

DATE: January 30, 2026

TO: Kathleen Haggard, Haggard & Ganson LLP
Kristin Anger, Summit Law Group
Eric J. Richey, Whatcom County Prosecuting Attorney
George Roche, Deputy Prosecuting Attorney
Kellen Kooistra, Deputy Prosecuting Attorney
CC: Whatcom County Council
Executive Satpal Singh Sidhu

FROM: Brian Gass, Editor-in-Chief

RE: Notice of Intent to File Bar, Regulator, and FBI Complaints - 15-Day Response Period

I. PURPOSE OF THIS LETTER

This letter provides notice of professional responsibility violations in connection with the investigation of Natural Resources Planner Matthew Mahaffie and the subsequent published “reports”. You have 15 days from receipt to respond to the specific questions in Section VII, or complaints will be filed.

This is not a negotiation. This is an opportunity for you to explain conduct that appears to violate the Washington Rules of Professional Conduct.

II. EXECUTIVE SUMMARY: THE INVESTIGATION WAS RIGGED

The Mahaffie investigation wasn't merely incomplete - it was systematically designed to reach a predetermined outcome of "no wrongdoing" regardless of the evidence.

The core fraud: Matthew Mahaffie, a county Natural Resources Planner, has profited \$400,000+ already and stands to profit as much as approximately \$3.1 million by using his regulatory position and insider knowledge.

When investigated, he made easily verifiable false statements, and “investigator” Kathleen Haggard published them without verification, or even the most minimal attempt to verify them.

Haggard systematically avoided every witness and document that would expose the lies, corruption, and the **FINANCIAL PROOF** Mr. Mahaffie personally benefitted from his position as a regulator.

Four prosecutors endorsed this sham investigation and used it to threaten legal action against the citizen who reported it.

This letter focuses on SIX egregious failures that prove deliberate misconduct:

1. "Arms Length" Lie - Publishing legally false conclusions without investigation
2. "No Way to Confirm" Footnote - Claiming inability to verify facts she could verify in 5 minutes
3. Taking Everything at Face Value – Publishing Mahaffie's claims without any verification or challenge
4. Conflicting Statements -Publishing contradictory testimony without resolution
5. Ignoring the connection between Mahaffie's company and family members whose names were used ONLY to hide the fact that he owns and controls the properties in question.
6. The Regulator Advantage - Ignoring that a regulator controlling property values has inherent undue influence in EVERY TRANSACTION where their role is not disclosed.

III. THE "ARMS LENGTH" LIE - RPC 1.1 AND RPC 3.3(a)(3)

What Haggard Published: Mahaffie claimed the transactions were "arms length" - meaning independent parties with equal bargaining power and full market knowledge.

Haggard accepted this without investigation and published it in her report.

What "Arms Length" Actually Means?

An arms length transaction legally requires:

1. Independent parties - No shared agents or special relationships
2. Equal bargaining power - No unfair advantages
3. Full market knowledge - Both parties have material information
4. No undue influence - No coercion or special power

Why This Transaction Was NOT Arms Length

Same Agent Represented Both Sides: Rob Merhaut started out as the seller's listing agent, but ended up represented the buyers (Mahaffie/Kratzer).

Dual agency destroys "arms-length" status as a matter of law when there are undisclosed positions and/or conflicts that give one side a gigantic advantage over the other. An agent cannot serve conflicting duties (get seller the highest price vs. get buyer the lowest price), or know what price is fair?

Massive Power Imbalance:

Buyer: County Natural Resources Planner with expert regulatory knowledge that he admits to having in his statements to the "investigator."

Seller: Elderly widow with problems selling her properties due to wetland regulations.

Buyer controls the very regulations that affect property values and outcomes with permitting.

Undisclosed Material Facts: Seller didn't know buyer was a county regulator and Mahaffie admitted that he didn't disclose that he was. In fact, Mahaffie CREATED A SHELL COMPANY JUST FOR THIS TRANSACTION, Dead Goat Properties LLC.

Seller might not have known her agent also represented the buyer

Seller didn't know buyer's insider knowledge affected property values, just look at how Mr Mahaffie can take a \$10K purchase of 7 acres and use it to sell mitigation credits for \$400K an acre!

How Haggard Could Have Discovered This

Three simple questions would have exposed the lie:

- "Who represented you in the transaction?" → Answer: Rob Merhaut
- "Who represented the seller?" → Answer: Rob Merhaut (same agent!)
- "Did the seller know you were a county regulator?" → Answer: No

Any competent attorney serving as an "investigator" knows: ***Dual agency destroys "arms-length" status if both parties are not holding the same information to make a deal.*** This is black letter law. It takes 30 seconds to find out who the agents were and ASK THEM.

What Haggard Actually Did

She never asked who represented the seller, never interviewed the seller or agent, never requested standard transaction documents, and published "arms-length" declaration based solely on Mahaffie's unchallenged word even though Haggard KNEW what Mahaffie did for a job and SPECIFICALLY was charged to investigate if he used his position to enrich himself at the expense of the public.

The Violations RPC 1.1 (Competence): "A lawyer shall provide competent representation to a client. Competent representation requires... thoroughness and preparation reasonably necessary for the representation."

Any attorney investigating real estate transactions knows dual agency destroys "arms length" status if certain facts are not disclosed. Accepting this claim without asking basic questions about representation is incompetent.

RPC 3.3(a)(3) (Candor to Tribunal): "A lawyer shall not knowingly... offer evidence that the lawyer knows to be false." Haggard published that transactions were "arms length" when they legally were NOT. She either knew this (actual knowledge) or deliberately avoided learning it (willful blindness = actual knowledge under RPC 1.0(f)).

Haggard published that Tom Bressenden was a "former Natural Resources Planner with the county" as if he didn't work for the county or that he wasn't available. She deliberately MISLED the County Council by not interviewing the very person who could testify whether undue influence was involved in the permitting of 8358 and 8366 Blaine Rd or that he was employed by the county during the investigation period and at the same time at Mahaffie's company, "Skagit Wetlands and Critical Areas LLC".

BTW, Tom Bressenden is still employed by the county in the Public Works Department.

IV. "I HAVE NO WAY TO CONFIRM" - WILLFUL BLINDNESS AS POLICY

The Footnote From page 1 of Haggard's July 2, 2024 report: "**Grifo's complaint characterizes Beckwith as a 'widowed senior citizen.' I have no way to confirm if that is the case, and if so, whether Beckwith is especially vulnerable.**" This is by far the most egregious and incompetent statement I have ever read from an attorney who was being charged as an "investigator." (and that is saying something)

Ways Haggard Could Have Confirmed This (Time Required)

- Call Beckwith and ask (30 seconds)
- Call Rob Merhaut, Beckwith's agent (1 minute)
- Check public death records (2 minutes)
- Check property records for ownership change (2 minutes)
- Interview Beckwith about the transaction (30 minutes)
- Total time to confirm: Under 5 minutes

What This Footnote Actually Means

What Haggard wrote: "I have no way to confirm" What she meant: "If I confirm Beckwith was a vulnerable widow who netted ~\$50K for 14+ acres while a county regulator profited \$3.1 million, it makes Mahaffie and the county look worse. So I won't confirm it."

Why This Is Willful Blindness RPC 1.0(f): "'Knowingly,' 'known,' or 'knows' denotes actual knowledge of the fact in question. A person's knowledge may be inferred from circumstances, and willful blindness is treated as actual knowledge." Claiming "no way to confirm" something you could confirm with a phone call is the textbook definition of willful blindness.

The Pattern This Reveals

Haggard wrote in a footnote that she thought this was relevant enough to address. But then claimed "no way to confirm" rather than make a phone call. This is a statement of investigative methodology: "I acknowledge relevant facts exist, but I choose not to investigate them." If this is how Haggard approaches one fact, how did she approach the entire investigation?

V. TAKING EVERYTHING AT FACE VALUE - SYSTEMATIC FAILURE TO VERIFY

The Pattern Throughout her investigation, Haggard accepted Mahaffie's claims without requesting a single document to verify them. Let me show you three easily verifiable lies Haggard published without verification.

Lie #1: The Purchase Price What Mahaffie Told Haggard: "Working through an agent, Mahaffie and Kratzer offered \$80,000 for both properties. Mahaffie admitted the offer was a 'low ball;' however, he emphasized that since he paid \$23,854.70 to correct the illegal tax classification, the purchase price was effectively \$103,000."

The Truth:

- Actual cash paid: \$30,000 down payment (not \$80,000 or \$103,000)
- Taxes were paid from the seller's proceeds out of the \$30K (not "in addition")
- Seller netted approximately \$0 initially for 14+ acres
- Seller financed \$50,000 for the buyers

One Document Would Prove This: The settlement statement shows line by line who paid what and where the money went. Haggard never requested it.

Lie #2: Did Mahaffie really believe that the wetlands were NOT mitigated by the recording of the plat for 4470 Castlerock Dr?

Regardless of what Mahaffie SAID to Haggard, when the property was listed and offered for sale, the LAW (RCW 64.06.015) requires that a Seller Disclosure be provided for the PURCHASE of the property from the Dierdorff's and the LISTING of the property on the Northwest Multiple Listing Service.

The Truth: Mahaffie's real estate agent, Rodney Helgeson, when asked about a listing at 4470 Castlerock Dr, received an email (attached) inquiring as to why the property was purchased 17 months earlier and what changed. The agent's response to that question before the April 2020 purchase, "*My understanding from the seller is that all the wetland mitigation was done as part of the original plat with permanent buffers of 25 feet. The seller has indicated Amy Dearborn is a good contact at the county for questions regarding*".

One Document Would Prove This:

Listing paperwork and the REQUIRED Seller's Disclosure. She could have also requested any email communications between Helgeson and Mahaffie. Haggard never requested them.

Lie #3: The 2023 NOAR What Mahaffie Told Haggard (July 2024):

He never saw the 2023 Notice of Applicant Review (NOAR) for the new owner of 4470 Castlerock Dr. expansion until November 2023 and never spoke with Goldschmidt.

What Tom Goldschmidt Told Haggard (August 2024):

Goldschmidt (supervisor) recalls Mahaffie consulting with him about the NOAR before November 2023.

The Contradiction:

Either: Mahaffie consulted with Goldschmidt about the 2023 NOAR (Goldschmidt says yes), OR Mahaffie never saw it until November (Mahaffie says yes)

What Haggard Did With These Contradicting Statements:

- She published them all without verification.
- She never requested: Settlement statements Purchase and sales agreements

Email communications Employment records confirming Brissenden's status This is not investigation. This is stenography. The Violation Accepting all claims at face value without requesting standard documents is willful incompetence.

VI. CONTRADICTORY STATEMENTS - PUBLISHING BOTH VERSIONS

The Mahaffie-Goldschmidt Contradiction

- What Mahaffie Said: Never saw the 2023 NOAR until November
- What Goldschmidt Said: Mahaffie consulted with me about it before November

What Haggard Did

From the August 23, 2024 supplemental report: Haggard says she believes Goldschmidt is telling the truth but never made a finding about whether Mahaffie lied. She just rationalized why the contradiction "doesn't matter."

What An Honest Investigation Does

When two witnesses give contradictory testimony about a material fact, an honest investigator: Documents the contradiction, and makes a finding about who is truthful

Investigates further to resolve the conflict by considering the credibility implications if one party lied

Haggard did #1 and #2. She deliberately avoided #3 and #4.

Why This Matters If Goldschmidt is truthful (and Haggard says she believes he is), then:

Mahaffie lied about when he saw the NOAR This lie goes to whether Mahaffie knew about permitting issues before selling mitigation. Lying to an investigator is evidence of consciousness of guilt, but Haggard never made these findings. She just moved on.

The Violation Publishing contradictory testimony without resolution or credibility findings violates RPC 1.1 (Competence). It's not competent to publish "A says X, B says not-X, and both might be true."

VII. THE REGULATOR ADVANTAGE - IGNORING OBVIOUS UNDUE INFLUENCE

The Core Issue

Haggard Refuses to Acknowledge:

A county regulator who controls property OUTCOMES has inherent undue influence over property transactions.

Exhibit A: The \$10,000 to \$3,000,000 Proof:

Mahaffie's company, Dead Goat Properties LLC bought 8366 Blaine Road for \$10,000 in 2020. By 2024, that could be worth approximately \$3,000,000 as mitigation credit sales, starting with Royal Emerald Motors, \$400,0000 for one acre. From \$10,000 to \$3,000,000 = 30,000% return

How Did This Happen? Mahaffie's regulatory knowledge and position enabled this profit:

- He knew which properties had wetland mitigation potential. He knew Royal Emerald Motors needed mitigation credits (how else did Royal Emerald Motors it was even POSSIBLE?)
- His department regulates Royal Emerald Motors. His department approves the permits that created the demand for his own mitigation credits.
- This is not a normal real estate investment. This is regulatory arbitrage.

Why This Proves Undue Influence? The legal test for "undue influence":

- Did the person have a position that gives them power over the transaction outcome?
- Did they use that position to benefit themselves?
- Were other parties unaware of this advantage?

Mahaffie's regulatory position creates the value.

The seller doesn't know that Mahaffie was a REGULATOR. He hid the purchase and involvement by having his live-in-girlfriend and a newly created shell company and put it in their names.

The buyer profits through hiding his live-in-girlfriend as the purchaser from their own regulatory authority, while handling ALL THE PERMITTING behind the scenes, including his own name

and contact information for the septic, the survey, the wetlands reporting, using his COUNTY ADDRESS AND EMAILS.

This is textbook undue influence.

Haggard's Response to This:

Haggard investigated only ONE SECTION of RCW 42.23.070(1): "Using government position to secure special privilege."

But the real violations are RCW 42.23.070(3) and (4): (3) "Receiving compensation... for any transaction involving the county" (4) "Using confidential information... to advance financial interest" Mahaffie is using regulatory expertise gained through his position to potentially profit \$3M.

Worse, Haggard Dismissed the Legal Standard of "Appearance of Conflict" from her August 23, 2024 supplemental report: *"Finally, the county code purports to prohibit even the 'appearance' of a conflict, but perceptions are in the eye of the beholder. As the county allows its employees to interact with the county as private citizens, perception problems will always arise."*

What This Actually Means:

Haggard treats "appearance of conflict" as mere subjective perception rather than a legal standard. She claims Mahaffie was just "interacting with the county as a private citizen," while ignoring that he was using his regulatory position to control the outcomes that created his profit!

The Problem With This Defense:

"Appearance of conflict" is a legal standard in government ethics, not subjective perception. Mahaffie wasn't just a "private citizen" buying property, ***he was a regulator profiting from properties he regulated.***

You cannot separate his "private citizen" role from his regulatory role when his regulatory knowledge and position created the property value, and controlled the outcome.

A traffic cop can't pull people over as a "government employee" then profit from towing contracts as a "private citizen". The entire point is that the roles are inseparable when one enables the other.

The Violation RPC 1.1 (Competence):

Any competent attorney investigating whether a regulator used their position to profit would recognize that:

- A regulator controls the outcome value of properties in their jurisdiction.

- A regulator buying properties and profiting up to \$3M has inherent undue influence.
- The phrase "acting as a private property owner" doesn't make this legal.
- Accepting this defense without investigating the regulatory advantage is incompetent.

VIII. THE CRITICAL WITNESSES NEVER INTERVIEWED

Pattern: Every witness who could contradict Mahaffie was avoided.

Witnesses Haggard Never Interviewed:

Tom Brissenden - Reviewed Mahaffie's Blaine Road properties (THE most critical witness), also worked FOR Mahaffie in his company in Skagit County, Skagit Wetlands and Critical Areas, LLC.

Miguelina Beckwith - Seller who netted ~\$50K for 14+ acres Rob Merhaut - Real estate agent who represented both sides (dual agency)

Lara Kratzer - Mahaffie's girlfriend, who "bought" 8358 Blaine Road

Rodney Helgeson - Mahaffie's agent, representing Mahaffie's purchase and subsequent sale if, 4470 Castlerock Dr.

- The agent did have MATERIAL INFORMATION on the structure, how the sale was handled, and whether Mahaffie BROKE THE LAW in his REQUIRED DISCLOSURES.
- Oh and Rodney, did have knowledge that there were no mitigation issues on Castlerock (see attached email).

This is not oversight. This is design.

IX. THE QUESTIONS YOU MUST ANSWER IN 15 DAYS

For Kathleen Haggard:

About "Arms Length":

- Do you know the legal definition of "arms-length transaction"?
- When did you learn that Rob Merhaut represented both sides?
- Do you understand that dual agency destroys "arms-length" status in this scenario?
- Why did you publish "arms length" without verifying agent representation?

About "No Way to Confirm":

- Can you explain what prevented you from calling Beckwith or her agent?
- Do you believe that you had "no way to confirm" whether Beckwith was a senior citizen or a compromised seller?

- Do you really believe that something you can confirm with a phone call, but ignoring that fact, is honest?

About Taking Things at Face Value:

Why did you not request standard transaction documents (settlement statements, purchase agreements, emails)?

Do you even try to verify claims in investigations, or just accept them?

About Contradictory Statements:

- You say you believe Goldschmidt was truthful. If so, was Mahaffie lying?
- Why did you not make a finding about who was truthful?
- Why did you not investigate further to resolve the contradiction?

About Regulator Advantage:

Do you understand that a regulator controlling property value outcomes has inherent undue influence?

Do you believe a 30,000% return (\$10K to \$3M) is normal without insider advantage?

Why did you not investigate how Mahaffie's regulatory position enabled this profit?

You wrote that "appearance of conflict" is just subjective perception and "perception problems will always arise" when employees act as private citizens.

- Do you understand that "appearance of conflict" is a legal standard in government ethics, not mere public perception?
- Can you explain how Mahaffie was acting as a "private citizen" when his regulatory knowledge and position created the property values he profited from?

About Critical Witnesses:

- Why did you not interview Tom Brissenden, Miguelina Beckwith, Rob Merhaut, Lara Kratzer, or Rodney Helgeson?
- Can you name a single witness you interviewed who had adverse interests to Mahaffie?
- For Kristin Anger (Supervising Attorney):
- Did you review Haggard's investigation before the July 2, 2024 report was issued?
- What supervisory oversight did you provide?
- Do you believe this investigation met professional standards?

For Eric J. Richey, George Roche, and Kellen Kooistra:

You endorsed this investigation and used it to threaten citizens with legal action.

- Did you review the investigation before endorsing it?
- Did you notice critical gaps (no transaction documents, no witnesses with adverse interests, contradictory testimony without resolution)?
- Did you notice Haggard only investigated RCW 42.23.070(1), ignoring subsections (3) and (4)?
- Did you care?

About your threatening letter:

- When Mark Personius threatened Mr Englesman with legal action and CC'd your office, had you verified the investigation's accuracy?
- Do you believe threatening a citizen who reported misconduct is proper prosecutorial conduct?

X. THE STATUTE OF LIMITATIONS IS RUNNING

Under RPC 3.3(a)(3), you have a continuing duty to correct false statements in official proceedings.

False statements Haggard published (still uncorrected):

- Transactions were "arms-length" (legally false due to dual agency)
- Mahaffie paid \$103,000 for Blaine Rd properties "effectively" (actually paid \$30K, seller got \$0)
- Tom Brissenden was a "former" Natural Resources employee (he was current employee)
- There is no evidence that Mahaffie participated in transactions involving family members.

The clock started:

July 2, 2024: Original report published August 23, 2024: Supplemental report failed to correct

October 23, 2024: Threatening letter relied on false investigation

December 2025 and January 2026: My emails to Whatcom County Council, Prosecuting Attorney's, outside counsel, Haggard.

The violations continue.

XI. WHAT HAPPENS NEXT

You have 15 days from receipt of this letter to provide written responses to the questions in Section IX.

If you respond substantively, I will evaluate your explanations and if explanations are satisfactory, this matter may be resolved without Bar, or other complaints.

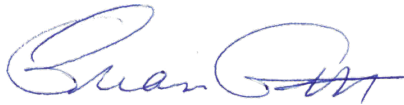
If you do not respond, or responses are inadequate: Bar, state, and federal complaints will be filed. The choice is yours: transparency or consequences.

XII. CONCLUSION

This investigation was not incomplete or incompetent. It was rigged. Every omission, every failure to verify, every witness not interviewed, every document not requested - they all protect Mahaffie and the county at the expense of the VICTIMS.

You cannot explain this as incompetence. You can explain it as a deliberate effort to reach a predetermined outcome regardless of evidence. You have 15 days to convince me otherwise.

Respectfully submitted,



Brian Gass
Editor-in-Chief
Real Issues Podcast
A Housing Policy Media Initiative

ATTACHED: Investigation Report by Haggard
Supplemental Report by Haggard
Letter from Peronius to Englesman
Email from Rodney Hegleson from inquiry.