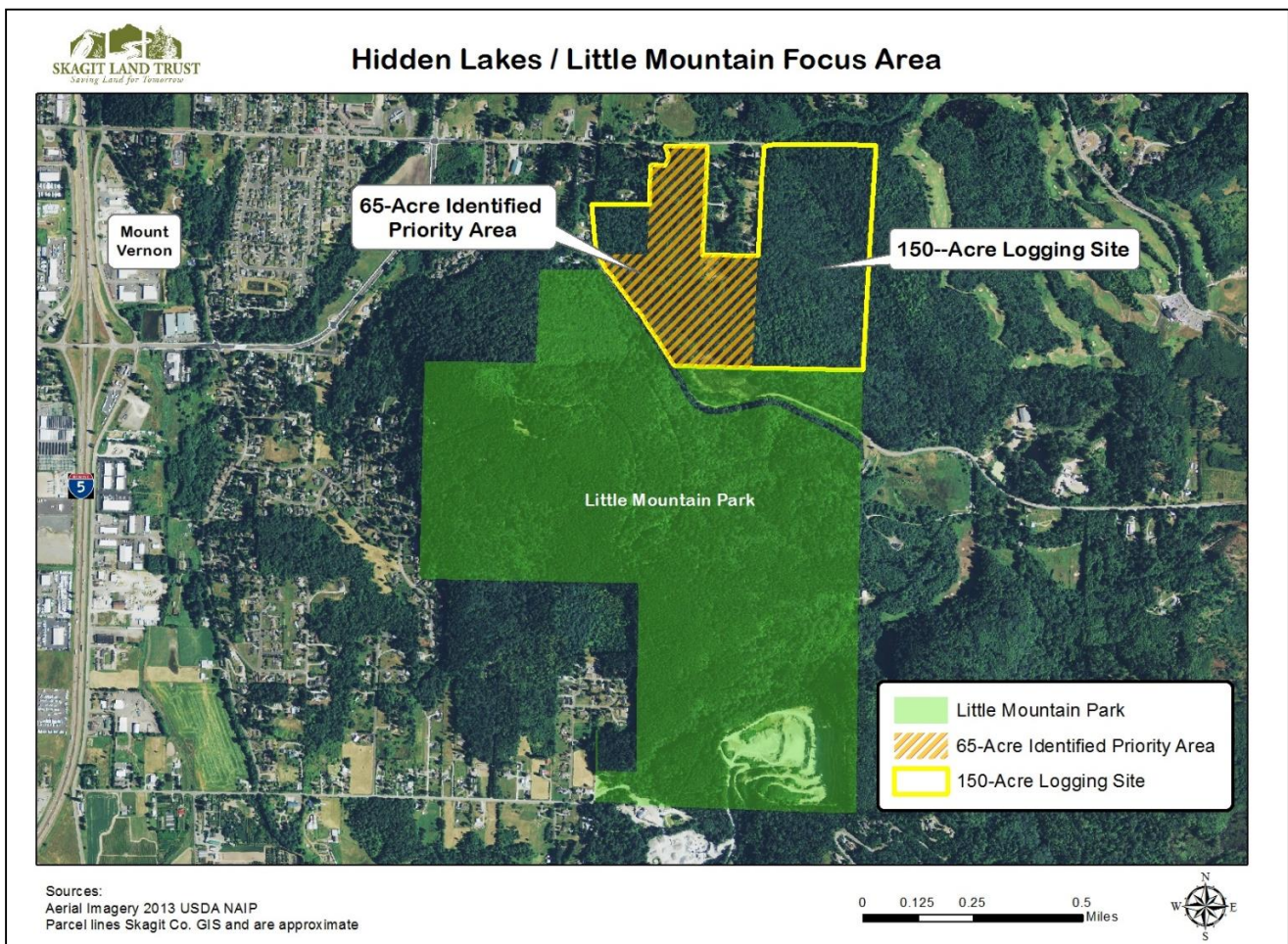




July 21, 2015

Dear Skagit Land Trust supporter,

Skagit Land Trust was asked by community members to assist in efforts to conserve the Hidden Lakes property adjacent to Little Mountain Park that was purchased earlier this year by a Bellingham-based logging company. The company purchased 150 acres for a little under \$1 million (\$6,600 per acre) in January of this year. Skagit Land Trust and the City of Mount Vernon had attempted, unsuccessfully, to purchase this property from Washington Federal three years ago to add to Little Mountain Park. This land is within the City Limits of Mount Vernon and includes a mature cedar forest and many wetlands, including a rare bog. It is the headwaters of Carpenter and Maddox Creeks.



We had several meetings and phone discussions with the logging company executives who indicated they were open to an offer on a 65-acre-section of the property containing the majority of wetlands and critical areas. This also would have allowed a trail connection between Little Mountain Park and Mount Vernon's trail system. Skagit Land Trust worked with real estate and appraisal professionals to arrive at what we believed to be fair market value for this land. Based on advice from the professionals, we offered the logging company \$11,000 per acre based on new information about the timber value.



Skagit Land Trust staff worked very hard to put together a transaction as quickly as possible. Skagit Land Trust's board agreed to bridge fund \$500,000 of this purchase. We asked the City of Mount Vernon for an immediate additional \$200,000 pledge which they generously stretched to provide.

We presented the \$700,000 offer to the logging company in June. The company's executives then informed us of their recent assessment of the 65-acre value of the property. At more than four times the value per acre they purchased the property for, their assessment of value far exceeded any estimate of fair market value we could support. The Trust standards and accreditation do not allow us to pay above appraised value. Their price is beyond what the Trust can offer given our own need for fiscal responsibility to our organization and membership.

We worked hard to protect this land and are very disappointed not to have succeeded in purchasing it. We commend the local community and the City of Mount Vernon for working together on such a worthwhile effort. We have had many questions as to why the logging of this property, which lies within city limits, was not subject to regulation under the City of Mount Vernon's critical areas ordinance. We have also been asked if anything can be done about this for the future.

The company obtained permits to log the property under State Forest Practice Rules, stating their intent to keep the land in forestry for 10 years. The current rules allow for logging to be legally exempt from municipal critical areas regulations in this situation. Instead landowners follow regulations that apply to lands that will be held in long-term forestry where it is expected the trees will re-grow. Mount Vernon's regulations have much wider buffer requirements on wetlands and streams than State Forest Practice Rules due to the fact that development brings with it more impervious surface (pavement) and other environmental impacts.

Skagit Land Trust believes working forests are an important part of sustaining the Skagit's forested watershed but there is very little chance that the Hidden Lakes forest will stay in forestry. It is situated within the city and adjacent to a growing residential area. The situation at Hidden Lakes highlights a conflict between regulatory rules that has unintended, negative consequences for the environment. Skagit Land Trust believes this conflict needs to be resolved so that forest lands in cities are subject to regulations that take into account the wide range of possible future uses lands in cities see. The City of Mount Vernon's critical area ordinance was designed to protect the environment in this situation.

Sincerely,

The Skagit Land Trust Board of Directors

Public Comment

If you have questions about this regulation or would like to encourage regulatory change, please contact: Peter Goldmark, Washington State Commissioner of Public Lands cpl@dnr.wa.gov with a copy to the following: Jean Fike, Northwest Regional Director for DNR jean.fike@dnr.wa.gov, the State Forest Practices Board at forest.practicesboard@dnr.wa.gov, Representative Kristine Lytton, Vice Chair of the Natural Resources Committee on the house side, Senator Kirk Pearson, Chair of the Natural Resources and Parks Committee on the Senate side, and your own state legislators.