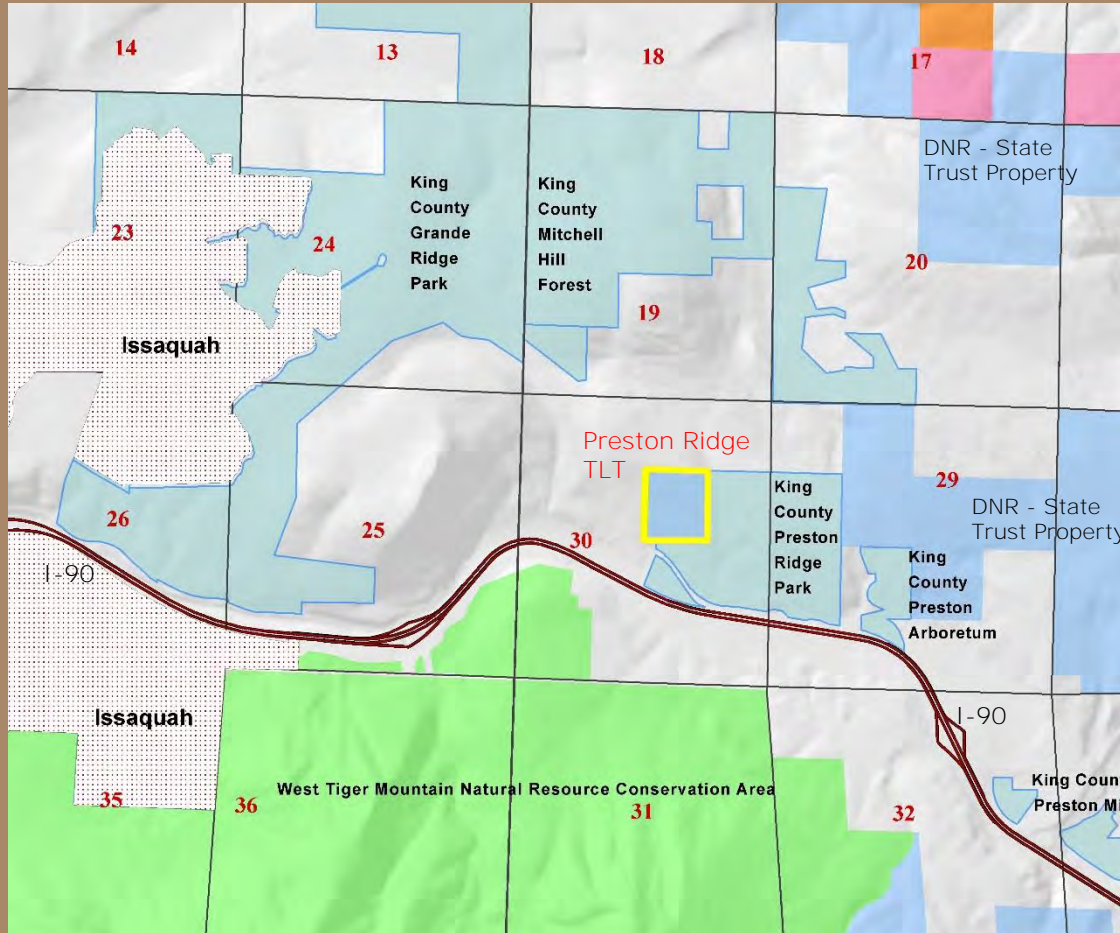


Preston Ridge
Trust Land Transfer
02-091709

Preston Ridge
Inter-Trust Exchange
86-093873

Preston Ridge Transfer



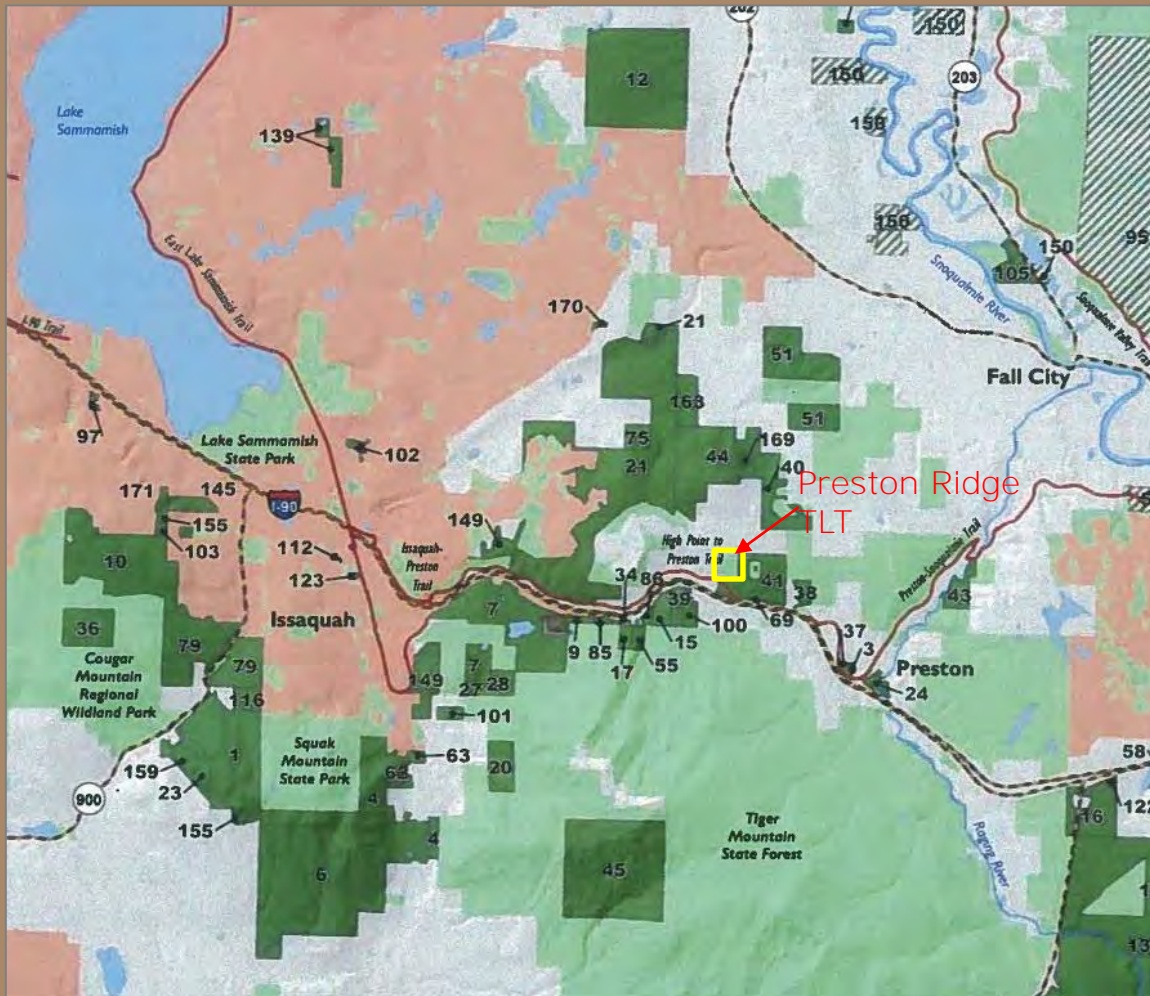
King County

35 acres

Addition to 190 acre
county ownership

Recreation, Open
Space or Wildlife
Habitat

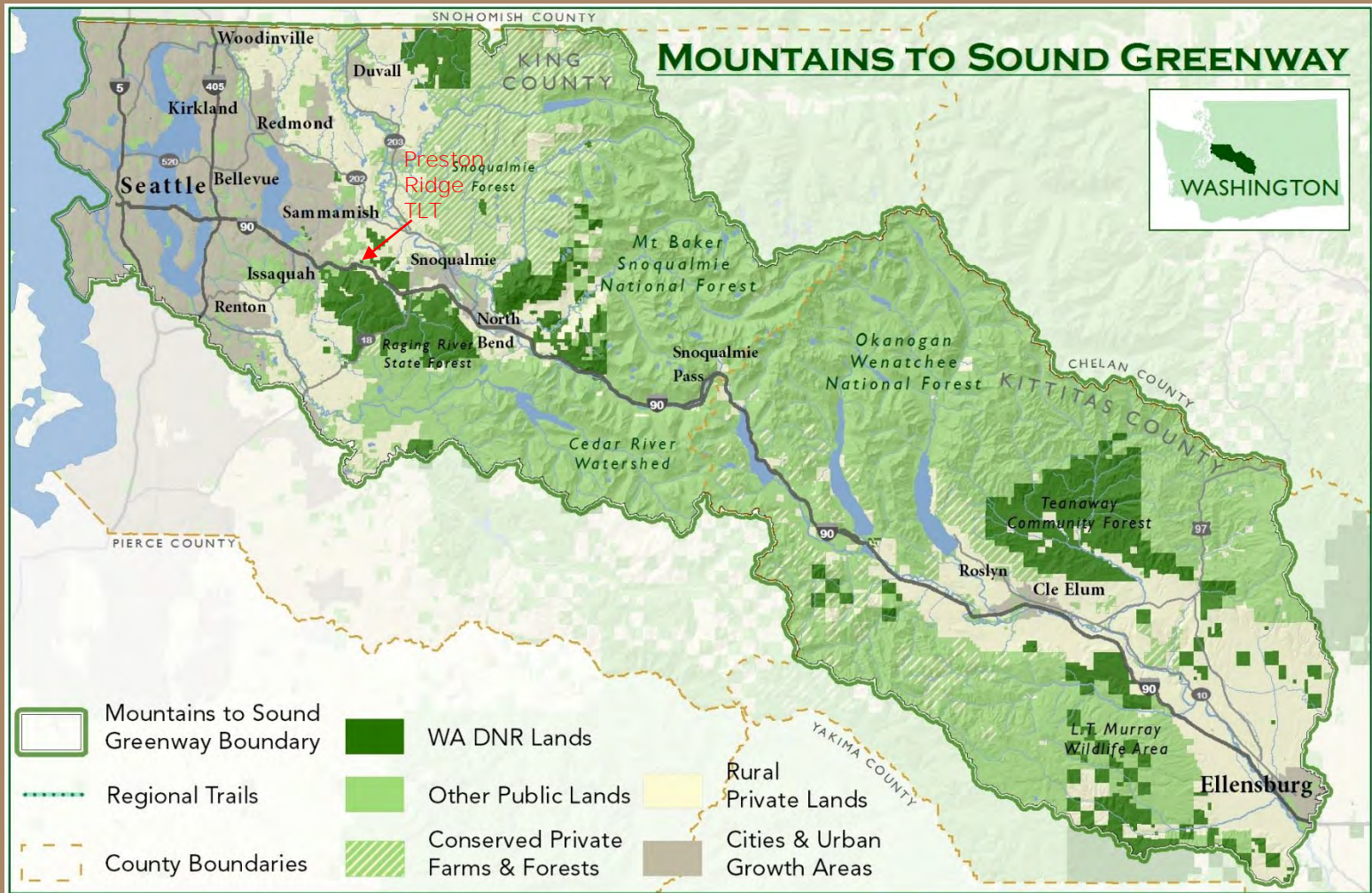
Preston Ridge Transfer



Builds on past public investments

- DNR, King County, State Parks

Preston Ridge Transfer



Preston Ridge Transfer



No legal access

Mature Trees

Rural residential
area

Zoning 1 / 10 acres

35 acres; 3 homes

Preston Ridge Transfer

Rural Neighborhood –
SE High Point Way



Trees on Site

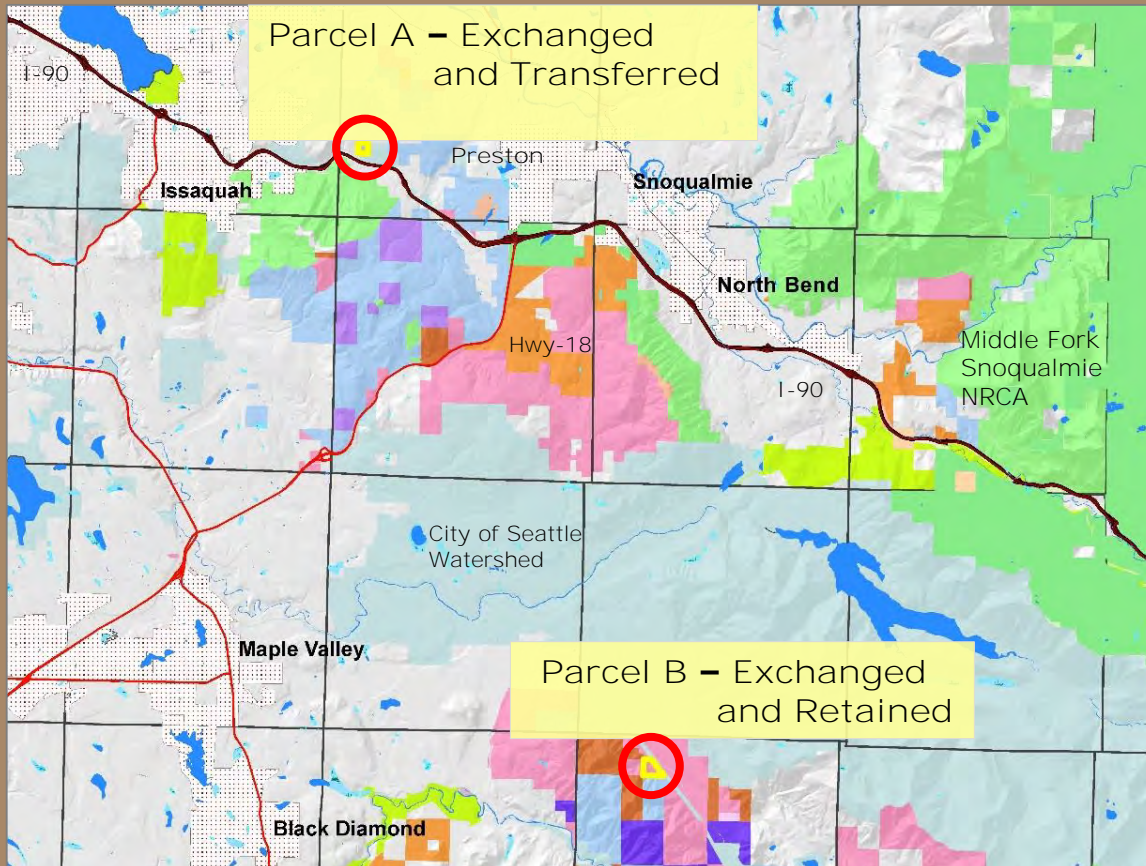


Preston Ridge Transfer

Allocated Value Preston Ridge TLT

	Total Value	Timber Value (Into CSCA)	Residual Land Value (Into RPRA)
Preston Ridge 35.03 acres 1,066 MBF	\$826,000	\$ 566,000	\$260,000
Total	\$826,000	\$ 566,000	\$260,000

Preston Ridge Exchange

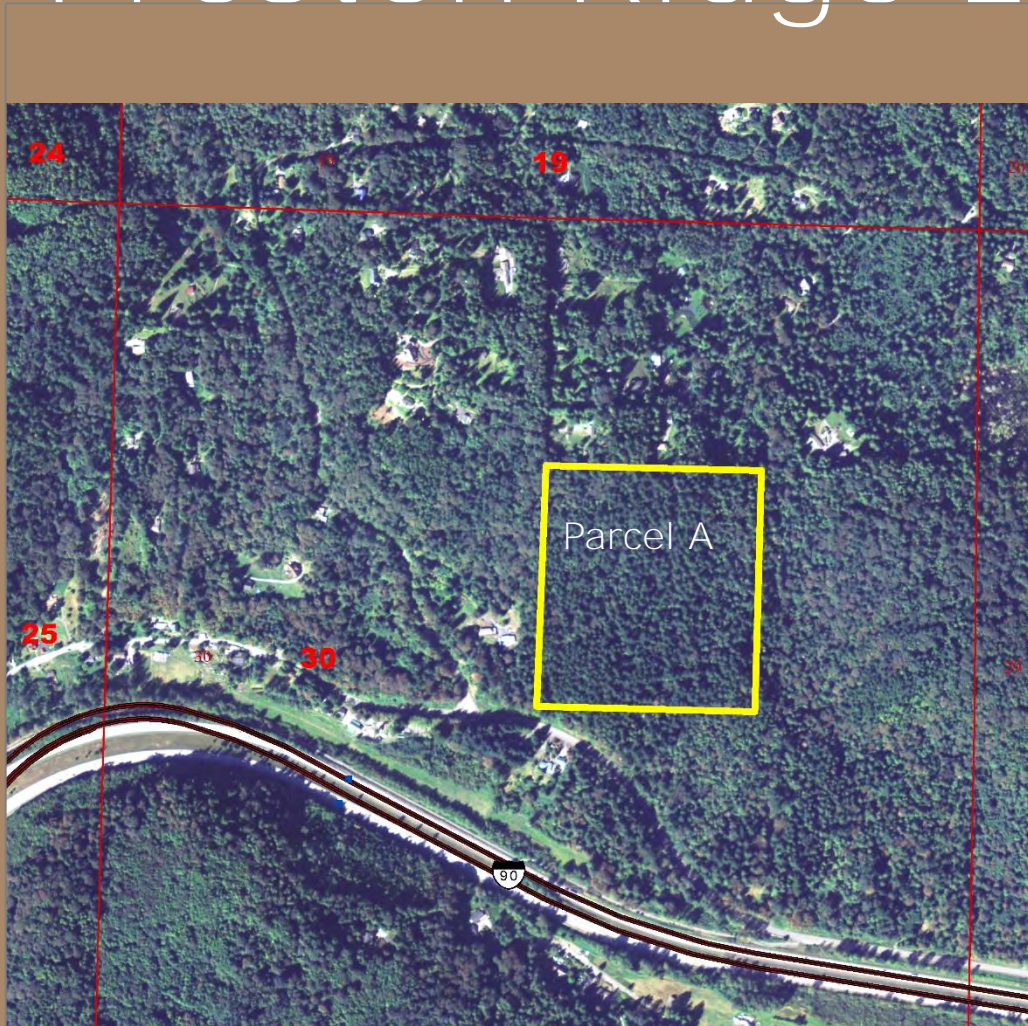


Exchange
between DNR
managed Trusts

Parcel A -
Exchanged and
transferred

Parcel B -
Exchanged and
Retained as SFL
Trust

Preston Ridge Exchange



Parcel A –
Exchanged and
transferred

SFL Trust to
Common School
Trust

35.03 acres; 90+yr

Preston Area

Preston Ridge Exchange

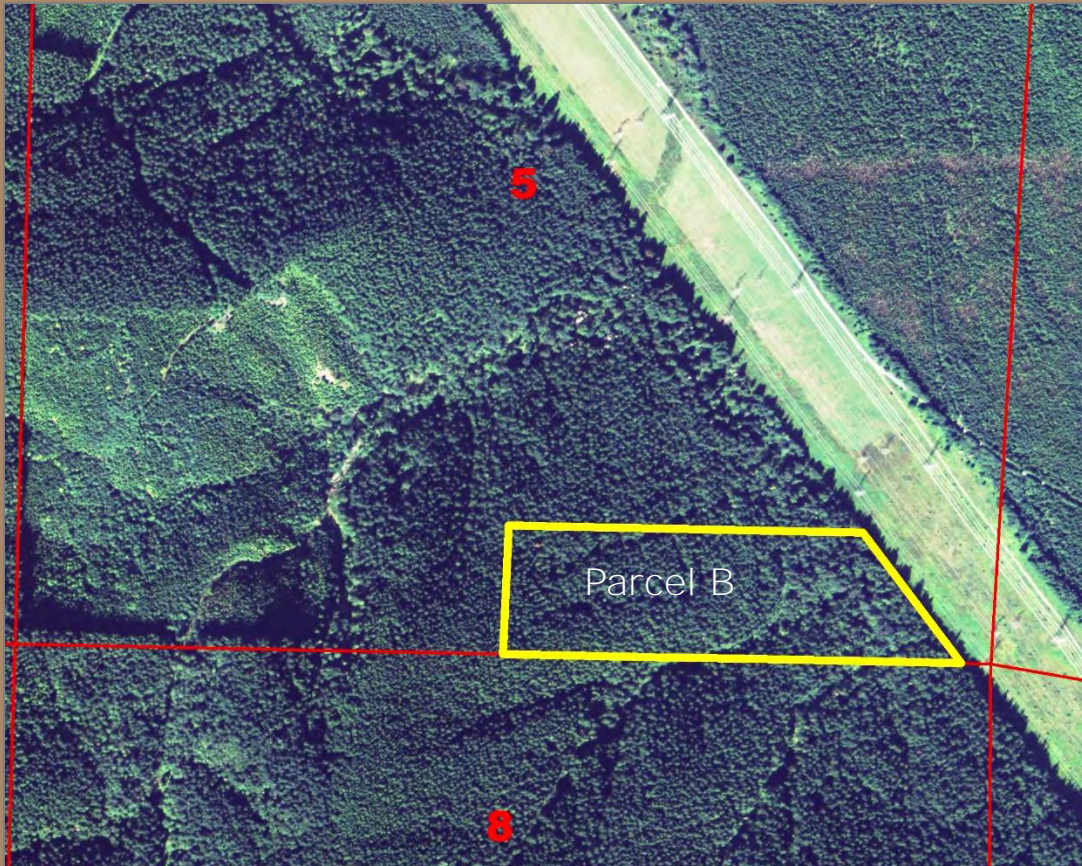
Parcel A – Interior



Parcel A - Interior



Preston Ridge Exchange



Parcel B –
Exchanged and
retained

Common School
Trust to SFL Trust

33 acres; 80-90 yr

Upper Green River

S.5, T21N, R8E

Preston Ridge Exchange

Parcel B – Looking Westerly



Parcel B - Interior



Preston Ridge Exchange

Allocated Value Preston Ridge Inter-Trust Exchange

	Total Value	Timber Value	Residual Land Value
Parcel A – TLT transfer parcel 35.03 acres	\$826,000	\$ 566,000 1,066 MBF	\$260,000 \$7,422/acre
Parcel B – CS Trust to SFL Trust parcel 33.00 acres	\$827,000	\$ 801,000 2,022 MBF	\$ 26,000 \$ 800/acre



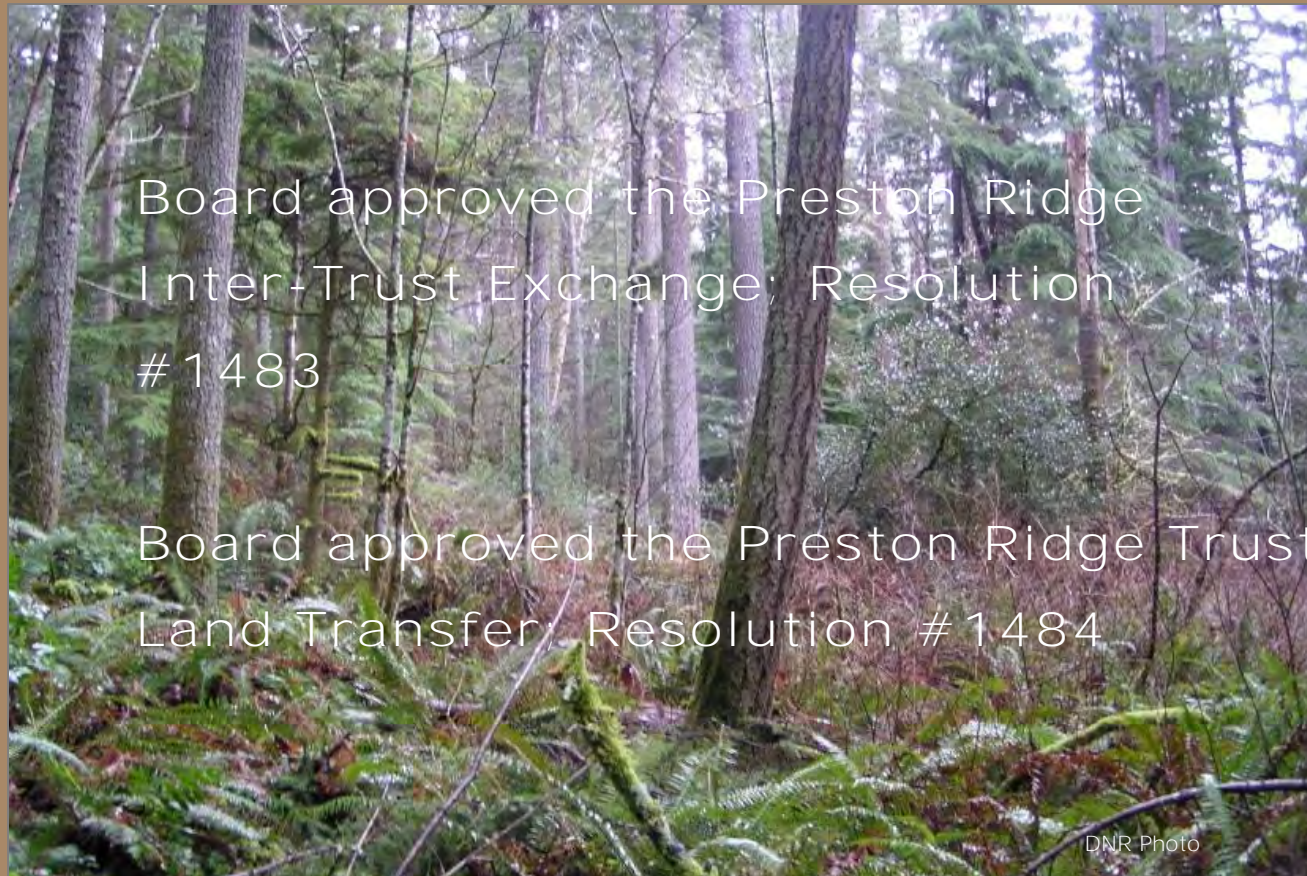
Preston Ridge Transfer

Public Hearing

- Hearing held at Preston Community Center - April 21
- One public attendee at hearing – spoke in favor and supports land exchange and recreation in the Preston area
- No other formal testimony received



Preston Ridge Transfer



Board approved the Preston Ridge
Inter-Trust Exchange; Resolution
1483

Board approved the Preston Ridge Trust
Land Transfer; Resolution # 1484

DNR Photo





Blanchard Law Proviso

Diverse community goals inspired Blanchard MOU

MEMORANDUM OF UNDERSTANDING

Between
The members of the Blanchard Forest Strategies Group;

Backcountry Horsemen of Washington
Conservation Northwest
Friends of Blanchard
Skagit County
Skagit Land Trust
Washington State Department of Natural Resources
Mike Crawford, Citizen
Will Hamilton, Citizen
Ken Osborn, Citizen
Bob Rose, Citizen

(Hereinafter collectively referred to as "the parties")

REGARDING PRINCIPLES AND OBJECTIVES FOR THE MANAGEMENT OF BLANCHARD FOREST

This agreement is made and entered into by and between the parties who are also members of the Blanchard Forest Strategies Group (BFSG). This agreement represents good faith commitments made by each of the parties in a spirit of cooperation. By entering into this agreement the parties confirm their belief that these commitments will be of mutual benefit to the parties as well as to the community and environment as a whole.

STATEMENT OF AUTHORITY AND OF MUTUAL INTEREST AND BENEFIT

Backcountry Horsemen of Washington - *Backcountry Horsemen of Washington Inc. (BCHW) is a state-wide, not-for-profit organization made up of 3,500 members in 37 chapters across the state dedicated to: keeping trails open for all users; educating horse users in Leave-No-Trace practices; and providing volunteer service to resource agencies.*

Conservation Northwest - *Since 1989 Conservation Northwest has worked to protect and connect old-growth forests and other wild areas from the Washington Coast to the Rocky Mountains of British Columbia for the benefit of wildlife and people. Conservation Northwest combines outreach, communication, and science with passion and innovation to build coalitions and partnerships with local communities and to implement science-based solutions that conserve wildlife and habitat.*

Friends of Blanchard - *The Friends of Blanchard is a local, grass roots advocacy group formed to work collaboratively to make Blanchard Forest a permanent recreation area that welcomes the recreational users that currently*

Differing Land Use Values – Started due to differing perspectives regarding Skagit County Revenue needs, Forest Industry needs, Recreation needs, Conservation needs.

2008 MOU-Blanchard Forest Strategies Group formed to find a balance amongst stakeholders. MOU signed.

Legislative direct appropriations used to purchase replacement trust land for a portion of the timber value.

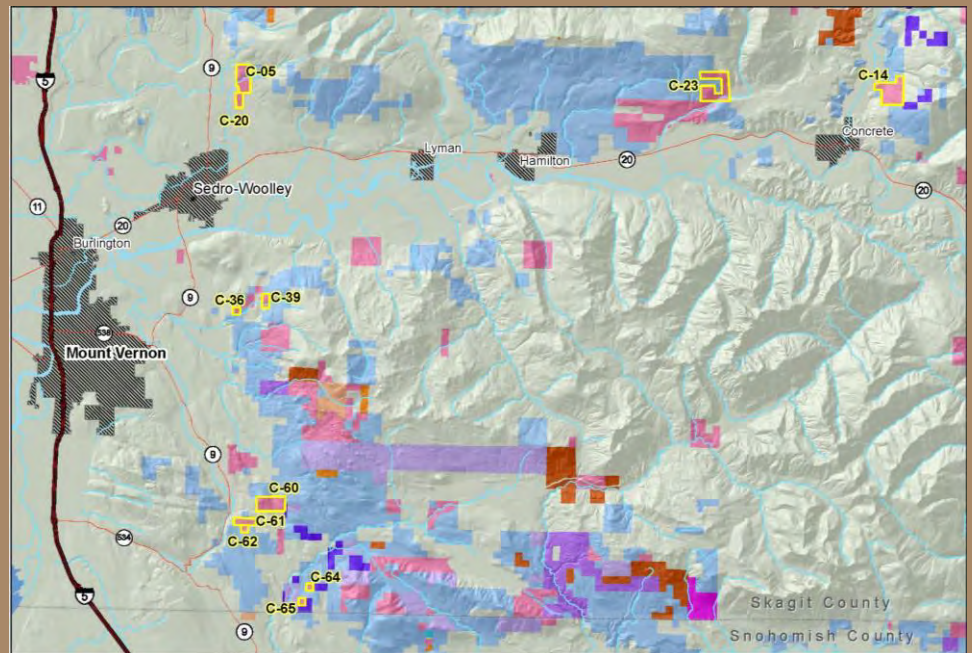
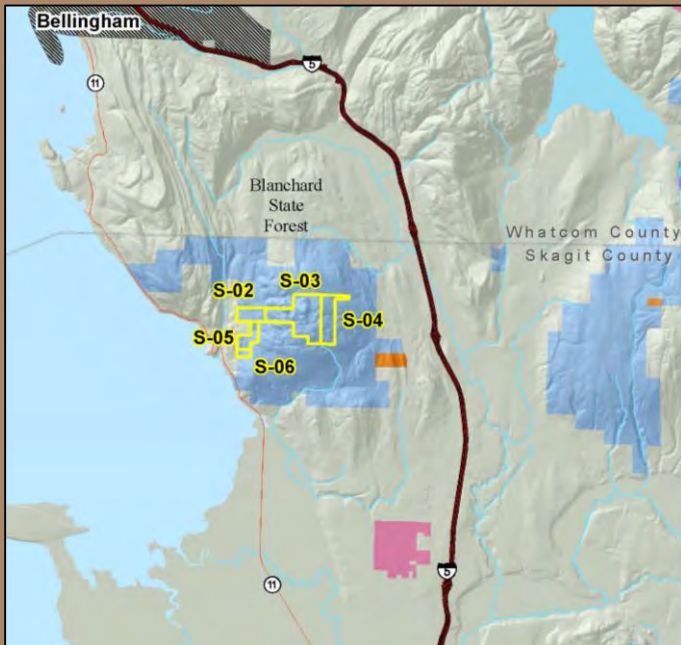
Lastly, the Trust Land Transfer appropriation was made for completing the transfer of the Blanchard Core Natural Area.

Blanchard Law Proviso

Reallocation Funds Between Tax Code Areas

Blanchard Core Area –
Skagit County;
State Forest Trust Lands

Common School Areas –
Skagit County;
Common School Trust Lands



Blanchard Law Proviso

Reallocation Funds Between Tax Code Areas

3-0523.2

HOUSE BILL 2119

State of Washington 66th Legislature 2019 Regular Session

By Representatives Morris and Lekanoff; by request of Department of Natural Resources

AN ACT Relating to the distribution of certain state forestlands; and reenacting and

BE IT ENACTED BY THE LEGISLATURE OF THE STATE:

Sec. 1. RCW 79.64.110 and 2017 3rd sp. s.p.s. c 1 s 936, and 2017 s 248 s 6 are each read as follows:

(1) Any moneys derived from the lease from the sale of valuable materials, or fossils from those lands, except as provided appraised value of these resources when agency under RCW 79.22.090, except as provided must be distributed as follows:

(a) For state forestlands acquired through exchange for lands acquired through RCW 79.22.010

(i) The expense incurred by the state for reforestation, and protection, not to exceed which rate of percentage shall be determined related to the forest development account. During the 2018-2019 and 2019-2020 fiscal years the twenty-five percent limited to twenty percent.

(1) Any balance remaining shall be paid to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board. Payments made under this subsection are to be paid, distributed, and prorated, except as otherwise provided in this section, to the various funds in the same manner as general levies are paid and distributed during the year of payment. ~~However, in order to test county flexibility in distributing state forestland revenue, a county may in its discretion pay, distribute, and prorate payments made under this subsection of moneys derived from state forestlands acquired by exchange between the effective date of this section and June 30, 2020, for lands acquired through RCW 79.22.010, within the same county, in the same manner as general taxes are paid and distributed during the year of payment to the former state forestlands that were subject to the exchange.~~

(2)(i) Any balance remaining, paid to a county with a population of less than sixteen thousand, must first be applied to the reduction of any indebtedness existing in the general revenue fund of the county during the year of payment.

(ii) With regard to moneys remaining under this subsection (1)(a), within seven working days of receipt of these moneys, the department shall verify to the state treasurer the amount to be distributed to the counties. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date.

(b) For state forestlands acquired through RCW 79.22.010 on by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(i) Fifty percent shall be placed in the forest development account.

(ii) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board, and according to the relative percentages on the levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate under RCW 84.52.065 (1) and

Legislative Authority – One time use accomplished via short permitted timeline

House Bill 2119; Chapter 309, Laws of 2019; 66th Legislature, 2019 Regular Session; Effective July 28, 2019.

Law only in effect from July 28, 2019, to June 30, 2020.

Blanchard Law Proviso

Reallocation Funds Between Tax Code Areas

Questions ?



Skagit County tax code area implementation post-closing of the TLT transfer transaction.

County had some time prior to the first scheduled timber harvest and associated revenue distribution to create and change the taxing district codes and to adjust the county revenue distribution system.