

Statement by Save Hofmann Forest advocates in response to the new sale agreement signed by NCSU with RMS and Hofmann Forest LLC

To be released Monday morning, September 15

Are Save Hofmann Forest advocates happy with the new deal?

We appreciate the participation of RMS in the new Hofmann Forest sale agreement, as we think RMS decided to become involved at least in part because they also value the benefits of keeping much of Hofmann Forest intact for the benefit of the region. RMS does have a good reputation of working with conservation partners in eastern North Carolina.

However, Hofmann Forest is public land now, and the public will be losing a major forest asset if Hofmann is sold to any for-profit buyer, including RMS. The NC State University community still loses their incredible world-class educational resource that they've held for 80 years, and does so against the wishes of most faculty, staff, students, and alumni. And Walker Ag Group and their unknown co-investors in Hofmann Forest LLC still get 23,000 acres of Hofmann Forest in the new plan. If they are able to complete the purchase this time, we expect the Walkers to quickly pursue whatever uses for Hofmann that would return the highest yields.

We would certainly rather see RMS end up with the entire tract of land, than have the new agreement proceed (**which immediately results in Doc Hofmann's magnificent legacy being broken up into smaller pieces**). But RMS is still a business and they will answer to their investors first and foremost, (not the citizens of NC) when making their decisions about what parts of the forest to resell to others who may develop, farm, mine, or otherwise disturb the land (including Walker Ag Group). It's worth noting that nothing in the new sale agreement appears to prevent RMS from merely turning around and selling their share of the forest back to Hofmann Forest LLC to pursue the large-scale agricultural plans that were outlined in the leaked prospectus. Even worse, if RMS drops out of the deal for lack of funds or other reasons, Hofmann Forest LLC is still entitled to purchase the entire forest.

Also, consider this thought experiment: if another large tract of existing public forest (such as Croatan or Pisgah National Forest) were suddenly placed up for sale, of course we would fight such a plan tooth and nail. If the relevant government leaders then announced a new plan where only 1/4 of the forest would be destroyed for sure, and the rest only "possibly", would anyone call that a victory for conservation? No, absolutely not, that would be a huge net loss of public forestland that citizens would find unacceptable. That is the alternative being proffered by NCSU now with their revised Hofmann sale agreement, and we continue to reject their flawed premise that some loss of public forest is a necessary outcome of this situation.

Does the new agreement affect our lawsuit to stop the sale of Hofmann Forest?

We are gravely concerned that NCSU may be trying to use this new agreement to generate media spin that the environmental impact of the sale has been mitigated or even completely avoided. Nothing could be further from the truth. First and foremost, **the new agreement legally protects zero acres of the forest**, just like the old agreement that was signed last October. Just like the old agreement, there is language about **intentions** of pursuing an easement deal with the military or other parties, but this **potential** easement deal is described with vague phrases such as covering "all **or portions** of" the area of Hofmann Forest north of US 17, and it will only take place "**if an agreement or agreements satisfactory to purchaser...**" can be reached.

Even if RMS keeps most of the 56,000 acres they would receive from this Hofmann deal in timber for the next 10 years, that will still leave out 10-20,000+ acres that could be immediately degraded as a direct result of this deal (12,000 acres of the Hofmann Forest LLC allotment are part of the large "Big Open" pocosin and are at the moment legally unsuitable for development or agricultural conversion, although this could change with political circumstances in Washington DC).

In particular, the ~10,000 acres of Hofmann Forest that are located close enough to US 17 to have high development value (including the 4000 acres of Block 10 and parts of Blocks 8 and 9) are at high risk of being destroyed by urban development. This acreage may be small relative to the enormous size of the entire property, but losing 10,000 acres of wildlife habitat and forested watersheds is incontrovertibly a significant environmental impact by any measure. Imagine losing a public forest twice the size of Umstead State Park! That scale of destruction is what is at stake here even in the short term if this deal is completed, and the loss of Block 10 alone would block the critical flow of wildlife between Hofmann and Camp Lejeune.

Additionally, there are no guarantees that RMS will keep the land that is further away from the highway intact over the short or long terms, their reputation notwithstanding (and the applicability of state environmental laws simply cannot be construed to hinge upon the reputation of a private for-profit business that is on the receiving end of an important governmental decision). We still don't know for sure about the jurisdictional wetland status of most of Hofmann's 79,000 acres, and therefore much of the forest may be open for development or agricultural conversion. Quite a few timber companies have sold substantial acreages of pine forest in the southeast to developers in recent years, and without an easement in place RMS will be tempted to do the same.

NCSU keeps making the **patently absurd claim** that existing County zoning laws protect Hofmann Forest from being impacted by the sale. This is their direct attempt to undercut our lawsuit, but any reasonable observer knows that zoning regulations in North Carolina are very rarely successful at stopping new development from

occurring. And even with the current zoning in Onslow County (**Jones County apparently has no zoning regulations!**) much of the forest can already be converted to row crop agriculture, with devastating impacts on wildlife and water quality. **The sale to private owners without full forest easement protection is the ultimate decision that would make Hofmann vulnerable to these changes.**

Although NCSU would like the Court of Appeals to think that any impacts of the sale are speculative at best, the Court and the public should keep in mind that NCSU and the Natural Resources Foundation (the Defendants in our lawsuit) provided potential Hofmann buyers with a 9000-acre plan for urban development! This plan is what surfaced in the leaked prospectus of Hofmann Forest LLC in November of 2013. **Preparing and distributing that development plan was an open admission by NCSU and the Natural Resources Foundation that considerable environmental damage was likely as a result of the Hofmann sale, and the new sale agreement does nothing to change that fact.**

Certain NCSU leaders have also made the dubious claim that the Marine Corps would simply not allow Hofmann Forest to be developed. At the same time, however, they are quick to admit that Block 10 will be developed, and Block 10 is the closest part of Hofmann Forest to Camp Lejeune! As Google Maps and our own recent aerial tour of the Hofmann Forest region reveal, the Marine Corps has done little to constrain the growth of suburbs that are now encroaching around Hofmann Forest, Camp Lejeune, and Croatan National Forest. The military has apparently been encouraged for some time to purchase a conservation easement on Hofmann Forest and yet they have failed to act, most likely for lack of funds. Although we certainly hope the Marine Corps will take some action to keep large parts of Hofmann Forest undeveloped, in the end the military may simply not be able to afford to protect the most valuable parts of Hofmann Forest along US 17.

Thus the NC Environmental Policy Act (SEPA) and the NC Constitution still apply to the sale of Hofmann Forest. NCSU, which is fully aware that it is subject to SEPA (and has issued policy memos to that effect) needs to prepare a full environmental impact statement regarding the potential direct and indirect environmental damages that could be caused by the sale of Hofmann Forest, and the public should be given ample opportunity to provide comments as per SEPA requirements. Then, to comply with the NC Constitution (which Chancellor Woodson swore in his oath of office to uphold) NCSU must pursue alternatives for Hofmann Forest that are fully consistent with our State's Constitutional policy to conserve our natural resources.

What do we want to see happen instead with Hofmann Forest?

We remain firmly convinced that the only ethically defensible and legally correct pathway forward is for NCSU to cancel the Hofmann sale until a credible Environmental Impact Statement has been prepared and alternatives that are compatible with environmental conservation have been identified and selected.

There are three alternatives that we are already well familiar with that would prevent environmental damage in this situation: **(1)** NCSU keeps the forest and does not sell (or only sells an easement directly), **(2)** NCSU sells a working forest easement directly on the entire property and then sells the forest to a buyer who would be legally restricted by the easement contract, or **(3)** NCSU sells the forest outright to a genuine conservation organization or government conservation agency, with a legally binding agreement that the forest will remain intact and protected. Of these options, 1 and 3 are most preferred, as the land would stay in public hands (or in the hands of a conservation organization which would very likely transfer the land back to the public anyway) and be open to enhanced public access.

If NCSU keeps the land we would like to see a permanent working forest easement sold as quickly as possible to prevent Hofmann Forest from being sold again without protection. We also want foresters, conservationists, and local stakeholders reappointed to the Natural Resources Foundation Board, which was mandated in their bylaws, and evaded in the recent attempt to sell the forest. After the sale of a working forest easement relieves some of the financial pressure on the College and the forest, the reconstituted Natural Resources Foundation Board should place a high priority on encouraging more NCSU faculty from a number of departments to use the forest, while at the same time opening the tract up for public recreation.

Option 2 could be considered as a last resort, and at that point we would welcome a respected timber company such as RMS to buy the land, but only **AFTER** a working forest conservation easement is in place. Even then our hope would be that the land would quickly return to public ownership once sufficient funds could be raised to repurchase the tract.

Former Raleigh Mayor Charles Meeker has made an excellent case that the State of North Carolina can and should pursue the necessary steps to keep Hofmann Forest in public ownership. If NCSU doesn't want the land, which is by no means a true statement if you actually talk to faculty, students, staff and alumni, then the NC General Assembly should make arrangements to turn the property into a state forest, state gameland, or state park, and compensate the NCSU Endowment Fund appropriately over a period of several years. Such a move would protect water quality, enhance wildlife populations, provide generations of citizens with outdoor recreation opportunities, and buffer the important training mission at Camp Lejeune.

We would welcome the chance to sit down with NCSU, the Marine Corps, RMS, and other parties to discuss creative options for achieving one of the three alternatives we've outlined above. A talented and well-respected mediator could be selected to help facilitate this dialog and speed the process along towards an outcome that could achieve some level of consensus support across North Carolina, and which would meet the standards of our robust environmental laws. Hofmann Forest deserves nothing less.