



Frequently Asked Questions

What is the Kitsap Forest & Bay Project (KFBP)?

- The KFBP is a multi-party effort to purchase and conserve approximately 6,690 acres of timberlands and 1.78 miles of shoreline in north Kitsap County.
- The land is currently owned by Pope Resources, which, after 160 years of growing trees and milling lumber at Port Gamble, wants to divest itself of its north Kitsap County properties. The company has provided the public with an incredible opportunity to determine the future of these lands.
- Project proponents believe conservation of these lands will help sustain the region's quality of life, environmental health, and economic vitality.

What are the community benefits of the Kitsap Forest & Bay Project?

- **Preserve open space for public use and enjoyment.** These forests, shorelines, and waters of north Kitsap currently are enjoyed by many for walking, biking, bird watching, fishing, kayaking, and harvesting shellfish on a daily basis. These activities enrich our citizens, support healthy lifestyles, sustain cultural traditions, and support commercial enterprises, including a robust and growing eco-recreation industry.
- **Protect Port Gamble Bay and its watershed.** The bay is a rich and productive nursery for a wide range of marine life that are essential to our sport and commercial fisheries. The bay's health is inseparably linked to the health of its watershed, including tidelands, shorelines, streams, wetlands and forests.
- **Preserve healthy Puget Sound shorelines.** The health of Puget Sound's fisheries and marine life is threatened by the loss of shoreline vegetation and alteration of shoreline habitat. Young salmon need nearshore shallows and eel grass to find food, evade predators, and survive to adulthood. Forage fish spawn along the shorelines and beaches of the property.
- **Protect our water quality and supply.** The Kitsap Peninsula has no snowpack or mountain runoff. Virtually all our freshwater comes from rainfall. Mature forests and wetlands are ideal natural buffers that filter and hold this rainfall to replenish underground reserves. However, growing expanses of paved surfaces and roofed structures means that at least 70% of our rainfall quickly runs off as stormwater, instead of recharging critical aquifers. This stormwater carries with it pollutants from our roads, lawns, pets, and septic systems. Preserving forests and wetlands in critical watersheds protects our public water supply and the quality of the water flowing into Hood Canal. There is one recharge aquifer on the ridge of the Port Gamble Block and one on the ridge in the Hansville Block.



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- **Conserve wildlife habitat.** Conserving and restoring habitat for a diversity of wildlife protects our natural heritage and provides opportunities for all to enjoy and be inspired by the natural world around us.
- **Provide economic benefits** Sustainable forestry can create jobs and forest products, while helping achieve ecological goals and providing funds for long-term land stewardship. Fishing and shellfish harvesting also create jobs and are important for the region. Businesses, merchants, and the public ultimately gain when the community's quality of life and health-enhancing amenities make Kitsap more attractive to employers, families, and visitors.

Is there an agreement with Pope Resources to conserve the land?

- An Option Agreement to purchase the land was signed on September 28, 2011.
- Parties to the Option Agreement are:
 - Pope Resources, a Delaware limited partnership – Olympic Property Group, a subsidiary of Pope Resources is managing the agreement
 - Forterra (formerly Cascade Land Conservancy), a nonprofit organization
- Other non-signatory interested parties include:
 - Kitsap County
 - Port Gamble S'Klallam Tribe
 - Suquamish Tribe

What land is in the Option Agreement? Is the town of Port Gamble included in the Option Agreement?

- The land is comprised of approximately 6,690 acres in five separate blocks. The Divide Block (663 acres), Hansville Block (1,782 acres), the Heritage Park Addition Block (366 acres), Port Gamble Upland Block (3,315 acres) and the Port Gamble Shoreline Block (564 acres).
- The town and mill site are not included.
- The parties determined that while everyone is interested in the future of the town and mill site, we should begin our work with the larger, undeveloped portion of the property.

What are the terms of the Option Agreement?

- The community will have 18 months (until March 28, 2013) to identify and raise funds to buy all or some of the property. Subsets of the property can be purchased in individual blocks.
- If Forterra can provide an option consideration (through grants or cash payment), it can exercise the option for some or all of the property, by entering into Purchase and Sale negotiations and an appraisal process. If terms can be reached, the community will have an additional 12 months to secure the funds and purchase the property.
 - Grants: A "Bona Fide Funding Source" includes public and private grant programs, and such other potential funding sources, for which Buyer can identify a specific source of



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funding, with an identified decision-making entity and process, and selection criteria, to which Buyer can reasonably apply for funding.

- Cash: \$150.00/acre to exercise the Option
- During the next 18 months Pope will not sell the land to an outside party.
- During the first 6 months (through March 28, 2012) Pope will not harvest timber. This timber management moratorium will extend for land that is under a Purchase and Sale Agreement based on payment of an option consideration.

How much will the property cost?

- The property will be purchased based upon an appraisal that establishes its fair-market value. (This is a standard requirement for publicly-funded purchases.)
- There can be a wide discrepancy between appraisers on the fair market value for a property. For that reason, Pope Resources will only sell the properties if it agrees with the appraisers' opinion of value.
- The appraisal (or appraisals) will be conducted once funding is appropriately identified or secured.
- It would be reasonable to anticipate based upon the size and nature of the property that the total acquisition price will be in the tens of millions of dollars.

How will Forterra buy the property?

- Forterra does not anticipate purchasing the property.
- Forterra is serving as a representative for the diverse community interests and will facilitate the purchase of the property based on secured funding sources and as guided by Kitsap County, Port Gamble S'Klallam Tribe, and Suquamish Tribe.

What's the role of Kitsap County and the Tribes?

- They all have governmental jurisdiction over the Port Gamble Bay area, as such this conservation effort is occurring under their auspices.
- Many grants and funding sources must be secured by governmental entities; these three governments have made funding the conservation of this property a joint priority.
- Kitsap County has sponsored an application for funding from the NOAA Coastal and Estuarine Land Conservation Program and for a forest sustainability plan from the Department of Ecology's EPA grant program.

What's the role of Great Peninsula Conservancy, North Kitsap Trails Association, and Kitsap Forest & Bay Coalition?

- Great Peninsula Conservancy (GPC) is focused on identifying the property's conservation values to inform the conservation strategy and a long-term stewardship plan for the property. GPC is



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also serving as the convener of local interest groups, known as the Kitsap Forest and Bay Coalition.

- North Kitsap Trails Association is working to develop a regional system of land and water trails that promotes stewardship of natural resources and enhances our communities' livability. The proposed trail network overlaps with the property.
- The Kitsap Forest & Bay Coalition is a collaboration of community and business organizations that are working to save the north Kitsap property. Its mission is to rally public support and help find funding to secure these ecological treasures for current and future generations. Please see the website for a full list of partners at www.greatkitsapforestbay.org.

Where will the money come from?

- We believe that the shoreline block should be eligible and competitive for a range of conservation grants and environmental mitigation funds.
- The regional trail system may be competitive for some federal funding, such as the Recreational Trails Program of U.S. Department of Transportation's Federal Highway Administration (FHWA), and state funding under the Washington Wildlife and Recreation Program.
- The majority of the forested property presents a different, greater challenge. The property has rural residential zoning, in 20-acre lots, and significant timber value. There is no straightforward grant source for this portion of the property. Acquisition of these upland forestlands will require great ingenuity. Some options include: financing the acquisition as a community forest, with some revenue coming from timber harvest; transferring or clustering development in an appropriate manner and on an appropriate site; and applying Low Impact Development techniques and conservation easements to a select remainder of large residential lots.

What's your acquisition strategy?

- We are seeking grant and mitigation funds to protect the shoreline and associated forested parcels.
- We will be evaluating a strategy for establishing a community forest across the remainder of the property. This likely will require a combination of grant dollars and financing supported by timber harvest.
- We encourage brainstorming of innovative strategies for addressing the value of the property, such as transfer of development rights (TDR), low impact development, or other sustainable economic uses of the land.
- We will seek private participation to support the acquisition.

What about funding from the Navy?

- It is possible that portions of this property could be enrolled in the proposed In Lieu Fee Mitigation Program that is being developed by the Hood Canal Coordinating Council.



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- Many entities, including local governments, tribes, and community organizations, have notified the Navy that protection of Port Gamble Bay should be considered as a potential compensatory mitigation project for the second Explosives Handling Wharf at Kitsap Naval Base Bangor.
- In addition to and separate from the compensatory mitigation, several Tribes have notified the Navy that protection of Port Gamble Bay is an important component of mitigation for Tribal treaty rights that will be negatively impacted by the proposed construction of a second Explosives Handling Wharf.
- The ecological and community benefits related to conservation of the bay and its environs are significant, and would likely provide operational benefits to the Navy.
- As to other potential Naval funds, we encourage the Navy to engage with the county and tribal governments in determining whether it has a funding nexus with Port Gamble.

If you can't purchase all of the property, how will you prioritize acquisition?

- We will purchase the blocks that we can with the funds that we raise. It is likely that available funding sources will determine the property that is acquired (rather than us having a choice). If we have a strategic choice, the governments will make the final determination based on science, community interest and management considerations.

How is this effort different from the former North Kitsap Legacy Partnership?

- North Kitsap Legacy Partnership proposed to exchange entitlements (development density) for land conservation.
- The Kitsap Forest & Bay Project is focused at the outset on funding conservation outright through grants and financing. Any alternative strategies will be derived from the success of this initial fundraising effort, and will be pursued in consultation with local governmental entities.
- Given prior disputes between several of the parties, it is a watershed moment that all interests are now working together under the terms of the Option Agreement.

How can others help?

- Due to the complexity and uncertainty of a funding strategy, project partners are calling on all interested parties to consider how they can make a contribution to this effort.
- We urgently need State and Federal leadership to support the local and tribal governments – we can't let this one slip away.

Who will own the land?

- Most likely a governmental entity will hold the property or a conservation easement.
- The particular funding sources and innovative conservation strategies used will dictate the final ownership structure.



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How will the land be managed? What uses will be allowed on the land?

- The particular funding sources and innovative conservation strategies used will dictate the land management regimen.
- Great Peninsula Conservancy, North Kitsap Trails Association and other members of the Kitsap Forest & Bay Coalition have a strong interest and demonstrated commitment to land stewardship.
- Overall, we are seeking to achieve conservation of the land to provide a wide range of ecological, cultural, economic and recreational benefits. The County and Tribes will work together, with consultation from the Kitsap Forest & Bay Coalition, to find the right balance.

How will we afford to take care of all this land?

- All parties involved are sensitive to this question. There are several answers that are relevant:
 - We will rely heavily upon nonprofit partners, local volunteers and trail users to help care for the land.
 - There are grants to assist with shoreline and tideland habitat restoration.
 - Over time, we anticipate timber harvest to improve forest health and generate stewardship revenue.
- As we finalize land ownership, we will evaluate and address land management costs.

Will the Tribes buy the land? If so, will it become part of their reservations?

- The funding sources will determine how the land will be managed and whether it might be enrolled in Tribal Trust status. The County and the Tribes are working closely together on the overall acquisition and ultimate ownership structure.
- The focus of the County and the Tribes is on ensuring that the majority of the land is conserved as natural shoreline and forest, so any final ownership structure will be determined with this overall goal in mind.
- Depending on funding sources, it is possible that the Tribes may own a portion of the land.

If you don't buy the land, what will happen to it?

- We don't know what will happen in the near-term. However, in the long-term, as Pope Resources sells these holdings, it is likely that the forested blocks would become increasingly fragmented, with increased clearing and land development overall. As Puget Sound population grows in the years to come, these privately owned lands will come under increasing pressure to absorb the region's growing population.
- It is likely that residential development would occur on the shoreline and in all remaining blocks in north Kitsap.
- Public access that has been enjoyed at no charge for decades will be lost forever.



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What alternatives are currently available to Pope Resources for selling/developing the land?

- Pope Resources believes the best scenario is for conservation of these lands. If the community is unable to raise the required funding by March 2013, Pope likely will pursue one or more of the following options:
 - Develop land at current allowable housing density (20 acre parcels) by selling to individual owners.
 - Sell in bulk to a small timber or investment company.
 - Sell in bulk to other developer(s).

Pope Resources expects to retain ownership of the historic town and mill site, at least for now. Development at these locations will be designed to complement the conservation lands.

What are the issues with developing this area?

- We support residential and economic development that is sustainable and supportable by local government. In these financially constrained times it is becoming harder for local governments to provide infrastructure and services.
- The property's trails and waters currently are a popular eco-recreation site for local residents and visitors from around Puget Sound. These recreational amenities could be lost.
- Restoring a healthy Puget Sound will require protection of critical watersheds like Port Gamble Bay.
- Most importantly, this is the single best opportunity to conserve 1.78 miles of shoreline, tidelands, and low elevation forestland on Puget Sound.

Why is Pope selling? Why don't you allow the land to stay in private ownership as timberland?

- Pope has determined that the north Kitsap area now supports too many rural residential users for them to efficiently continue traditional, industrial forest practices which includes aerial spraying and logging trucks entering and leaving busy road systems.
- This land is too expensive, due to its rural 20-acre lot zoning, and too small in scale to be attractive to a large-scale timber manager. There may be some possibility of securing a community-minded land manager with innovative strategies for covering ownership costs, in which case our efforts might focus on purchasing a conservation easement that eliminates or reduces residential development.

Aren't you just locking away land that could support economic development here in Kitsap County?

- The KFBP is as much about supporting economic development as it is about protecting ecological values.



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- Conservation and restoration of this land will support shellfish operations, salmon harvest, and timber management.
- The recreational and cultural values of this land will help recruit talented and entrepreneurial residents to Kitsap County, as well as encouraging visitors and travelers to stay and spend money in local communities.

What will happen to the town of Port Gamble?

- We don't know yet. Pope is committed to the redevelopment of the town as a sustainable, education and recreation-based regional attraction.
- We anticipate conservation of the majority of the forests and shoreline will support the redevelopment of Port Gamble and the long-term attractiveness of the area for local businesses and tourism.

Why are you spending money to buy land that's part of a state clean-up action?

- Port Gamble Bay shows the impact of nearly 160 years of use by the mill, town, and surrounding communities. Since 2002, Pope Resources has been engaged in a voluntary clean-up of the bay and surrounding lands. Through the Model Toxics Control Act (MTCA), Washington State Department of Ecology (DOE) is conducting a comprehensive environmental clean-up of the site. Early efforts included full clean-up of upland landfills (5 total), upland and mill site contaminated soils, underground storage tanks, and some sediment dredging. DOE will release a final MTCA clean-up plan in 2012, outlining its MTCA cleanup action plans for the mill site and Port Gamble Bay.
- Protection of the shorelines and forests near the bay will ensure that the benefits of that clean-up effort are not squandered.

Why is protection/restoration of Port Gamble Bay important to Hood Canal / Puget Sound?

- Port Gamble Bay is part of an interconnected ecological system that supports species in Hood Canal, Admiralty Inlet, and Central Puget Sound.
- The bay is one of the largest and least developed sub-estuaries in northeastern Hood Canal.
- Home to over 20 species protected by the Endangered Species Act and other listings at federal and state levels.
- Rare opportunity to conserve undeveloped lands in Hood Canal watershed.
- The lands and waters of Port Gamble Bay provide fundamental cultural, spiritual and subsistence resources to the Port Gamble S'Klallam and Suquamish Tribes. For over 1,000 years, the bay's plentiful marine resources and protected waters have been an important source of subsistence harvest and an important place for practicing cultural traditions. Protection of these waters will also protect cultural resources for future generations.



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- The bay also has a significant historical background in the Pacific Northwest. One of the earliest and most important lumber-producing centers on the Pacific Coast was located at the mouth of Port Gamble Bay, serving as a critical component of the local economy for 150 years. The town of Port Gamble was declared a National Historic Landmark District (National Register of Historic Places) over 40 years ago.

What specific environmental benefits does this property provide?

- A diversity of high quality habitats: mudflats, tidelands, estuarine bay, intertidal and forested wetlands, and maritime forests.
- Home to the second largest stock of herring in Washington State.
- Provides habitat for a variety of forage fish, including herring, surf smelt, and sand lance, which are an important food for salmonids.
- Eelgrass beds in the bay's intertidal zone provide critical habitat for many species in the bay's food chain, including fish and waterfowl.
- Provides important habitat for federally-listed salmon, including Hood Canal summer chum, Puget Sound coho, Puget Sound Chinook, and Puget Sound steelhead.
- Federally-endangered Orca whales visit the bay to feed on the abundant salmon.
- Permanent protection of the bay and its watershed is important for maintaining critical estuarine and nearshore habitats in Hood Canal and Puget Sound.
- Significant wintering populations of brant, pigeon guillemots, and a variety of shorebirds.
- Two bald eagle nest sites are located at the bay's edge. Marbled murrelets, a threatened species, occasionally feed in the bay and may someday nest in nearby forests if the forests are allowed to mature to old growth condition.
- Prime habitat for Olympia oysters, geoducks, and other shellfish.

What do the Tribes want to accomplish?

- Port Gamble S'Klallam Tribe and Suquamish Tribe want to ensure the long-term health of Port Gamble Bay for the many resources and benefits the water and its tidelands provide.
- Provide for the physical well-being, cultural heritage, and economic future of their peoples.
- Participate as good neighbors in an effort to maintain and enhance the overall quality of life for all people living in North Kitsap County and Puget Sound.

What does success look like?

- A stronger community, with a broader network of relationships among diverse people.
- A restored and protected Port Gamble Bay that offers a wide range of benefits to the tribes and local residents.



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- Conservation of extensive tracks of forestland providing the backbone to a healthy, rural, forested landscape in north Kitsap County, offering economic and recreational benefits to all residents.

Where can I get more information?

- Follow up with Liz Johnston at Forterra – she can get you in touch with the right people or information: ljohnston@forterra.org or 206-905-6925
- Pope Resources: www.itsyourbackyard.com and www.popenorthkitsap.com
- Port Gamble S'Klallam Tribe: www.portgamblebay.com
- Kitsap Forest & Bay Coalition: www.greatkitsapforestbay.org
- Forterra: www.forterra.org
- Great Peninsula Conservancy: www.greatpeninsula.org
- North Kitsap Trails Association: www.northkitsaptrails.org