	%CV
Deerfoot Forest	163	64%
Upper Yarr Creek	167	66%

Toandos Forest 191 70%

It was noted that projects may still be recommended for funding despite falling below the 70% cutoff, if compelling reasons are brought forward during the discussion. This has occurred many times in the past. Questions on the score sheet are up for personal interpretation. Some members score projects based on inherent values, other members score projects relative to each other. Often there are broader benefits and/or conservation values that are not captured in the scoring process.

Rob Harbour removed himself from the discussion and sat-in as a member of the public, having missed the project presentation meeting and thus being ineligible to vote this cycle.

Members were given an opportunity to revise their submitted individual scores if new perspectives had been gained. Ultimately, it was decided that a more appropriate approach would be to leave the scores as-is and make recommendations based on the arguments presented during today's discussion. Are these lands key open spaces that are worthy of public investment? Do they meet the criteria outlined in JCC for preservation of unique and valuable resources?

Discussion began with scores for **Deerfoot Forest**. Some committee members expressed that their final scores did not reflect their overall opinion on the project's value. The property is a significant area (37 acres) of mature forest surrounded by residential property and commercial forests, much of which have been recently logged. It will take the surrounding landscape many years to develop into the mature and diverse condition Deerfoot is in. An ecological "island." It has hydrologic value to two watersheds. If not conserved, the two parcels may be sold individually in the future, perhaps for development or forestry. The current owners have demonstrated a long-term commitment to stewarding diversity. They are open to having opportunities for community education. **Ryan moved to deem Deerfoot Forest worthy of funding, and Tom E seconded. The motion was passed by consensus**. There was no further discussion on the project. **Carol moved to fully fund Deerfoot Forest at $110,000. Tom B seconded. The motion to fully fund Deerfoot Forest was passed by consensus.**

Discussion moved to **Upper Yarr Creek**. This project had a lower level of deviation, meaning the committee were in greater agreement about the final score. Protecting this parcel, which has Yarr Creek flowing through it at the base of a steep hill, will protect the stream from erosion or human impacts to the hillside. It is a small parcel, but it is very vulnerable. The fact that NWI already owns the parcel was discussed – if it is owned by a conservation entity, is it actually threatened? NWI is asking to be reimbursed/rewarded for taking on the risk. The committee should consider this potential scenario in their revision of the program materials. The real estate market is dynamic and fast-paced, and CFF is not an agile program. The parcel is part of a well-managed, larger conservation plan. **Ron moved that Upper Yarr Creek be deemed worthy of funding. Ryan seconded. The committee voted 11 in favor, 1 against. The motion passed.** There was no further discussion. **Ryan moved to fully fund Upper Yarr Creek at $26,000. Laurie seconded. The committee voted 11 in favor, 1 against. The motion to fully fund Upper Yarr Creek passed.**

Toandos Forest was briefly discussed. This project met the 70% cumulative score requirement to be "automatically worthy" of funding. It also showed the least amount of variation among the group. The property is valuable and unique as it is in an area underserved by CFF (Toandos). **Bob moved to fully fund the project at $94,500. Ryan seconded. The motion to fully fund Toandos Forest passed by consensus.**

Public Comment
Peter Bahls of NWI gave thanks to the program and to the committee for their efforts this cycle, and recognized that the grant process is a lot of work for the group.

Ron asked if it could be possible to reserve a portion of the dollars for a future larger project, such as something on the West End. **Staff should investigate, and perhaps a sub-committee should be formed to deliberate.**

Formation of "Resources" Sub-Committee
This committee will generate a set of resources for the CFFCOC that are relevant to conservation in Jefferson County – habitat, cultural resources, agriculture, large scale processes, climate change, etc. What do CFFCOC members need to know to determine if a property is biologically important? What are the specific criteria in RCW and JCC that should be met? What are the biggest conservation issues faced by the county? Perhaps there could be guest lectures. **Ron, Carol, and Tom B will make up the sub-committee**.

Tom E asked that the Materials Sub-Committee consider removing or restructuring application question 14, O&M. The question is confusing and was not answered by any applicants this cycle. The Materials Sub-Committee still plans to overhaul the application this fall. What is the most efficient grant award process others have engaged in?

It would be helpful to have more training for CFF, perhaps running through a dummy proposal. Can be hard to evaluate as a new member, this will help with consistency.

VII. Next meeting date
There are no additional meetings scheduled at this time. **Joanne will present the committee's recommendations to the BoCC soon, Tressa to schedule and inform the group.** There will also be a public hearing after that where additional comments may be made. It was agreed that September would be a good time to meet again to discuss sub-committee findings.

VIII. Announcements
None.

IX. Public Comment
Thanks were given to Tressa for her work and growth over in her position over the last year.

X. Adjournment
The meeting was adjourned at 3:59 PM.
Meeting summary prepared by Tressa Linquist.

JEFFERSON COUNTY
DEPARTMENT OF COMMUNITY DEVELOPMENT
621 Sheridan Street, Port Townsend, WA 98368 | Web: www.co.jefferson.wa.us/communitydevelopment
Tel: 360.379.4450 | Fax: 360.379.4451 | Email: dcd@co.jefferson.wa.us

SquareONE Resource Center | Building Permits & Inspections | Development Review | Long Range Planning

TO: Tami Pokorny, Natural Resources Program Coordinator, Jefferson County Water Quality and Environmental Health
FROM: Joel Peterson, Associate Planner
DATE: May 23, 2025
RE: 2025 Jefferson County Conservation Futures Program Property Acquisition and/or Operations and Maintenance Project Applications

Summary of DCD Findings for 2025 Conservation Futures Program:

	Project Name	Project Type
1.	Deerfoot Forest—Two Parcels	Easements
2.	Toandos Forest	Acquisition & Restoration
3.	Upper Yarr Creek Protection	Acquisition

The Department of Community Development (DCD) has reviewed the proposed 2025 Jefferson County Conservation Futures Program *Property Acquisition and/or Operations and Maintenance Projects* and provides the following findings.

Summary:

When a local government chooses to use Conservation Futures Fund money to purchase an interest in land, it must consider and analyze whether taking land out of the 'stock' of land that can be developed leaves enough land subject to development to accommodate allocated housing and employment growth (RCW 84.34.240). From our analysis, we find that the proposals, totaling ca. 44 acres, do not negatively impact housing supply or employment growth.

Methods:

Housing Analysis: DCD reviews the estimated number of potential dwelling units that may be forgone by the Conservation Futures actions and the effect this may have on the County's ability to accommodate our projected 20-year population growth within the 2018-2038 planning period contemplated in our current comprehensive plan, and also using recently available population data from the Office of Financial Management considered in the draft 2025-2045 Comprehensive Plan Periodic Review. Any determination made in this exercise is only an estimate based on current zoning and a map review of possible site conditions, including a site development and Critical Areas review.

Employment Growth Analysis: Potential impacts resulting from the Conservation Futures program actions on Jefferson County's ability to provide for anticipated employment growth through the next 20-year planning horizon were reviewed. Observations were made of current employment conditions on the parcels and in the vicinity of the project parcels, prevalent employment sectors in the area, and consideration of any other potential effects resulting from conservation action that may limit or enhance the County's ability to provide for economic development or jobs.

Findings:

1. **Housing.** The proposed easements and acquisitions of the 2025 Conservation Futures program would be for conservation purposes. All 2025 projects have Rural Residential zoning. Extinguishing development rights could preclude the future opportunity for approximately four (4) total new theoretical residential units—including single-family residential dwelling units (SFRs) and accessory dwelling units (ADUs). The theoretical yield is primarily based on acreage, vis-à-vis the ability to develop the parcels or further subdivide. The subject parcels were not found to have Critical Areas to the extent that residential development would be restricted.

   Jefferson County has documented a surplus of vacant and underdeveloped parcels, beyond that which is necessary to accommodate the land needs of the County's projected population during the 20-year planning period (2018-2038 Comprehensive Plan Land Use Element). Also, projected growth rates for Jefferson County to 2045 remain at about the current rate of 1%. As found in past evaluations, the proposed 2025 conservation actions do not reduce the County's capacity to accommodate future planned growth.

2. **Employment Growth.** No commercial areas are included in the protected properties. Employment or business development that could be forgone by loss of residential dwelling units or employment use of the land is not directly apparent. Potential employment opportunity may include home business or cottage industry opportunities. There is no evidence to suggest that a reduction or shortage of residential parcels that could support home business or cottage industry would be caused by these Conservation Futures projects. Employment in the project areas would likely consist of home businesses, cottage industries or within agriculture and natural resources sectors.

   Jefferson County has identified natural resource conservation as playing a positive role for economic development, contributing to a draw—as opposed to a loss—of economic development interests and potential employment growth to the area due to the quality of life and healthy environment.

Additional Findings from the Jefferson County Comprehensive Plan:

3. The action is consistent with the goals and policies of the Jefferson County Comprehensive Plan for the preservation and enhancement of open space. The Jefferson County Comprehensive Plan identifies goals and policies for the preservation and enhancement of open space as follows:

a. **Policy LU-P-15.2** Protect open space consistent with the goals and policies of this plan and in cooperation with County Conservation Futures and other land conservation programs.

b. **Open Space Goal OS-G-1** guides Jefferson County to "Preserve and improve the quality, value and extent of open space lands." **Open Space Policy OS-P-1.4** "Identify and conserve critical wildlife habitat, including nesting sites, foraging areas, and migration corridors within or adjacent to natural areas, open spaces, and developed urban areas. Preserve especially sensitive habitat sites that support threatened species and wildlife habitat in developed areas."

c. **Natural Resources Goal NR-G-1** guides Jefferson County to "Encourage the conservation and long-term sustainable use of resource lands so their continued future use will not be precluded by other uses; and encourage the long-term sustainability of natural resource-based economic activities through Jefferson County.

d. **Economic Development Goal ED-G-6** guides Jefferson County to "Encourage economic development that sustains natural resources and open spaces, protects environmental quality, encourages non-motorized recreation and transportation, and enhances Jefferson County's overall quality of life."

4. None of the proposals include property in an Urban Growth Area or Rural Commercial area.

Scope of Review:

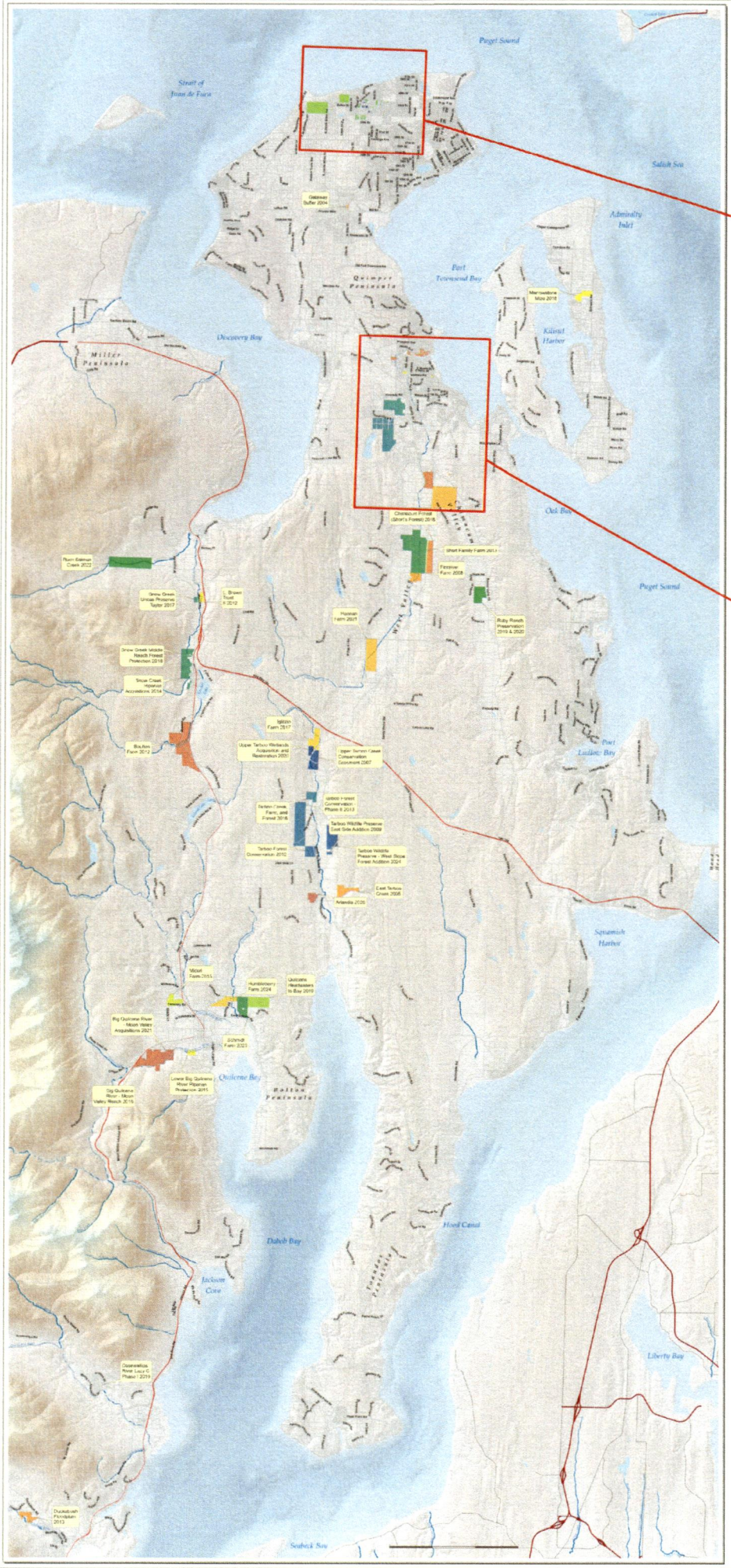
This review is conducted solely to ascertain the current Conservation Futures project's potential effect on housing supply and Employment growth. Any statements about the potential for future development or land divisions is predicated upon many factors for site suitability. All applicants are encouraged to take advantage of Community Development's customer assistance programs so that technical provisions of Jefferson County Code can be explained and applied to particular site-specific situations.

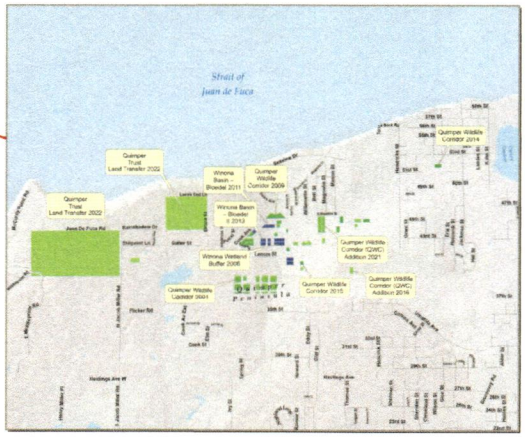
Attachment 1: 2025 Conservation Futures Housing and Employment Analysis Spreadsheet

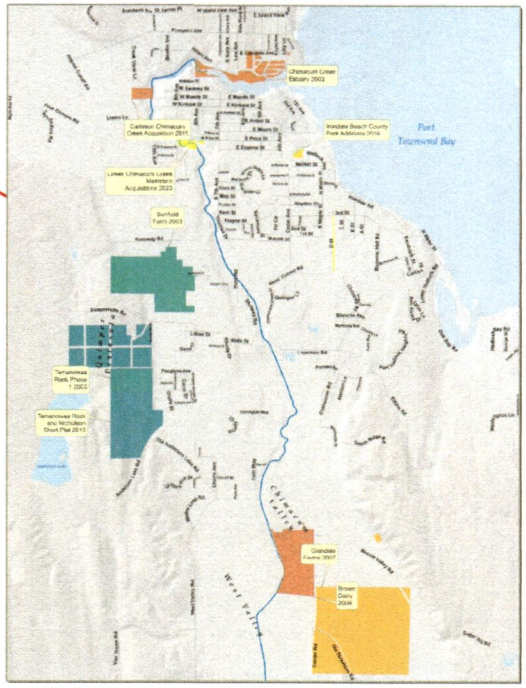
Attachment 1: CONSERVATION FUTURES HOUSING AND EMPLOYMENT ANALYSIS 2025										
PROJECT NAME	**APN**	**Zoning District**	**Project Acreage**	**Current SFR+ADU**	**Additional Theoretical SFR Yield of Project Acreage**	**ADU Allowance**	**Est. Net New Theoretical D.U./ADU**	**Site Characteristics**	**Housing**	**Employment/Jobs**
Deerfoot Forest Easement								Both parcels are forested, gently sloping from N to S, 540 to 460 feet elevation. Road access present with some site development. The northern parcel has a primary residence and an accessory residence. There are no critical areas that would preclude further residential development. Both parcels are identified by WDFW Priority Habitats and Species data to provide marbled murrelet habitat, though the area is not highlighted in the Marbled Murrelet--USFWS critical area map.		Both subject parcels are bounded by private and state timber lands, with clear-cut parcels to the east. Natural resources employment sector. Cottage Industry and Home Business allowed.
Northern parcel	701052002	RR-20	28	2	0	0	0		One house and one ADU. No additional residential capacity.	
Southern parcel	701052011	RR-5	8.89	0	1	1	2		The parcel is vacant. The road segmentation of APN 701052011 by Dabob Road at Center Road, creates an area of 0.17 acres (7381 s.f.) which is not adequate to support residential development individually.	
			36.89	2	1	1	2			
PROJECT NAME	**APN**	**Zoning District**	**Acreage**	**Current SFRs**	**Additional Theoretical SFR Yield**	**ADU Allowance**	**Est. Net New Theoretical D.U./ADU**	**Site Characteristics**	**Housing**	**Employment/Jobs**
Toandos Forest Acquisition & Restoration	701153003	RR-5	6.38	0	1	1	2	The parcel is forested, and bounded by state DNR Forest Lands. Upper watershed for fish-bearing stream. Parcel slopes W to E, 528 to 470 feet elevation. Slight landslide hazard mapped over east 2/3 of parcel (downslope). WDFW Priority Habitats and Species coverage identifies the area a Northern spotted owl habitat, but not shown on USFWS map.	Old residential structure will be removed. The theoretical D.U. count is based on a vacant parcel.	Land use/employment is characterized as forestry. Cottage Industry and Home Business allowed.
			6.38	0	1	1	2			

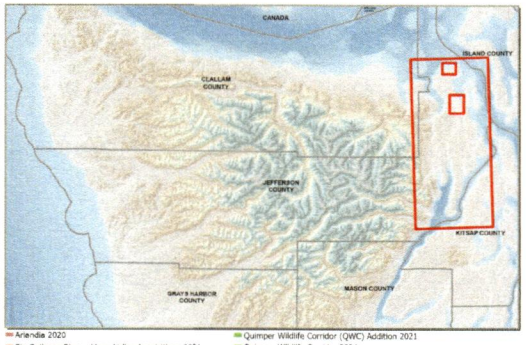
PROJECT NAME	APN	Zoning District	Acreage	Current SFRs	Additional Theoretical SFR Yield	ADU Allowance	Est. Net New Theoretical D.U./ADU	Site Characteristics	Housing	Employment/Jobs
Upper Yarr Creek Protection	801293003	RR-5	1.03	0	0	0	0	This one-acre vacant site lies along Center road ROW, and is bounded to the north by Old Tarboo Road. It is situated in the upper watershed of Tarboo Creek. There is a fish-bearing stream (Yarr Creek) which bisects the parcel. After applying road and stream buffer setbacks, there is only ca. 0.10 acre (4183 square feet) remaining--inadequate for residential development.	Parcel limited by size and critical areas for residential development.	The small parcel is adjacent to, mostly surrounded by, private forest lands. Natural resources employment sector. Cottage Industry and Home Business allowed.
			1.03	0	0	0	0			
Summary Totals:			44.3	2	2	2	4			

Conservation Futures
Jefferson County, Washington









- Ariendia 2020
- Big Quilcene River - Moon Valley Acquisitions 2021
- Big Quilcene River - Moon Valley Reach 2016
- Boulton Farm 2012
- Brown Dairy 2009
- Carleson Chimacum Creek Acquisition 2011
- Chimacum Creek Estuary 2003
- Chimacum Forest (Short's Forest) 2018
- Dosewallips River Lazy C Phase I 2019
- Duckabush Floodplain 2013
- East Tarboo Creek 2005
- Finnriver Farm 2008
- Gateway Buffer 2004
- Glendale Farms 2007
- Hannan Farm 2021
- Humoleberry Farm 2024
- Igiltzin Farm 2017
- Irondale Beach County Park Additions 2016
- L. Brown Trust II 2012
- Lower Big Quilcene River Riparian Protection 2015
- Lower Chimacum Creek Mainstem Acquisitions 2023
- Marrowstone Mitze 2018
- Moon Farm 2015
- North Barry, Snow Creek 2023
- Quilcene Headwaters to Bay 2010
- Quimper Trust Land Transfer 2022
- Quimper Wildlife Corridor (QWC) Addition 2016
- Quimper Wildlife Corridor (QWC) Addition 2021
- Quimper Wildlife Corridor 2004
- Quimper Wildlife Corridor 2009
- Quimper Wildlife Corridor 2014
- Quimper Wildlife Corridor 2015
- Ruby Ranch Preservation 2019 & 2020
- Ruck Salmon Creek 2022
- Schmidt Farm 2023
- Short Family Farm 2013
- Snow Creek Middle Reach Forest Protection 2018
- Snow Creek Riparian Acquisitions 2014
- Snow Creek Uncas Preserve Taylor 2017
- Sunfield Farm 2003
- Tamanowas Rock Phase 1 2005
- Tamanowas Rock and Nicholson Short Plat 2010
- Tarboo Creek, Farm, and Forest 2016
- Tarboo Forest Addition 2019
- Tarboo Forest Conservation - Phase II 2013
- Tarboo Forest Conservation 2012
- Tarboo Wildlife Preserve East Side Addition 2009
- Tarboo Wildlife Preserve - West Slope Forest Addition 2024
- Upper Tarboo Creek Conservation Easement 2007
- Upper Tarboo Wetlands Acquisition and Restoration 2020
- Winona Basin - Bloedel 2011
- Winona Basin - Bloedel II 2013
- Winona Wetland Buffer 2006

Produced by
Jefferson County GIS

Jefferson County Public Health

615 Sheridan Street
Port Townsend, WA 98368
www.JeffersonCountyPublicHealth.org

TO: Jefferson County Board of Commissioners

FROM: Joanne Pontrello, Chair
Conservation Futures Fund Citizen Oversight Committee

DATE:

SUBJECT: Conservation Futures Fund Citizen Oversight Committee – 2025 funding round recommendations

---

As the Chair of the Conservation Futures Fund Citizen Oversight Committee (CFF Committee), I am writing to provide you with our funding recommendations for the 2025 cycle. As authorized in RCW 84.34 and by the direction of the Jefferson County Board of County Commissioners, the CFF Committee receives and reviews applications from the community to fund projects that will conserve lands as open space for compatible economic uses, habitat for fish and wildlife, and enjoyment.

This past March, the CFF Committee received three applications for consideration in this cycle, that are presented with this memo. Also presented are the Sponsors' responses to some clarifying questions asked by the Committee.

Two projects are sponsored by Northwest Watershed Institute (NWI), and one by Jefferson Land Trust (JLT). These sponsoring agencies meet the requirements of "nonprofit nature conservancy corporations", as defined by RCW 84.34.250. All three projects are located in Jefferson County and outside of the City of Port Townsend.

- Deerfoot Forest – JLT requests $98,000 in acquisition funding and $12,000 in O & M funding for a total request of $110,000 towards a conservation easement (JLT provides 51% matching funds).

- Toandos Forest – NWI requests $76,000 in acquisition funding and $18,500 in O & M funding for a total request of $94,500 towards a fee simple purchase (NWI provides 50% matching funds).

- Upper Yarr Creek – NWI requests a total of $26,000 in acquisition funding toward a fee simple purchase (NWI provides 50% matching funds).

This 2025 funding cycle, there are $323,200 in CFF funds available to support these projects. The total amount requested is $230,500.

CFF Committee members toured the project sites on March 11th, and Sponsors made presentations about their projects and answered initial questions during our April 1st CFF Committee meeting. Additional questions raised by the Committee were provided to, and answered by, Sponsors

through staff over email. Each Committee member separately scored the projects on a set of 13 criteria in order to assess the merits of protecting each property for open space and the likelihood of project success. The project ranking, as determined by the scores, was reviewed, discussed, and confirmed at the April 22nd meeting.

The CFF Committee ranked the projects as follows:

1. Toandos Forest – 199 average points (75% of total available points)

2. Upper Yarr Creek – 167 average points (66% of total available points)

3. Deerfoot Forest – 163 average points (64% of total available points)

Neither Deerfoot Forest nor Upper Yarr Creek scored at or above the 70% cutoff score required by the Program Manual to be automatically considered worthy of funding. In both cases, the committee saw that the conservation values of the projects were in actuality worthy of funding for the following reasons: Deerfoot Forest is an "ecological island" that has been managed well and has developed into a mature forest over the last 50 years. It has hydrologic value for two watersheds, which are protected further downstream. Upper Yarr Creek is a small, yet important property which is adjacent to a much larger preserve, and the conservation values are well-worth the low price of the property. If not preserved, it is likely that this section of the creek will see significant disturbance, which could compromise the work already being done downstream to project salmon habitat.

After review of the scoring data, and further discussion and evaluation, the Committee arrived at the following funding recommendations:

- The Committee voted unanimously that Toandos Forest is worthy of funding. By a second vote, we unanimously recommended full funding at the requested amount of $94,500.

- The Committee voted eleven (11) in favor and one (1) against that Upper Yarr Creek is worthy of funding. By a second vote, the Committee voted eleven (11) in favor of and one (1) against recommending full funding at the requested amount of $26,000.

- The Committee voted unanimously that Deerfoot Forest is worthy of funding. By a second vote, we unanimously recommended full funding at the requested amount of $110,000.

I would like to express my gratitude to the Sponsors for submitting these projects, and to the other CFF Committee members for their time and dedication in evaluating these proposals.

If you have any questions, please do not hesitate to contact me at pontrello@gmail.com, or Tami Pokorny at tpokorny@co.jefferson.wa.us. I look forward to attending the public hearing when you consider these recommendations and will be happy to discuss them at that time as well.

Thank you for your consideration of the CFF Committee's recommendations for the 2025 funding cycle.

Sincerely,

Joanne Pontrello
Conservation Futures Fund Citizen Oversight Committee, Chair