

Foregone Revenues Related to the Lake Whatcom Forest Preserve

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Background

Whatcom County has proposed reconveyance of 8,400 acres of DNR managed “Forest Board” lands to create a forest preserve. The county would manage the lands for protection of water quality, recreation and old-growth forest restoration purposes, so revenues that are currently generated through commercial logging would be foregone. To estimate the foregone revenue, we have used the most accurate figures available.

Details

The following chart outlines the manner in which DNR distributes revenues generated on the Whatcom County forest board lands within the Lake Whatcom watershed. The source figures were calculated in 2003 for the Landscape Plan Draft Environmental Impact Statement. At that time DNR charged a 22% fee, today that management fee is 25%, so the revenue would be slightly lower today. The remaining 75% of revenues are distributed in a manner similar to property taxes.

Entire planning period		
Beneficiary	Average annual foregone revenue (\$000)	
	State	Local
Whatcom County Forest Board Transfer		
Bellingham & Mt Baker School Districts: Bonds		46*
Bellingham & Mt Baker School Districts: Maintenance and operations	94^	
Whatcom County roads		65
Whatcom County Library		45
Port of Bellingham		15
Whatcom County Conservation Futures		12
State General Fund	96	
DNR Forestry Development Account	106	
Total	296	185
<p>* Forgone bond revenue will be made up by a slight increase in property taxes on the remaining real estate throughout the district and will not cause a loss of revenue to the school districts. However, it may cause a slight reduction in future bonding capacity.</p> <p>^ Maintenance and operations funds are reimbursed dollar for dollar by the state general fund when logging revenues are inadequate.</p>		
<p>Revenue figure source: DEIS, Lake Whatcom Landscape Plan, 9/8/2003. p. 123.</p>		

Conclusion

The local portion of the foregone revenues are extremely minimal, especially considering that this proposal would protect a large area from commercial logging, a practice which incurs costly damage to Lake Whatcom water quality.