Forest Legacy Project
Gulf Coastal Longleaf Initiative
Santa Rosa County, Florida, Florida

FUNDING HISTORY

<table>
<thead>
<tr>
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<th>FY 2017 Forest Legacy Program Funding</th>
<th>FY 2017 Non-Federal Cost Share</th>
<th>FY 2017 Project Costs</th>
<th>FY 2017 Project Acres</th>
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<tr>
<td>Forest Legacy Funding To Date</td>
<td>$2,290,000</td>
<td>$776,000</td>
<td>$3,066,000</td>
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<td>Total Project Costs</td>
<td>$3,066,000</td>
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<td>2,671</td>
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<tr>
<th>Tract Name</th>
<th>Size (ac)</th>
<th>Tract Cost</th>
<th>FLP Funding</th>
<th>Non-Fed Cost Share</th>
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<td>Pond Creek</td>
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GENERAL DESCRIPTION

Longleaf pine forests once blanketed much of the American South. Maintained by regular fire, these forests are one of the most threatened and ecologically diverse ecosystems in the world, with 900 species found nowhere else on earth and 30 federally threatened/endangered species. Originally encompassing over 90 million acres, longleaf forests have been reduced to just ±4 million acres, with most of the remnants scattered across public lands. The Gulf Coastal Longleaf Initiative (the "Project") will protect 2,671 acres via CONSERVATION EASMENT, which will be restored to and maintained as a working longleaf forest in perpetuity, including reintroduction of prescribed fire. It is part of an ambitious effort in Florida and Alabama to conserve ±205,000 acres under the same ownership and restore ±150,000 acres of longleaf. This is the largest longleaf restoration effort on private lands in history. It is an unprecedented, game-changing opportunity to make significant progress towards the goal set by the America's Longleaf Restoration Initiative to increase longleaf to 8 million acres by 2025 and serve as a model for other private forest owners essential to reestablishing longleaf across its historic range.

PROJECT FEATURES

Important

- **ECONOMIC BENEFITS-TIMBER**: Florida's forestry industry employs 80,700 people and infuses $16.3 billion into the state economy. The Project will create and retain forestry jobs and develop and expand markets for longleaf lumber, poles and specialty products, while keeping land on local tax rolls.
- The Project generates ±11,300 tons of pine pulpwood annually. Wood is supplied to 9 local mills
which employ ±1,000 people. Raw materials from the Project have an estimated annual value of $523,000 and forest management supports ±700 jobs for loggers, forest contractors and mill workers.

- The Project contains 2,443 acres of planted pine, including 2,306 acres of loblolly pine and 137 acres of existing longleaf. If placed under easement, loblolly will be converted to longleaf and prescribed fire applied at least once every four years.

- Longleaf forests are unique with their open structure and grassy understory, maintained by regular fire. The increased use of prescribed fire on the Project will not only improve habitat, it will create jobs for fire crews and help prevent wildfires - a significant economic benefit.

- The Project is third party certified under the Sustainable Forestry Initiative and follows existing forest management plans. Once under easement, an updated management plan will guide conversion from loblolly to longleaf as current stands reach final harvest age.

- A majority of the Project contains soils suitable for both forestry and agriculture, primarily the Dothan and Truop soil types. The average site index for trees is 65 feet at 25 years of age.

- ECONOMIC BENEFITS NON-TIMBER: Alternative annual income is generated from the Project through recreational/hunting licenses, a common practice in this area, with more than 100 individuals and 300 guests annually. Common game species include bobwhite, white-tailed deer and turkey.

- The Project buffers Naval Air Station Whiting Field and Eglin Air Force Base (both critical economic drivers) from residential development incompatible with their missions. Whiting is the busiest air station in the world, supporting ±14,600 jobs and having an economic impact of ±$1 billion.

- A section of land north of the Project was recently purchased as a future naval airfield. The Project will help protect the airfield from sprawling, residential development incompatible with military operations.

- THREATENED OR ENDANGERED SPECIES HABITAT: The Project provides habitat for federally listed/candidate species including gopher tortoise, eastern indigo snake, Gulf sturgeon, white-topped pitcher plant and narrow pigtoe, round ebonyshell and fuzzy pigtoe mussels.

- Once the Project is under easement and areas in loblolly replanted to longleaf, the reintroduction of fire, longer rotation timber management and the elimination of heavy mechanical site-prep will dramatically improve habitat for ±60 rare and protected species.

- This Project represents a significant opportunity to expand protected gopher tortoise habitat on private lands. Gopher tortoise (state Threatened/federal Candidate) are present on the Project's uplands and their burrows provide habitat for at least 60 vertebrate and 302 invertebrate species.

- The federally endangered flatwoods salamander has been documented on adjacent lands under the same ownership where a federal conservation easement transaction is in progress. Continued consultation with federal officials is necessary to confirm the possibility of introduction on the subject tract.

- FISH, WILDLIFE, PLANTS AND UNIQUE FOREST COMMUNITIES: Longleaf forests are one of the most threatened and ecologically diverse ecosystems in the world, with 900 species found nowhere else on earth and 30 federal threatened and endangered species.

- The Project contains ±191 acres of wetlands/natural communities in excellent condition, with ponds, streams and bottomland forests abundant on the property. The Project supports more than 175 resident and migratory birds that rely on these forests for stopover, breeding and wintering habitat.

- WATER SUPPLY AND WATERSHED PROTECTION: Project surface waters flow via Pond and Three Hollow creeks into the Blackwater River (an Outstanding Florida Water), Blackwater Bay and the Gulf of Mexico. The river and bay are known breeding grounds for the federally endangered Gulf sturgeon.

- The Project contains over two miles of streams that, together with surrounding bottomland forests, clean and filter surface waters from nearby agricultural lands. The Project recharges a sand and
• PUBLIC ACCESS: The landowner allows access to the Project to more than 100 individuals and 300 guests annually via hunting/recreational licenses for activities like hunting, fishing, camping, hiking, horseback riding and birding. Many are local families who have been using this land for generations.

• SCENIC: The Project will protect forests along 1.7 miles of frontage on County Road 182, part of the "Chumuckla-Jay" cycling loop. This route is popular with the region's large cycling community who enjoy the area’s extensive network of scenic roads/trails.

• HISTORIC/CULTURAL/TRIBAL: This area is known to have been occupied by Native Americans, with the University of West Florida conducting digs along area rivers. The Project contains two sites listed in Florida's historical records, including a "single artifact" and "artifact scatter."

Threatened

• LACK OF PROTECTION: The Project is zoned Agriculture, allowing forestry, agriculture, subdivision and residential/commercial development at a density of 1 unit/15 acres (±125 lots). It lacks any legal restrictions to prevent conversion/fragmentation for agriculture, recreation or development uses.

• The 2007 Santa Rosa County Rural Development Plan identifies a significant portion of the Project as containing prime farmland. The County is a leader in the state in the production of peanuts, cotton and number of acres in Class I prime farmland, making conversion to row crops a significant threat.

• LAND AND LANDOWNER CIRCUMSTANCES: The tract was acquired by the current owner in 2006 from International Paper. As a Timber Investment Management Organization with obligations to investors, the landowner has a limited window to sell an easement.

• The landowner receives frequent offers to purchase properties they own in the area for conversion to agricultural uses. The tract is in an area where there is a very real threat of fragmentation and conversion of forests to rural residential, recreational and agricultural land uses.

• Given current trends in forestry, agriculture and development and the fact this landowner has a unique vision but a limited window to complete, this is likely the last time the opportunity will exist to conserve these lands as an intact, working longleaf forest and prevent fragmentation.

• ADJACENT LAND USE: Most of the adjacent land not owned by this landowner is in row crops, such as peanuts, cotton and to a lesser extent, corn and strawberries. There is currently significant pressure to convert to commercial agriculture due to increasing commodity prices.

• The Project is under numerous flyways, with Eglin AFB and Whiting completing over 100,000 operations per year in the area. The last round of Base Realignment and Closures increased uses and training at the base and increased residential and commercial development pressure in the region.

• Residential development is on the rise in Santa Rosa County. 2013-2014 saw $150 million in investment in residential construction, the most in a single year since 2006. It also saw 1,155 residential building permits issued, the most since 2007. As the economy improves these numbers will rise.

• Santa Rosa County is one of Florida's fastest growing counties, within one of the nation's fastest growing regions. From 2000-2010 the county’s population grew by 28.6%. The Project's proximity to abundant waters and beaches (30 miles south) intensifies development pressure.

• ABILITY TO DEVELOP: The Project is highly developable with 1.7 miles of frontage on County Road 182. With more than 90% uplands there is no shortage of buildable areas. Electricity is immediately adjacent and the well-drained soils/underlying aquifer can support rural development and row crops.
Strategic

• CONSERVATION STRATEGY: The Project is part of an ambitious effort in Florida/Alabama to conserve ±205,000 acres under the same ownership and restore ±150,000 acres of longleaf within a key watershed. This is the largest longleaf restoration effort on private lands in history and will serve as a model for other private forest owners essential to re-establishing longleaf across its historic range.

• CONSERVATION PLAN–NATIONAL: The Project is within the largest Significant Geographic Area identified as a priority in the Range-Wide Conservation Plan for Longleaf Pine. It will also significantly further the America’s Longleaf Restoration Initiative’s goal to reach 8 million acres of longleaf by 2025. Engaging with large private forest owners is critical to their success.

• The Project will further the significant efforts of the U.S. Fish and Wildlife Service and U.S. Forest Service (USFS) to restore longleaf pine, including the efforts directly above in which they are partners, private landowner incentive programs, longleaf pine Collaborative Landscape Proposals, the USFS Collaborative Forest Landscape Restoration Program and others.

• The Project furthers the Natural Resource Conservation Service's Longleaf Pine Initiative, their Regional Conservation Partnership Program's Critical Conservation Area–Longleaf Pine Range, and their Gulf of Mexico Initiative's Escambia/Blackwater River Watershed focus area. The Project also furthers the Farm Service Agency's Conservation Reserve Program-Longleaf Pine Initiative.

• The Project will provide a permanent greenspace buffer around Whiting and Eglin, supporting natural resources and national security. It will help prevent future land use conflicts, protect flight paths and provide long-term planning ability for the Dept. of Defense. The owner is willing to allow compatible military training on-site and the tract could provide conservation mitigation opportunities.

• CONSERVATION PLAN-REGIONAL: The Project is located in the heart of the Gulf Coastal Plain Ecosystem Partnership (GCPEP), a partnership of public and private landowners in Northwest Florida/Southeast Alabama to conserve and restore the longleaf ecosystem. It is within GCPEP's focus area for longleaf restoration and has been identified as a top conservation priority to reestablish longleaf.

• CONSERVATION PLAN-STATE: The Project supports the Florida Forest Service 2010 Action Plan by addressing several issues of importance to the state, including supporting sustainable forest markets, reducing further fragmentation of longleaf ecosystems, meeting the challenges of climate change, improving economic viability of forests and protecting water quality and quantity.

• The Project will forward Florida's 2012 State Wildlife Action Plan by protecting longleaf pine/savanna (a designated endangered ecosystem), preventing habitat loss/fragmentation, protecting water resources and increasing use of prescribed fire. The Project is located within a high priority area of the Florida Ecological Greenway Network and is on the State's Florida Forever project list.

• COMPLEMENT PROTECTED LANDS: Highlighting the national significance of the Project, the landowner has been awarded a $5 million NRCS Regional Conservation Partnership Program grant to acquire a conservation easement on 4,400 acres adjoining the Project along a portion of its southern border. The acquisition process is underway and the purchase of that conservation easement is anticipated in 2016.

• The Project is adjacent to an additional 4,252 acres that has been placed in the top tier of projects for the State of Florida's Rural and Family Lands Protection Program, administered by the Florida Forest Service. The Project will also build on $1.9 million in prior Forest Legacy Program investment in the region including the 3988-acre Perdido River–Longleaf Hills project, 20 miles to the west.
Readiness

Pre-Appraisal/Market Analysis  1
Easement or Fee Conditions  1
Non-Federal Cost Share Commitment  1
Signed Purchase Agreement  0
Title Search  1
Mineral Determination  0
Stewardship Plan (or equivalent)*  1
Readiness Total Tally Score  5

Supporting Parties

U.S. Fish & Wildlife Service; Florida Forest Service; Florida Fish and Wildlife Conservation Commission; Florida Department of Environmental Protection; Northwest Florida Water Management District; Gulf Coastal Plain Ecosystem Partnership; National Fish and Wildlife Foundation; The Conservation Fund; The Longleaf Alliance; Florida Wildlife Federation; Audubon Florida; Florida Defenders of the Environment; U.S. Representative Jeff Miller; and U.S. Senator Bill Nelson.

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