

May 16, 2018

Dear WCB Board Members:

I encourage careful review of the proposed easement for land in the ten-mile drainage of Mendocino County (**Item 16. Reef to Ridge Coastal Forest Protection Project, Mendocino County Ten-Mile Drainage** scheduled to be heard at the May 24th WCB meeting).

Once again, the WCB is being asked to participate in spending millions of state dollars to “protect” land that is without development threats. In addition, while the project description runs on for four pages, a reader is left wondering what if any the specific measurable ecological improvements will result from the easement beyond what we would expect from any owner with a basic minimum ethic of stewardship?

At Mendocino Redwood Co we have been working to control sediment, improve fish habitat, protect endangered species, and work in collaboration with partners for the benefit of the health of our forest for 20 years. We do this as part of our business, because it is good business. Our State is without the resources to buy all the land that people view as special (the descriptions of the special nature of the streams and fish that will benefit from this easement can be applied to many north coast waterways), and here we have expenditures of \$740 per acre (70% State of California through various agencies, 30% charitable) going to an out of state investment fund that will accomplish what... exactly?

I also urge members of the board to actually read the appraisal of this project. Since the WCB insists on keeping appraisals private until after money has left the state coffers, the public is left depending on board members having some understanding of what justifies a price of \$740 per acre to “protect” remote steep unimproved industrial timberlands that are without development threat.

As I have described to the board in the past, we have been the largest landowner in Mendocino County for the last 20 years. In general, there is little demand for development parcels. A few small parcels trade from time to time, but in 20 years - in good times and bad, we have yet to be approached by a credible developer wanting to develop even single digit thousands of acres. There is simply inadequate demand to absorb thousands of development acres in Mendocino County in a reasonable timeframe to yield any development value to tracts of this size. And large scale development would face massive infrastructure costs that are not economically supportable by comps. Finally, changes in the illegal growing of marijuana have created significant volatility in the small parcel market, with parcel prices way down in recent times, so it would behoove anyone relying on an appraisal referencing small parcels to make sure the comps reflect actual current market.

There is widespread knowledge in the conservation community that the WCB relied on bogus appraisals for the Usal easement and the Big River II easement (\$40 million of investment). This could only be confirmed after the deals were closed and the appraisals were made available to the public. WCB staff has never addressed the easy and obvious criticisms of these (Usal and Big River II) appraisals despite having committed to do so, which is worrisome as failure to own mistakes often leads to mistakes being repeated. Once again, the public will only be able to review the supporting documents after the

money has been spent, so it would be valuable for board members to make sure there has been learning from the mistakes of the past.

Ask yourselves the question, **besides vague references to arresting purported development threats, what is being accomplished here**, amidst a cutover commercial forest subject to the stringent regulation of eight or nine federal and state agencies?

Sincerely,



Sandy Dean
Chairman, Mendocino and Humboldt Redwood Co

cc: Ken Pimlott
John Laird
John Donnelly