

2022 Island County Conservation Futures Fund Lagoon Point Community Forest Acquisition

Sponsor: Whidbey Camano Land Trust

Contact: Ryan Elting

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Greenbank, WA 98253

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Project Budget Summary:

Total Land Value	\$4,250,000
Total Costs of Services (staff time, appraisal, survey, etc.)	\$50,000
Total Project Cost	\$4,300,000
CFF Amount Requested in 2022	\$650,000

Parcel Numbers: Tax Parcels R23017-438-0810 and R23017-371-0780 (Tract A); multiple tax lots for Parcel B and TBD for Parcel C.

Landowner Names: Waterman Enterprises Inc. and Waterman Family Partnership (Tract A), Paul and Tammi Isaacson (Tract B) and to-be-determined for Tract C. Please reference Exhibit A.

Landowner Contact Information: (Please use Land Trust project manager as contact point.)

Primary Contact: Ryan Elting, Conservation Director

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Project Description:

The Whidbey Camano Land Trust (Land Trust) is requesting \$650,000 of Island Conservation Futures Funds (CFF) to support and leverage the fee simple acquisition of three properties, totaling more than 200-acres of undeveloped forestland (Properties), that will expand on existing protected lands to create the approximately 300-acre “Lagoon Point Community Forest”, as depicted on Exhibit A (Project or Community Forest). The Project will protect a large swath of contiguous forest, with streams and wetland habitats that will provide a new public access opportunity for compatible, low-impact recreation, while capturing carbon to help maintain climate resilience. The Properties are part of a larger corridor of habitat connectivity between the Land Trust’s Greenbank Priority Area (centered around Lake Hancock and Greenbank Farm and Forest) and the Mutiny Bay Priority Area (centered around Trillium Community Forest). These priority areas and connections are shown on Exhibit B.

The Lagoon Point Community Forest will expand upon 80 acres of forest and wetlands already protected by the Land Trust; a 54-acre conservation easement off of Bakken Road, and a recent 25-acre Land Trust acquisition. The subject Properties are adjacent to the southern and western boundaries of these protected properties and will result in a 1.25-mile stretch of protected forest and wetlands, including several miles of existing trails. See Exhibit A.

Protection of the Community Forest is a rare opportunity to create a large, new public access trail area in Central Whidbey and permanent forest protection. The Properties contain existing community trails that are well marked and maintained by the neighbors. The Land Trust will own and manage the Properties and maintain it as a Community Forest with hiking trails like the Trillium Community Forest, a treasured and highly popular community asset.

This CFF project proposal will support and help leverage the following acquisitions with a total value estimated at \$4.3 million:

- (1) **Tract A:** A 40-acre property located immediately south of the Land Trust’s 25 acres. An appraisal has been ordered and is due by end of March. **This request will partially or fully fund Tract A.**
- (2) **Tract B:** A 150-acre property that wraps around the west and south sides of the Land Trust 25 acres and Tract A. The appraised value is \$3.49M. This property is critical to gain legal access to the entire forested holding and has long been of interest to the Land Trust for its forestland conservation value. **This request will partially fund Tract B.**
- (3) **Tract C:** Creation of the Community Forest will require acquisition of a parking and trailhead property off Smugglers Cove Road. The Land Trust is reaching out to owners of potentially compatible lots. Acreage could range from a few acres to ~15+ acres. **This request will partially or fully fund Tract C.**

The Land Trust will seek state grant funding opportunities by partnering with the County, if approved by the Commissioners, and launch a community fundraising campaign to finance additional stages of this project. Depending on the success of state grant applications, the Land Trust may need to return for additional CFF acquisition funds in 2023.

Future phases of the project will include the development of a trailhead and associated parking lot on the west side of the project area off Smugglers Cove Road.

ESTIMATED PROJECT BUDGET Revision 2.16.22				
ISLAND COUNTY CONSERVATION FUTURES FUND				
PROPOSED PROJECT APPLICATION				
PROJECT NAME =	Lagoon Point Community Forest Acquisition		YEAR 2022	
	Category	CFF	Other Funding Sources	Total Funding
Planning	Salaries and Benefits	\$ -	\$ -	\$ -
	Consultants/Sub-Contracting	\$ -	\$ -	\$ -
	Goods and Services*	\$ -	\$ -	\$ -
	Travel & Per Diem	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -
	Total Planning	\$ -	\$ -	\$ -
Maintenance and Operations	Salaries and Benefits	\$ -	\$ -	\$ -
	Consultants/Sub-Contracting	\$ -	\$ -	\$ -
	Goods and Services*	\$ -	\$ -	\$ -
	Travel & Per Diem	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -
	Total Maintenance /	\$ -	\$ -	\$ -
Management & Administration	Salaries and Benefits	\$ -	\$ -	\$ -
	Consultants/Sub-Contracting	\$ -	\$ -	\$ -
	Goods and Services*	\$ -	\$ -	\$ -
	Travel & Per Diem	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -
	Total Management & Admin	\$ -	\$ -	\$ -
Equipment	Technology Capital Items*	\$ -	\$ -	\$ -
	Technology Supplies*	\$ -	\$ -	\$ -
	Equipment*	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -
	Total Equipment	\$ -	\$ -	\$ -
Property Acquisition	Land Purchase (Tracts A, B &/or C)	\$ 625,000	\$ 3,625,000 N	\$ 4,250,000
	Other Acquisition Costs:	\$ 25,000	\$ 25,000 N	\$ 50,000
	Total Acquisition Costs	\$ 650,000	\$ 3,650,000	\$ 4,300,000
	Total Budget	\$ 650,000	\$ 3,650,000	\$ 4,300,000

* For all line items listed with "**", please provided an attached detailed list of items and costs

Project Narrative:

A. Conservation Values & Resources:

1. Rarity of resources or habitats protected:

a. Significance of resources protected:

The Lagoon Point Community Forest will protect ~200-acres of healthy, unfragmented forest. Protection of the 200+ acres will expand conservation south from the 80 contiguous acres of forest and wetland already protected by the Land Trust. This will create a 1.25-mile corridor of protected forest between Bakken Road and Smugglers Cove Road. Neighboring undeveloped parcels could provide the opportunity to protect up to 300+ acres of forest habitat in total.

The Project area includes a variety of forest types, with dominant vegetation dependent on the harvest history, slope, aspect and moisture. About half of the Properties was harvested 30-35 years ago and has grown back into mostly red alder and Douglas fir with understory generally comprised of sword fern, salmonberry and scattered huckleberry. Large swaths of forest located along the slopes, wetland and stream corridors were left intact with mature trees. Several small, seasonal streams meander through the Properties and wetter areas are composed of red alder, cedar and an understory of salmonberry, sword fern and slough sledge. The predominant vegetation in dryer areas include Douglas fir, red alder, and Western hemlock with an understory of sword fern and scattered huckleberry.

The more mature areas of the Properties also provide excellent wildlife habitat and the unusually large area of unfragmented forest serves as a significant movement corridor to support a diversity of species, particularly migratory birds, as well as aquifer recharge, water quality enhancement, and general climate resilience services. Protection will facilitate continued wildlife movement and species dispersal through a narrow section of Central Whidbey, while reducing aquifer and surface water quality and quantity concerns. Intact riparian vegetation helps prevent erosion of stream banks, mitigates extreme temperature fluctuations and stream flows, enhances water quality, and provides habitats and important food sources for multiple species of fish and wildlife.

The project area serves as a microcosm of native species found throughout Whidbey Island. Numerous forest bird species are present, such as the Olive-sided Flycatcher, Purple Finch, Rufous Hummingbird, various Vireos, and Swainson's Thrush. The habitat is also ideal for raptors such as Northern Harrier, Bald Eagles and many owl species. Other wildlife inhabiting the area include the Western toad, red-legged frogs, Douglas squirrels, coyote, and deer.

Geologically, the Properties straddle the tops of two north-south-oriented drumlins on central Whidbey. These products of the most recent glaciation in the Puget Sound area were deposited between 18,000 and 10,000 years ago. The total thickness of glacial and non-glacial sediments underlying the ridge (left during multiple glaciations over the last two million years) is between 800 feet and 2500 feet. Exposed at the Properties in the lower drainages are glacial outwash sediments; mostly silt, grading upward into gravel. The outwash sediments are overlain by 2 to 30 feet of glacial till (clay, mixed with sand, gravel, and boulders deposited directly from the ice). There are erratic boulders on the ground surface.

b. Rarity of resources or habitats protected:

This project is a rare opportunity to protect a large block of intact forestland in Island County. Much of the project area is excellent habitat for a diversity of wildlife, and the remainder can provide similar, high-quality habitat with targeted timber management and enhancement actions similar to those used at Trillium Community Forest by the Land Trust. This corridor of wildlife habitat is essential for north-south movement of wildlife along the Island. Tract C has been a long-standing Land Trust priority given its large size and intact forest qualities.

Although endangered or threatened species have not been identified on the Lagoon Point Community Forest project area, Western toads – a Species of Greatest Conservation Need under the State Wildlife Action Plan – have been identified on the Properties, along with red-legged frogs, indicating the value of the site for amphibians and reptiles, both extremely sensitive to habitat and water quality, and pointing to healthy forest habitats. Moreover, it is highly likely that Bald Eagle nests are present, as the forest conditions on the site are conducive for protected raptor-bird habitat.

It is also worth noting, that without proactive protection of the few remaining large blocks of habitat in Island County, including the project site, common species will become rare in the future. Many common native species have seen significant declines due to fragmentation and other habitat degrading activities. Therefore, the conservation value of this project area is founded upon the principle that protecting remaining large contiguous areas with corridor connections to other protected lands is crucial to ensure we continue to enjoy native wildlife on the islands for future generations to come. Additionally, the climate resilience value of these properties cannot be understated as climate change increasingly impacts and shapes the future of the Island.

It is imperative that we protect resilient wildlife corridors against fragmentation and benefits of larger protection areas also cannot be understated. This proposed strategy for conservation is to permanently protect this contiguous block of habitat consisting of more than 300 acres of undeveloped land for the benefit of future generations.

B. Appropriate Public Use and Enjoyment:

Protection of the Properties will allow a large, new public access trail opportunity in Central Whidbey in a natural forest setting. The Properties will be acquired with the intention of creating the Lagoon Point Community Forest with non-motorized pedestrian access, a model like the Trillium Community Forest Preserve. Opening the Properties for public use will provide low-impact recreational opportunities for all residents such as hiking, walking, birding, and photography. Neighbor maintained trails currently exist on the Properties, following well-marked logging roads. This network of existing trails will require some adjustments to manage access points and ensure sufficient blocks of intact habitat for wildlife but is otherwise very well suited for public access (see photos). The Land Trust will be responsible for stewarding and maintaining the Community Forest and will recruit volunteer site-stewards to regularly maintain the trails and monitor and report any problems.

Currently, the only legal access to the Properties would be through Tract C, which is not an appropriate location for public access due to the location on a small residential cul-de-sac. All visitor access would be expected to come from the west side of the project area off Smugglers Cove Road, and the Land Trust is reaching out to the owners of adjacent, forested parcels along Smugglers Cove Road that could accommodate a 10-car parking lot and trailhead.

A neighbor engagement process will take place to ensure that feedback from adjacent neighbors is reflected in the Community Forest's management plan and operations.

C. Plan Consistency and Partnerships:

1. Consistency with Local Plans:

Island County Comprehensive Plan (ICCP) Element 1 – Natural Resources:

- Goal 1: Safeguard the natural environment as an integrated system where the land, water, and air resources interact creating a balanced environment for all life on the islands.
- Goal 2: Preserve a high level of air quality.
- Goal 3. Protect wetlands from a net loss in functions
- Goal 4: Protect fish and wildlife habitat areas.

- Goal 7: Manage and protect ground water and provide for resource protection through a common goal of non-degradation for existing and future residents of Island County.
- Goal 8: Protect aquifer recharge areas from contamination and insure long term recharge potential.
- Goal 10: Conserve a variety of natural lands, in both public and private ownership, for the enjoyment and economic benefit of current and future residents of Island County.
- Goal 11: Prioritize the protection of natural lands that coincide with other valuable resources, including ecological, historical, agricultural, recreational, and cultural lands.
- Goal 12: Protect natural, scenic, cultural, and historic lands as community assets.
- Goal 13: Continue to promote active public involvement in the conservation or protection of important natural lands.
- Goal 14: Continue an open dialogue between Island County, incorporated jurisdictions, special purpose districts, non-profits, and other interested individuals and organizations working toward the conservation or protection of natural lands.

Island County Comprehensive Plan (ICCP) Element 7 – Parks and Recreation:

- Goal 1: Provide a quality, diverse, and sustainable system of park land that effectively balances recreation and habitat conservation needs.
- Goal 2: Provide low impact/passive outdoor recreation opportunities throughout the County.
- Goal 4: Acquire lands that conserve priority habitat and natural resources, preserve open space, improve beach access, maintain island character, and improve and expand passive outdoor recreational opportunities for public enjoyment.
- Goal 6: Develop stewardship and maintenance programs that cost-effectively protect County assets, emphasize sustainable methods and design, support habitat quality, respond to local needs, and sustain resources for future generations.
- Goal 7: Identify, secure, and develop adequate funding sources to develop, operate,

maintain, and sustain County parks, habitat, and recreation facilities.

- Goal 8: Foster partnerships and county-wide collaboration among park and habitat providers to improve the provision of habitat conservation and recreation services.
- Goal 9: Engage Island County residents in the planning and stewardship of parks, trails, and conservation areas, and provide effective communication to improve awareness and support of County services.

2. Documented Project Support:

The Lagoon Point Community Forest project has the support of the willing landowners and numerous neighbors, and is expected to be widely and enthusiastically supported by the public. Already several neighbors who have seen Land Trust and appraisers out on the site have expressed their support.

This project is in the early stages of planning, so significant outreach has not yet taken place. The concept for this project is like the Trillium Community Forest which received considerable community support and is highly used by Island County residents and visitors. We expect this project will excite the community and receive similar support as this is a rare opportunity to preserve a large enough area for an intact community forest in Central Whidbey for public recreation.

D. Potential for Loss:

1. Immediacy and magnitude of potential loss of areas identified as having long-term rural significance or land suitable for conservation.

The Lagoon Point Community Forest project presents a one-time opportunity to protect an intact 300+-acre swath of mature upland forest, wetlands, and streams mapped within a resilient habitat corridor in Central Whidbey. Without protection, the Properties will be sold for conversion to 20 homesites with intact forest will be cut, thus eliminating this unique chance to protect one of the last remaining large blocks of intact forest in Central Whidbey in a narrow part of the Island that is suitable for conservation and mitigation of climate change. This would have significant negative impacts on wildlife habitat, movement and dispersal of plants and wildlife, and critical ecosystem services the Properties offer related to climate resilience, erosion control, and air and water quality.

2. Immediacy of acquisition timing: opportunity with landowner and leveraged funding.

The Land Trust acquired the 25 acre property, adjacent to the donated 54-acre Bakken Conservation Easement and adjacent to the subject Properties, in December 2021 as the owner was preparing to market the property for sale. This 25 acres was critical for retaining the connectivity of adjacent forest and wetland habitats.

The owner of Tracts A and B are eager sellers, willing to work with the Land Trust, but actively ready to sell. The owner of the 150-acre Tract C has received several offers for the property since being approached by the Land Trust in September 2021, and has agreed to wait on an offer from the Land Trust before selling. The property will be sold either to the Land Trust if this project is successful, and if not, for development.

Discussions are underway, and appraisals are under contract and/or completed. These two properties have been a priority of the Land Trust for a long time given their adjacency, large size, existing trails and intact forest qualities.

The Land Trust will seek state grant funding, in partnership with the County if approved by the County Commissioners, and launch a community fundraising campaign to bring all phases of this project to fruition. As a backup plan if state grants are unsuccessful, the Land Trust may need to return in 2023 for a second and final phase of Conservation Futures Funds.

E. Assessment of Stewardship Viability:

1. Stewardship needs are identified and adequately addressed with an appropriate management plan or application includes funding request for management plan:

The Whidbey Camano Land Trust develops management plans for all its fee-owned lands to address long-term stewardship and public access needs. A management plan will be developed for the Lagoon Point Community Forest project as the Properties are acquired. The management plan will be designed similarly to the management plans for Trillium Community Forest and Possession Sound Preserve, for healthy habitat with compatible public access and recreation.

Community trails currently exist on the Properties which are being maintained by neighbors. Most of the Property is intact forest that serves as habitat for a diversity of species and will require minimal maintenance, making it highly suitable for conservation. The remaining portions that were harvested ~30 years ago, the habitat quality of which can be accelerated through

targeted enhancement efforts implemented by the Land Trust. Future public access for parking at a trailhead will be developed off Smuggler's Cove Road.

2. Potential risks and liabilities to protect long-term conservation values and resources are identified and adequately addressed:

Future liabilities are expected to be low to moderate. Risk which may affect the long-term conservation values of the Properties includes inadvertent impacts from the public use through the trail system. Measures will be taken to direct public access to the appropriate places through a well identified existing trail network and a future trailhead and associated parking area. There is potential for encroachments due to number of neighbors, but this risk will be offset by community education, proper signage and volunteer monitoring and stewardship assistance. Wildfire is an increasing concern with climate change and will be mitigated through forest management designed to improve forest health. The spread of invasive species through public use will be removed by Land Trust stewardship staff and volunteer site stewards.

3. Identifies long-term costs of maintenance and capital improvements (if any) and are adequately addressed:

Capital improvements will be limited to a parking lot and trailhead off Smugglers Cove Road, and trail signs and informational kiosks. The Community Forest will require significant stewardship effort as it will be protected for public use in perpetuity. The Land Trust has five full time stewardship staff who will complete the majority of the on-site management tasks associated with owning the Properties and maintaining it for public use. Additional help will be provided by volunteer site stewards and other volunteers who regularly assist Land Stewardship staff.

F. Financial Strategies:

1. Acquisition cost efficiencies and financial strategy (including matching contributions) to leverage use of funds:

If approved, the \$650,000 of CFF funds will go towards the purchase or partial purchase (with additional funding for other sources) of Tracts A and B, and a trailhead access parcel off Smugglers Cove Road. The Land Trust will seek state grant funding in partnership with the County, if approved by the County Commissioners, and conduct community fundraising to secure the additional funds necessary to complete the entire project. The Land Trust may apply for more CFF funding next year for the next phase of the project.

2. Strategy for managing future costs, liability and risk issues (for example, acquisition of minimum controlling interest).

The Land Trust will be responsible for the long-term management and maintenance of the site. We have not identified any notable risks or liabilities related to protecting the long-term conservation values and resources of the Properties. The Land Trust has a Stewardship Reserve Fund, Legal Defense Fund, and legal defense insurance, all of which help ensure the Land Trust's ability to manage the site in perpetuity.

In addition to five full time stewardship staff, the Land Trust has a robust volunteer program that currently engages more than 200 volunteers per year who contribute more than 3,500 hours stewarding Land Trust properties.

Exhibit A: Project Parcel Map

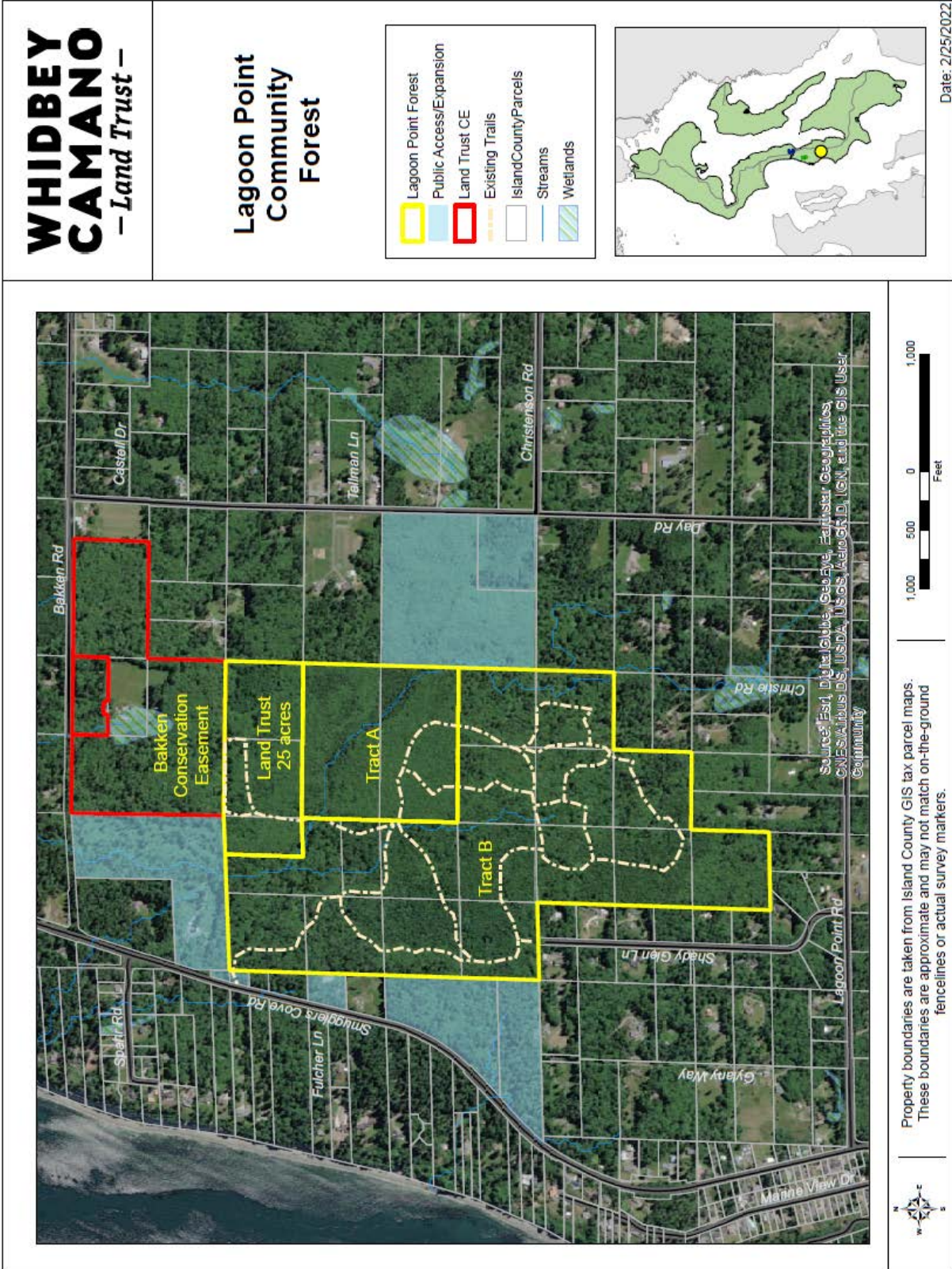


Exhibit B: Land Trust Priority Areas and Habitat Corridors

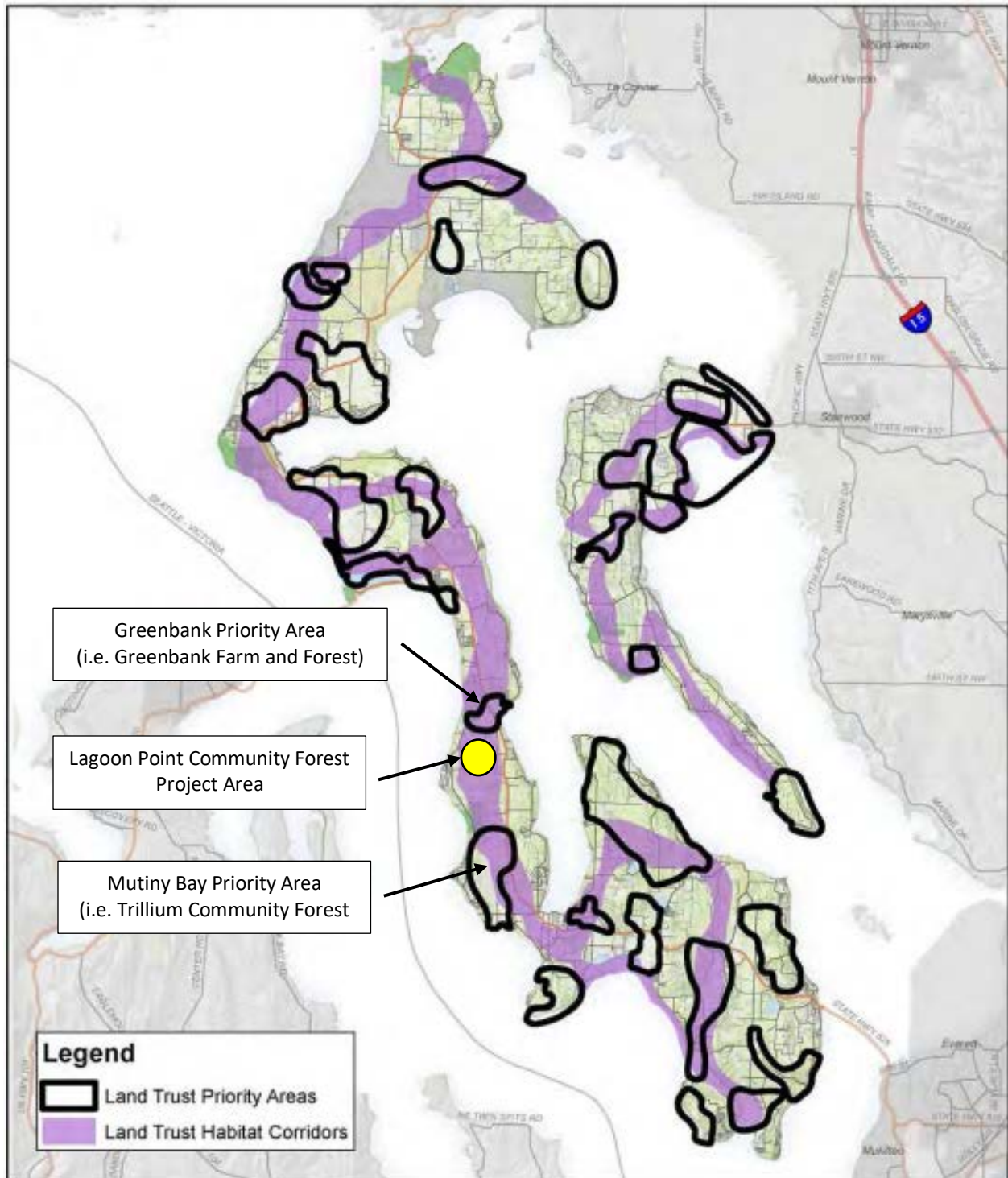


Exhibit C: Photos



Tract A: Young, thinned Douglas fir stand



Tract A: Young, un-thinned fir stand



Tract A: Open, mixed stand of fir and alder



Tract B: Healthy, mixed age forest on slopes



Looking towards a healthy forested wetland



Looking towards a healthy upland forest



Tract B: Part of the community trail system



Tract B: Part of the community trail system



Trail signage for community trail system



Land Trust project evaluation on Tract B