

## CPPC Meeting Notes 10.26.21

Attendees: Phil Hess, Melissa Speeg, Mitch Long, Joe Rausch, Cathy Cook, Katie Pofahl, Nicky Pasi, Jane Kiker, Darcy Batura, Patty O'Hearn, Nicole Ogan, Larry Leach, Pam Hawk, Nancy Lillquist, Tia Beavert, Judy Hallisey, Vic Monahan, Tom Krippahne, Jay McGowan, Laura Osiadacz

1. Suncadia Festival Recap (Patty O'Hearn, Nicky Pasi, Cathy Cook, Tom Krippahne)
  - a. Had good conversations, small amount of fundraising, overall great event with lots of events and good location, 12 signups for engagement
  - b. Lots of good conversations, some were "prickly" esp re: motorized recreation, leaned on talking points to focus on ownership rather than use, most were in-depth
  - c. Some folks had good ideas - people that own property adjacent to TNC managed lands have a vested interest, might be good contacts - Melissa mentions that we do have a doc that IDs nearby landowners (Jamie Basie)
  - d. Some folks were surprised to learn that the land was not fully protected - this is an important topic to communicate. These neighborhoods have energy and financial means
  - e. Handout and large map really helped orient people to the project - lots of folks took away the handout, many copies left, best used in conjunction with a conversation, easy to show them info
  - f. There is interest in sharing a digital version of the handout online
2. Community Forest account (Mitch)
  - a. 2 anonymous donations from Harvest Fest; currently at \$4,632.28 in donations
  - b.
3. TNC is really invested in this project and ready to support the CPPC. See it is as a team effort that TNC doesn't drive but supports. The philanthropy meeting takeaway was that there is a lot of potential donor base in this community. The insights from the Harvest Festival are really helpful - using these insights along with the support of the Philanthropy team can help us develop a plan and help us move forward with fundraising. The government relations team is also willing to help with developing a plan to reach out to DNR to see if we can get them on board to support taking on the Cle Elum Ridge. Have heard from DNR that they need their financial obligations for the TCF and Klickitat Canyon Community Forest fulfilled. Talked with TCF advisory board about taking a watershed level view of protecting the forest.
4. KCT's role in the Community Forest (Mitch)
  - a. KCT isn't in a position to take over mgmt of phase 1 or any of the lands in CE Ridge
  - b. They still see themselves as having a role in this project, able to hold the grant for phase 1 until we can get DNR on board
  - c. They also want to continue supporting CPPC and building capacity into what we want this to become
  - d. Could continue to have an account that would turn into an endowment that would generate revenue for the Community Forest. these funds could be directed by the community in partnership with the DNR to fill budget gaps and do capital or timber management projects, enforcement, facilitation, etc.
  - e. Protecting the CE Ridge is a high priority for KCT
  - f. Questions comments and concerns that Mitch can't answer, he's happy to work with the board and get more clarity
  - g. Still really supportive of including the Domerie parcel
  - h. Q: What changes in the short term?

- i. Just refocuses us on getting DNR to the table to take ownership, board feels it's too risky for them to take phase 1 on now and reduces urgency for protection
      - ii. RCO grant still an option for phase 1, but the timeline is perhaps different
      - iii. Mitch and Melissa's role - they might need to rethink Melissa's time as facilitator because she is taking on new large restoration project, she will still be able to engage but will need more support, opportunity to fund facilitation or get additional support from CPPC
    - i. Jane: If we are moving towards DNR ownership of the Ridge, DNR is eligible to be a community forest owner and manager but they need to be closely affiliated with a community group. State needs to be able to demonstrate that this is community-driven and there are community benefits - Melissa reiterated that KCT could be that org and facilitator for CPPC's engagement
5. Discussion: How do we want to proceed from here
- a. Nicky: We need to frame this to DNR - what do they need?
  - b. Larry: Reiterating that when TCF was acquired, they got \$ to operate that forest biannually, continued renewal. They have completed management plan and know what community expects from the forest. There are funding gaps to implement that. Getting by right now but need to fill those gaps. DNR also acquired Klickitat Canyon CF in Klickitat Co, that forest is struggling financially b/c it was heavily logged and the site is slow-growing. So, DNR has frozen new acquisitions until they figure out how to fund existing CF properties sustainably before they expand to other properties. DFW and Larry need to nail down what that operations funding is for Teanaway, they have a good idea of Klickitat Canyon, using consultant work on CE Ridge to understand additional expenses. There is an economy of scale with adding in CE Ridge, so it may not be as big a lift for DNR as it would have been for KCT.
  - c. Nicky: So, it's a matter of supporting the overall need for community forest program before they could take on additional land
  - d. Larry: DNR has slowed down taking on Eastside properties because of slower returns. Want to pay attention to the bottom line
  - e. Nicky: Seems like a big lift to create the political will for this. How do we do that?
  - f. Nancy: Is harvest the only way to monetize those lands?
  - g. Larry: There have been discussions about monetizing recreation, but since these are state lands visitors need to be able to access that. Timber crop is still part of the equation (parts of Teanaway and CE Ridge have some good areas).
  - h. Tom: Harvest is a component, but we will absolutely need more funding and this is what CPPC needs to come up with a plan for this and bring it to DNR. We have a lot of work to do to figure that out. Funding is there, O&M portion of the budget is something we can help with. Acquisition will require major grants. CPPC can come up with a funding plan and bring it to DNR.
  - i. Pam: We have not heard more from the public on what they want and/or need to see the direction going. I am missing parts of discussions as I work here... but I am sure most of public is more amenable to DNR as they all come off very confused as to what TNC involvement means.
  - j. Mitch: This continues to show the need for an endowment to support these efforts. Other revenue ideas: Carbon market for CE Ridge and Domerie, Cabin Creek was seen as the highest rev gen parcel, TNC is working to get Forest Legacy Funding to create trust lands with County as beneficiary. So, the county might have income to reinvest in this O&M. Still need to have a community org that supports this work.

- k. Melissa: This is a discussion about our needs and resources, YBIP agrees these lands are important and provide government relations support, advocating for DNR ownership and O&M funding
  - l. Darcy: YBIP recently updated their plan, lands subcommittee updated land targets (Phase 2). Phase 2 plan includes all CCF lands including CE Ridge. Doesn't mean they are 100% on board, but principals-based approach shows that CE Ridge aligns with their objectives, aligns with TCF project approach
  - m. Larry: there's a coalition that would be supportive of this additional operating ask for YBIP, ties in with TCF goals, Klickitat community are supportive, many recreation users are supportive - this wouldn't fall on CPPC to go it alone.
  - n. Nicky: There is a lot of support, but the #s are staggering - Kittitas Co has doubled what we are bringing in in 2015 - Kittitas Stewardship Fund could generate purchases from businesses and could be additional compelling storytelling for the County about what it means to take more land out of development.
6. What are our needs?
- a. Government relations in Olympia to help get DNR on board, with partners advocate for O&M funding for Klickitat and Teanaway funding with additional support for CE Ridge, more understanding of YBIP's capacity, strengthen support within Kittitas County
  - b. Fundraising: We want to create an endowment - demonstrates support for community forest
  - c. Laura: Not in a position to speak for Kittitas Co, she is supportive of this effort but Co needs to finalize board stance. She can bring this back to the group once she's had the opportunity to get that from board.
    - i. Nancy: Would they support a resolution to transfer ownership to DNR as a community forest? How will you bring that to them?
    - ii. Laura: there are a lot of ways to show support, not just resolution so could be other means (statement). Would need to start by bringing it to the board - start with a study session before seeking formal resolution. Current concern with the county isn't the type of ownership, it's the type of use. Concerns from County re: non-motorized vs motorized components.
    - iii. Nancy: what can we do to support? Economic figures on benefits of rec?
    - iv. Laura - wouldn't hurt. But this might be more about a conversation between DNR and County.
    - v. Katie: taxable land base?
    - vi. Laura: This isn't likely a big concern - DNR often reinvests in community benefit, so county can support this and is comfortable and familiar with this (eg: PILT)
    - vii. Nicky: re: the taxable land base topic: TNC had committed to keeping this property on the tax roles. If DNR becomes the owner and manager, are we looking at PILT? Laura thinks this would be an appropriate model, though revenue isn't that big of an issue. Taxes were just over \$50K, which isn't going to make or break K Co, so PILT is a reasonable solution.
    - viii. Laura: Commissioners feelings haven't changed, use is still probably the biggest concern. If this is taken on by DNR how would that affect mgmt of TCF? Making sure that both agencies are in agreement
    - ix. Larry: PILT convo - there isn't going to be a good answer to that q for a bit, but if that tax roll is an issue, there are other classifications in the DNR system. TCF gave county a lump sum (\$5M) and they do not pay annually on Teanaway. For natural reserves and natural conservation areas, PILT is funded every biennium.

County trust lands are another option where revenue could go to county. (Nick: Thanks Larry! I just don't want to see members of the community accusing the CPPC/TNC of walking back our commitment to continuing to pay taxes. And I don't know enough about the options other than PILT!) Larry: PILT is an important conversation but takes some conversations with the \$\$\$ controllers. At some point we need to bring those folks in on all this

- x. Pam: From my personal experience customers see DNR as community serving and TNC as taking away their hunting, recreation uses. I recognize this as same hurdles Sierra Club in Calif faced. They do not work land or forestry taxes or cost of management (fire adaptation) into any decision.
  - xi. Melissa: Local community isn't interested in seeing motorized use. Motorized use forum brought in folks from the greater region. Would it be beneficial for Commissioner Wright to hear from upper county residents and their preferences?
  - xii. Laura: That could be helpful, not sure what that would look like.
  - xiii. Mitch: At this time, recreation use conversations should happen with YBIP, if they are going to be involved they need to be aligned with their principals. Commissioner Wright serves on YBIP and could be a better forum for those conversations.
- d. Additional needs:
- i. Budget of cost for DNR, lobby DNR, endowment to support state funding, gain county commissioner support, develop other revenue streams (Carbon, rec)
  - ii. Larry: Just as important as county commissioners we need Commissioner of Public Lands. Larry gets direction from operations, but commissioners office needs to be involved politically re: financial moves
  - iii. Tom: Trying to match needs and resources, what about timeline? In previous conversations Larry said 5 years min to get DNR involved. Is that the case?
  - iv. Larry: looking like 2025 right now, but things change always
  - v. Darcy: Facing a pivot today to develop a new pathway - develop new workstream re county support. We might need to outline the timeline and sequencing before we ask for definitive stance.
    - 1. Cathy thinks this is a good point. Also, when does TNC need to complete the transfer?
    - 2. Pam: I like the idea of a timeline for tasks. Then we can focus and knock those out one at a time.
    - 3. Jane: as of now, this has to be done in the next 5-8 years, hard to describe b/c we are limited in what we can talk about what this agreement contains.
    - 4. Phase 1 (S end of Ridge, 1250 acres) is a separate timeframe - what options do we have right now for this? Not TNC's deadline, but RCO program's deadline - we have current RCO grant funding of \$3M. RCO will send out project agreement that needs to be signed, followed by 2.5 year period in which the grant funds can be used to acquire the lands. KCT can't acquire Phase 1, but is there any way that DNR can be mobilized to assume sponsorship of Phase 1 within RCO's timeline. Can KCT sign on as sponsor and transfer that to DNR? Might be that funding can't be used for this project b/c community forests take a long time, but would benefit from hearing from the group.

- a. Agree - a successful transfer of Ph1 will build strong momentum toward future phases.
  - 5. Mitch: RCO may not demand action immediately, but waiting to hear from RCO on that until we have further guidance. Mitch hopes they will be flexible. County had been part of this grant to create a PDA, but since that's not going to happen, we want to determine a pathway before we reach out to RCO. So, with clarity from KCT board and direction from CPPC, we can keep moving. RCO often holds off on project agreements for years, so this isn't a new situation for them. Community forest program was developed to be highly flexible to meet community needs.
    - a. Could transfer, but need to be an "eligible entity" - in addition to being a nonprofit you need to have a Habitat Conservation Plan
    - b. Nicky - we could brainstorm a list of groups that could do that? Melissa - what would be the point of another group getting involved? Nicky - other group could take ownership and transfer to DNR later.
  - 6. Tom: What does sponsorship mean? Could it be interim or temporary ownership? Is KCT assuming the risk?
    - a. Mitch - KCT is willing to hold the grant until we get DNR to the table. You could get another eligible entity that is willing to sign that contract. KCT doesn't want to own just that 1200 acres because they are worried that KCT could be stuck with that land even if DNR went for the rest. That specific piece of property is not a target for ownership and management for KCT, plus there is potential for development adjacent to this land and this presents a risk for KCT.
    - b. Katie - I think this is an important lesson about risk - anyone who gets involved is going to want assurances that we have a plan and that it will work/that we have assurances. How do we continue to build towards those assurances?
- 7. What are our resources?
  - a. Promissory note for \$3M from RCO
  - b. Government relations and fundraising from TNC, Mountains to Sound Greenway
  - c. Political support from from Yakima Basin Integrated Plan
  - d. Monetary support from TNC for CPPC coordination
  - e. Communications pieces, market analysis of these properties
  - f. Demonstrated public support
  - g. Political support from local, county, and state agencies
  - h. Strong case for recreational and ecological value on the ridge
  - i. \$4,600 and continued fundraising in KCT community forest fund
  - j. Towns to Teanaway rec management and planning
  - k. MTSG Jim Ellis Fund - to provide \$ to close the gap on land acquisition- match potential
  - l. KCT support for facilitation
  - m. KCT land ownership and management for Domerie - more local control and input
  - n. CPPC as a collaboration and decision-making body
  - o. \$400K in match from TNC for RCO grant
- 8. Next steps
  - a. Timeline

- b. Mitch take this back to Kim Sellers
- c. Future funding strategy group can discuss grants and other fundraising opportunities (match for state grant)
- d. TNC and CPPC work on government relations strategy
  - i. DNR needs to see the value of this - before we reach out to DNR colleagues we need to have this strategy. Mitch - connecting this to the 20 year plan, work with Larry to understand operations and acquisition cost as well as existing gaps and needs
  - ii. Darcy - we are working with our state government relations lead - socialize this idea with DNR in Olympia, support from Larry, co-development strategy to reach out to representatives and we will report back as we do so
- e. Identify endowment and O&M needs
  - i. How would KCT set up an endowment?
  - ii. What kind of funding would we need for that? What is the O&M need?
- f. Philanthropy
  - i. Reaching out to the adjacent landowners?
  - ii.