March 1, 2019

Coffelt Farm Stewards 1071 Crow Valley Road Eastsound, WA 98245

Dear CFS Board Members:

What follows is the Land Bank's response to your request for a letter of intent on our commitment to maintaining, repairing and adding additional infrastructure at Coffelt Farm. We trust you understand that the Land Bank, as a public entity and part of County government, has fixed protocols for committing public resources and can only make major expenditures if they are adopted into a budget by the Land Bank Commission and that budget is approved by the San Juan County Council. The Land Bank does have the flexibility to take on some of the items below within its existing budget, but others by necessity, will, require further consideration and passage through the budget process.

Over the past eight years, both the LB and CFS have had numerous challenges in their respective roles: a public agency stewarding a diverse farm – the first and only one in its portfolio - and a newly-formed non-profit operating its own evolving organization as well as managing ongoing farm operations. It was, and is, uncharted territory for both entities, and has been tumultuous and full of learning experiences. There have been missteps along the way, yes. However, the common ground that ties us together is reverence for the farm and recognition of its importance to our county and beyond - today and far into the future. We, both as the Land Bank and as citizens of San Juan County, have a vested interest in seeing this farm thrive and rise to its full potential. In addition, we better understand now, which admittedly we did not fully grasp at time of purchase, the economics and realities of running a diverse farm in public ownership.

We recognize there are still more infrastructure needs to be met in order for this farm to operate optimally and with best practices. We are committed to finding funding and investing in the following infrastructure as soon as possible: livestock heavy use areas, particularly to accommodate cows and sheep, fencing, water system assessment/upgrade, and provisions for sanitary egg processing and laundry. As you are aware, partial grant funding is available for much of this and we intend to work with the Conservation District in that regard. As such, timing for some projects may be dependent on grant cycle funding.

We also recognize that farmworker housing is a priority and are willing to continue the conversation about how these needs might be met. However, with only a week's time, many questions about overall feasibility remaining unanswered, and a number of potential options unconsidered, the Commission cannot make a firm commitment on *how* to solve the problem at this time.

Regarding the proposed 3,600 ft² new multi-use building for office, housing, classroom, commercial kitchen, etc., though highly functional in helping CFS achieve its mission and also beneficial for the greater agricultural community, at first pass it appears to exceed the basic infrastructure needs for the

farm to operate smoothly. We feel there might be other more cost-effective solutions the Land Bank can implement to meet its infrastructure obligations and as a conservation organization, we naturally lean toward utilizing existing buildings and footprints as much as possible. If you disagree and are dug in on this single large building concept, we invite you meet with us and discuss further. It may be that we agree that indeed is the best solution and the next task is for us jointly to figure out how to raise the additional funds needed. We envision that to bring it fully to fruition, it will require multiple partners and funding sources beyond the Land Bank, including a fundraising component by CFS.

Lastly, should you choose to continue CFS and operating Coffelt Farm, we need assurance that the board will stay cohesive and work with us collaboratively on the above-mentioned solutions. The current ultimatum and adversarial dynamic is not conducive to a healthy partnership. In short, we need to "reset" our relationship and start fresh in a positive, productive manner. The Land Bank is committed to doing our part to set Coffelt Farm on the path of sustainability. Together with your continued hard work and dedication and the support of the community, we can make it a shining example not only of an exemplary farm, but of a successful public-private partnership.

Please don't hesitate to contact me, or any of the Land Bank Commissioners, with questions.

Sincerely,

Lincoln Bormann

Director