PORT GAMBLE FOREST TIMBER RIGHTS ACQUISITION FAQ

AUGUST 2022

TIMBER RIGHTS

- What are timber rights? When Kitsap County acquired the final 2,690-acre Upland Forest of Port Gamble Forest Heritage Park in 2017, the community raised the funds to acquire the land, but not the timber rights. Timber rights allows an entity to own the trees without owning the ground where they grow. This does not apply to the Shoreline Block or the Ride Park, on which the County owns both land and timber. Rayonier, formerly Pope Resources, retained those rights on the Upland Forest to harvest these forest stands through 2042. A collaborative agreement was reached to allow for recreation, public benefits and ongoing timber harvests. Trailhead signs greet and remind visitors that this public land is a working forest managed cooperatively by the County and Rayonier. To date, Rayonier has harvested 650 acres of trees. Those 650 acres are being replanted and the new trees are managed by Kitsap County.
- How were these timber rights valued? The value of these trees is based on the current fair market value of harvesting and selling mature stands or merchantable trees, as well as the future value of "pre-merchantable" trees that could be harvested before 2042. Forterra contracted an independent third party to evaluate Rayonier stand data, ground truth the stands, and assign current and future timber market conditions to determine a fair market value for the timber rights. The purchase price is based on this valuation.

FUNDRAISING CAMPAIGN

- What happens if we don't meet the \$500K fundraising goal? Forterra, Kitsap County, and Rayonier agreed to a final set of "Contingent Stands" that include important ecological, recreational, and cultural values for the community. If successful in raising \$500,000 by October 31, 2022, we will provide notice to Rayonier to move forward with the entire purchase of these trees. If the community campaign only raises part of the funding, we can still move forward with smaller stands equal to \$40,000, \$120,000, and \$340,000.
- Where do community campaign dollars go? Donor dollars go directly towards the purchase price of timber rights. Forterra and Kitsap County are directly covering the additional cost of appraisals, negotiations, and buyer closing costs. Rayonier and Kitsap County are splitting the cost of stand boundary traversing and marking. Go Fund Me collects 2.2% + \$0.30 per donation. Larger donors can be encouraged to make donations directly to Forterra and restricted to this Port Gamble Forest campaign.

WHY ARE THESE LANDS SO IMPORTANT TO THE TRIBES

From time immemorial, the lands and waters of Port Gamble Bay have provided fundamental cultural, spiritual and subsistence resources to the Port Gamble S'Klallam and Suquamish Tribes. In 1855, the Treaty of Point No Point and Treaty of Point Elliott were signed where Puget Sound Tribes ceded their aboriginal title to vast territories in exchange for reserving existing rights to "take fish at all usual and accustomed grounds and stations". The agreed-to land in and around Port Gamble Bay eventually wound up in the hands of private timber companies. Although the forest has served as timberland, the bay's plentiful marine resources and protected waters have remained an important subsistence and commercial food source and area of cultural and spiritual importance for native people. One hundred and fifty years later, the Kitsap Forest and Bay Community Campaign honors the history and resilience of the tribes by continuing to return and restore the land as a protected forest.

WHEN KITSAP COUNTY OWNS THESE ADDITIONAL TIMBER RIGHTS, WHAT'S NEXT?

The last couple years, the County has developed a <u>Framework</u> with extensive analysis and input from the public, Suquamish Tribe, Port Gamble S'Klallam Tribe and community partners. If this community campaign is successful, the County will be able to manage and restore additional mature stands of trees, instead of just recently harvested and replanted stands of trees, Upland Forest. The goals of the Framework will be accelerated and better realized. Many of the stands identified as priorities for conservation, forest thinning, priorities, restoration and wildfire risk reduction in the Framework are included in this community campaign.

WHAT IS THE PURCHASE TIMELINE

Forterra will manage the final due diligence and transaction process, with the trees going directly to Kitsap County in two to three phases:

- Phase 1: First In Stands (82 acres) in August
- Phase 2: Primary Stands (605 acres) in November
- Phase 3: Contingent Stands (69 acres) in December

Please see the map to see where these stands are located within Port Gamble Forest Heritage Park. Forterra, Kitsap County, and Rayonier have a set deadline of October 31, 2022 to commit to the purchase of Primary and Contingent Stands. Your donations before this deadline are critical to determining whether we are proceeding with the entire set of Contingent Stands or portions of it.

WHAT IS CONSERVATION THINNING

Also known as sustainable forest, ecological or restoration thinning, conservation thinning is an ecological forest management method that opens the canopy and allows large amounts of sunlight to reach the forest floor. The Framework and County's Forest Stewardship Plan outline a future of selective harvesting to improve forest health, increase tree diversity, accelerate growth, protect trees from disease and reduce fire hazards. Conservation thinning expands wildlife habitat, provides access for cultural uses, and improves the recreational experience.

WHO ARE THE PARTNERS

This community campaign is supported by the original Kitsap Forest and Bay Coalition as well as additional partners that share this greater vision. Partners include:

- Great Peninsula Conservancy
- Kitsap Audubon Society
- Kitsap County
- North Kitsap Trails Association
- Our Forest Fund
- Port Gamble S'Klallam Tribe
- Rayonier
- Suquamish Tribe
- And More!

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