

April 20, 2009

The Honorable Dow Constantine
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Constantine:

I am pleased to submit for King County Council review and consideration an ordinance making a supplemental appropriation to the Raging River acquisition and partnership with the Washington State Department of Natural Resources (State DNR) for \$3,687,446. King County is proposing to purchase development rights and permanently preserve working forest land and habitat in the Raging River headwaters. King County's contribution is made possible in part by a Conservation Futures Tax (CFT) Citizens Committee reallocation of existing project budgets and anticipated proceeds from the proposed sale of the Mullen Slough property to the City of Kent. The proposed Mullen Slough property sale ordinance was transmitted to council on March 26, 2009. In combination with \$900,000 in prior CFT and Transfer of Development Rights (TDR) commitments, this proposal significantly increases the total resources available for the Raging River acquisition.

Background

Permanent public ownership and protection from development of the Raging River headwaters forest has been a high priority for the Executive, the King County Council, and many local and regional environmental organizations for at least a decade. The area is highly productive for timber growth, and it also contains the headwaters of the Raging River, one of King County's most important rivers for endangered Chinook habitat, according to Watershed Resources Inventory Area (WRIA) 9. It is a key piece of land to complete the Mountains to Sound Greenway.

The State DNR announced in fall 2008 that it was pursuing the purchase of over 7,000 acres of working forest land in the primary headwaters of the Raging River, east of State Route 18 and south of Interstate 90 in unincorporated King County near Preston.

When State DNR initiated the acquisition of “the Fruit Growers property” in the fall of 2008, the agency had a private partner interested in buying a portion of the 7,000 acres. This would have lowered overall acquisition cost thereby helping the State meet the sale price. In February 2009 this private party pulled out of the deal.

In order to make the acquisition feasible, the State DNR invited King County to be a 2009 partner in the acquisition. This created the opportunity for King County to step in and assume a partnership role with the State in its acquisition of the Fruit Grower’s property, and ensure the land is permanently protected. Thanks to the creativity of King County staff and the leadership of the Citizens Advisory Committee for Conservation Futures, King County is able to reprioritize existing CFT funds to protect forever a major portion of this forestland from development.

King County has been quietly working hard with the State DNR to support their negotiations for this transaction and we believe a deal is near. Because the structure of the deal changed so recently, and the window of purchasing opportunity will close soon, there is urgency associated with this ordinance. King County must have the funds available for purchase of the Raging River property before May 20, 2009, in order to meet a critical tax deadline of the property owner.

The Transaction and CFT Funds

I must emphasize that State DNR has not yet concluded its negotiations for the property. It is our hope that King County’s contribution will make it possible for State DNR to purchase the entire property as School Trust Land from Fruit Growers Supply Co. in fee simple ownership. However, land owned by the State as School Trust Land is not permanently protected working forest. In the future the property could be sold by the State for its highest and best use value as development. For this reason King County is interested in seeing the property permanently protected as a working forest and preserved forever from development. King County, through its partnership, is simultaneously able to reduce the overall acquisition costs for State DNR, and obtain a conservation easement that permanently restricts development over a significant portion of the property, by purchasing development rights from the current owner using the TDR Program.

King County currently has approximately \$900,000 in approved funds for the project: \$400,000 from a previous 2005 CFT allocation to the Raging River Project and \$500,000 from the TDR bank. The \$2,787,446 provided by this ordinance, along with the previous \$900,000, will provide a total of \$3,687,446 towards gaining the funds necessary for the proposed TDR purchase on approximately 4,000 acres.

In addition King County will be working with the CFT committee in the future to determine if any additional funds are needed to secure additional acreage.

The King County CFT Citizens Committee has reviewed this proposal and made it the top priority for 2009. I concur. The CFT Committee recommends the reallocation of remaining funds from the Boise Creek Dairy Farm and Middle Fork Snoqualmie CFT open space acquisition projects to the Raging River CFT acquisition project. If King County Council approves this proposal, the CFT Citizens Committee will also recommend reallocation of remaining funds from the Paramount Park, the Wetlands Passive Nature Park, and \$1.7 million of the Burlington Northern Santa Fe (BNSF) Eastside Rail Trail acquisition and easement projects to the Raging River CFT project.

Reallocating BNSF CFT dollars for King County's trail easement is a difficult decision. However, we believe the BNSF CFT contribution can be replaced by \$1.5 million federal Surface Transportation non-motorized dollars programmed for King County by the Puget Sound Regional Council (PSRC) for the purchase of the BNSF Eastside Rail Corridor in 2006. There are details related to this PSRC programming that will need to be discussed in future conversations regarding the acquisition of the BNSF Corridor in partnership with the Port of Seattle. But the important message today is that reprogramming the CFT BNSF monies should not significantly impact King County's commitment towards the acquisition of the BNSF Corridor.

I am pleased to present this opportunity to help preserve important natural resource land in the Mountains to Sound Greenway.

This potential acquisition by the State is the single largest unprotected block of land remaining in King County's portion of the Mountains to Sound Greenway, which stretches for more than 100 miles along Interstate 90 from Puget Sound to eastern Washington and encompasses protected working forests, farms, rivers, trails, wildlife habitat and many communities.

Protecting the upper Raging River will also connect large blocks of existing public lands, which include the 94,000 acre Cedar River Watershed, 13,000 acre Tiger Mountain State Forest, 1,800 acre Taylor Mountain County Forest, and the 2,000 acre Rattlesnake Mountain Scenic Area.

Today's proposed legislation to support the State's acquisition is the latest in a series of major transactions that have preserved natural resource jobs, along with vital open space and habitat across King County since I became King County Executive.

We first preserved 1,800 acres on Taylor Mountain. This was followed by the Black Diamond Agreement which protected 1,600. The Snoqualmie Preservation Initiative saved another 1,000 acres and protected the spectacular and sacred view of the Snoqualmie Falls forever. King County acquired the development rights to more than 90,000 acres of the Snoqualmie Tree Farm in 2004. Finally, in late 2008, the county successfully acquired more than 45,000 acres of Plum Creek forestland and open space in the upper Green River Watershed at no cost to taxpayers by using the county's Transfer of Development Rights Program.

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If the proposed Raging River acquisition is approved by the State, King County will have helped permanently preserve more than 155,000 acres of forestland and open space. This is far and away the most successful open space conservation record of any county in the nation.

I would like to thank all the council for their early interest in this property and in particular Councilmember Reagan Dunn for his recent encouragement to make this historic acquisition a priority. In addition, I want to thank the Cascade Land Conservancy, which has engaged in discussions with the owner to preserve this property, as well as the Mountains to Sound Greenway Trust and other local environmental groups that support this important transaction. In the face of our region's continued long-term growth, King County's cooperative partnership with the State DNR is a creative solution which will continue to protect these important headwaters and forest lands. If you have any questions about this ordinance, please feel free to contact Rod Brandon, Director of Environment and Sustainability, at 206-263-9605 or Bob Burns, Deputy Director of the King County Department of Natural Resources and Parks, at 206-263-6296.

Thank you for your swift consideration of this urgent request.

Sincerely,

Ron Sims
King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Tom Bristow, Interim Chief of Staff
Saroja Reddy, Policy Staff Director
Anne Noris, Clerk of the Council
Frank Abe, Communications Director

Rod Brandon, Director of Environmental Sustainability, King County Executive Office

Bob Cowan, Director, Office of Management and Budget (OMB)

Beth Goldberg, Deputy Director, OMB

Theresa Jennings, Director, Department of Natural Resources and Parks (DNRP)

Bob Burns, Deputy Director, DNRP

Mark Isaacson, Director, Water and Land Resources Division, DNRP