

Biennial State Land Acquisition Performance Monitoring Report

HABITAT AND RECREATION LANDS COORDINATING GROUP



Washington
Department of
**FISH and
WILDLIFE**



WASHINGTON STATE
Recreation and
Conservation Office



Table of Contents

Introduction	1
State Habitat and Recreation Land Acquisitions	2
Habitat and Recreation Lands Coordinating Group	3
Background	5
Biennial State Lands Acquisition Performance Monitoring Report	6
State Agency Profiles	6
State Agency Acquisition Priorities	10
State Acquisition Practices	11
Funding for State Acquisitions	11
Projects Monitored for Performance (2011-2013)	15
Summary by Agency	18
Summary by County	19
Farmland Preservation	25
Summary of Farmland Preservation Projects	27
Trust Land Transfer Program	29
Summary of Trust Land Transfer Program	33

INTRODUCTION

State Habitat and Recreation Land Acquisitions

The percentage of public, natural resource lands owned by Washington State accounts for 9 percent of all lands in the state, according to a 2015 study of the economic impact of public lands by the Joint Legislative Audit and Review Committee. These natural resource lands include those used for recreation and habitat and as trust land.

State agencies buy land to protect important state resources such as habitat for threatened and endangered species and outdoor recreation opportunities. As population increases, so does the need to preserve the land and its resources for future generations. These lands can serve multiple state objectives, such as protecting habitat and supporting working farms.

State habitat and recreation land acquisitions are strategic and flexible. They are strategic because each acquisition must meet priorities identified in an agency's plan to compete for grant funding. They also must meet detailed grant program evaluation criteria. These state agency and grant program priorities ensure that the

best state habitat and recreation lands are acquired.

State agencies must be flexible because the purchases are from willing sellers. Landowners may have a variety of motivations for selling, including price and a desire to protect the land into the future. Agencies have some tools to make purchase offers more desirable, such as purchasing conservation easements that allow the seller to remain on the property or to continue using the land for farming or ranching. Some constraints limit agencies' flexibility, such as the law against offering more than fair market value.

With an increasing demand for public accountability, it is more important than ever to ensure that each project is the best investment of limited public resources. The public wants information that helps decide whether it's a good investment, including information about how purchased land will be maintained over time. While acquisitions and land management are budgeted separately, there is increasing demand to understand how the capital investment in buying the land relates to the impact on the operating budget for managing the land.

Open, visible, acquisition processes help make strong public investments. As agencies work to protect natural resources

under increased scrutiny, transparent land transactions help inform local and state decision-makers.

Other Information

This monitoring report also includes information about projects that were planned for purchase in the 2011-13 Biennium through the Washington Wildlife and Recreation Program's Farmland Preservation program. Although they were not purchased primarily for habitat and recreation purposes, these projects are an example of non-state land acquisitions using state funds.

Habitat and Recreation Lands Coordinating Group

The Legislature created the Habitat and Recreation Lands Coordinating Group in 2007 to improve the visibility and coordination of state habitat and recreation land acquisitions. The Legislature wanted to see better coordination by state agencies with the goal of working toward a statewide strategy for land acquisitions. Local governments and citizens wanted more information about state projects in their areas.

The lands group is comprised of representatives from the following state agencies:

- Conservation Commission
- Department of Ecology
- Department of Fish and Wildlife
- Department of Natural Resources
- Department of Transportation
- Puget Sound Partnership
- Recreation and Conservation Office
- State Parks and Recreation Commission

The lands group also includes representatives of nonprofit organizations, local governments, the Legislature, private interests, and others.

The Washington State Recreation and Conservation Office (RCO) provides staff support and hosts the lands group's Web site at www.rco.wa.gov/boards/hrlcg.shtml.

The lands group has created a structure for improving the visibility and coordination of state land acquisitions. It has three components:

- The **Annual State Land Acquisition Coordinating Forum** brings together state agencies, local governments, non-government organizations, landowners, tribes, and citizens to learn about and share ideas on proposals for state habitat and recreation land purchases and disposals.
- The **Biennial State Land Acquisition Forecast Report** gives information about the state land purchases and disposals that are being planned around the state.

- The **Biennial State Land Acquisition Performance Monitoring Report** shows whether state agencies achieved their initial project objectives.

Lands Group Next Steps

- **January 2016** – The *Biennial State Land Acquisition Performance Monitoring Report* (this document) is published on the lands group Web site.
- **March 2016** – The sixth Annual State Land Acquisition Coordinating Forum will be held to coordinate state acquisition grant requests for funding in 2017.

BACKGROUND

Biennial State Land Acquisition Performance Monitoring Report

This is the third *Biennial State Land Acquisition Performance Monitoring Report*. Its goal is to monitor the success of state habitat and recreation land acquisitions by examining whether state agencies achieved their acquisition objectives. Data from the report can be used to identify strengths and weaknesses in state acquisition processes and to inform decisions made by state agencies, the Legislature, local governments, and others.

This report does not offer policy recommendations for changing state habitat and recreation land acquisitions. By comparing project outcomes with their initial objectives, the report provides a snapshot of information about what happened during a specific period of time to give a more detailed picture of state habitat and recreation land acquisitions to decision-makers.

The focus is on land acquired by the Department of Fish and Wildlife, Department of Natural Resources, and the State Parks and Recreation Commission.

The report does not focus on lands purchased primarily for non-habitat or non-recreation purposes, such as infrastructure or state-owned trust lands.

To enhance the way information on land acquisition can be understood and tracked over time, the monitoring report format has been changed from text-based to spreadsheet. The new format will enable readers to see what proposed land acquisitions and disposals have occurred and the reasons why the proposals did or did not come to fruition.

State Agency Profiles

This section describes the habitat and recreation land acquisition missions and processes of the Department of Fish and Wildlife, Department of Natural Resources, and State Parks and Recreation Commission.

State agency acquisition goals are based on recreation and conservation needs expressed by the public, and on state and federal legal requirements to provide recreational opportunities and protect threatened and endangered wildlife. Each agency has distinct missions directed by legislation designed to meet those needs. Agency acquisition plans establish criteria

for identifying priority purchases that will best fulfill the agency mission, and processes for pursuing the priorities.

Department of Fish and Wildlife

Missions

The Department of Fish and Wildlife has dual mandates to protect hunting and fishing opportunities and to protect fish and wildlife. The agency is charged with sustaining all wildlife species other than plants, including invertebrates, fish and marine invertebrates, amphibians and reptiles, and birds and mammals. The agency has authority to acquire critical habitat lands to fulfill its missions.

The 2011 Department of Fish and Wildlife strategic plan includes the following principles for land management:

- Conserve and restore biodiversity.
- Ensure the health of our ecosystems.
- Ensure sustainable social and economic utilization of Washington's fish, wildlife habitat, and natural resources.

Plan

The intent of the Lands 20/20 policy is to ensure that future land acquisitions are consistent with the agency's mission statement: Preserve, protect and perpetuate

fish, wildlife, and ecosystems while providing sustainable fish and wildlife recreational and commercial opportunities.

In addition, land acquisition projects are to be consistent with the Conservation Initiative Strategic Acquisition Priorities and evaluated through the Lands 20/20 process, which provides more detail for implementing foundational values.

Department Acquisition Principles

- Optimize, pursue, and use partnerships to identify and prioritize land acquisitions, nurture collaborative support, and leverage capacity.

Evaluate whether acquisition is the best conservation alternative to achieve the desired result. Evaluate alternative tools before acquisition (e.g., incentives, different land stewardship by current owner, or education). If acquisition is the best alternative, then evaluate options to acquire the real property interests (e.g., easement, fee title, donation, exchange).

- Pursue lands that provide long-term opportunities for public recreation or that create access to existing public land.

- Pursue lands that will provide long-term ecological value in light of climate change impacts, such as sea level rise and possible range shifts.
- Place a higher value on acquisitions that create blocks of ownership that increase function, value, and resiliency to disturbance and make management more efficient.
- As we move, spatially, further away from existing public holdings, particularly with smaller tracts, pursue easements or other non-fee title protection.
- Prioritize lands that are ecologically or socially important and that are at risk to loss in the near term.

Land Acquisition Process

The department assesses species and landscape conservation needs using species recovery and management plans, habitat conservation plans, biodiversity conservation framework, habitat connectivity analyses, and other data.

Based on the information above, department staff and conservation partners identify potential conservation sites within a geographic envelope. Internal policy and the Lands Evaluation Tool screen projects for grant categories.

The agency evaluates compatibility with statewide and regional conservation initiatives including the Governor's priorities and multi-state, federal, city, county, and non-government organization initiatives.

Staff applies for grants and when awarded, works with willing sellers to acquire conservation easements and fee interest.

Department of Natural Resources

Missions

Habitat and recreation lands purchased by the Department of Natural Resources are managed by the Natural Areas Program. The primary mission of the Natural Areas Program is to protect outstanding examples of the state's biodiversity. The program manages land under two natural area designations: Natural Area Preserve and Natural Resources Conservation Area. Some sites are given dual designations to provide for low impact public access while providing greater protection for sensitive features.

Natural Area Preserves protect rare plant and animal populations and ecosystems that are rare or that are representative of healthy, functioning native habitat. The preserves contain some of the most

uncommon and sensitive plant and animal communities native to Washington, including several species that are found nowhere else in the world. Some preserves also include intact ecosystems that can be used as reference sites of natural ecological function. While public access to Natural Area Preserves generally is limited to research and education, low-impact recreation is allowed in appropriate areas on some sites.

The Natural Resources Conservation Areas are similar to Natural Area Preserves, with important distinctions. The conservation areas have a broader mission by including as priorities, lands with outstanding natural scenic values, geological or archaeological significance, or environmentally significant sites under threat of conversion to other uses. Natural Resources Conservation Areas provide opportunities for low impact recreation.

Plan

Washington's *Natural Heritage Plan* establishes the criteria for natural area selection and the approval process. The plan lists the statewide conservation priorities for ecosystems and rare species, which are established by the Natural Heritage Program in consultation with

others. The conservation priorities listed in the plan drive the selection of areas for Natural Area Preserve or Natural Resources Conservation Area designation or a combination of the two.

Land Acquisition Process

Natural area boundaries initially are identified by scientists in the department's Natural Heritage Program and Natural Areas Program, primarily based on an assessment of the protection needs of the particular features (species and/or ecosystems) for which the natural area has been identified. Potential natural areas (and expansions of existing natural areas) are presented to the Natural Heritage Advisory Council. Upon approval by the council, proposed sites go through a public process including information meetings, opportunities for landowners to meet with scientists and land managers, and a public hearing. Some Natural Resources Conservation Areas are designated by the department without review by the council. The recommendation from the Natural Heritage Advisory Council and information from the public hearing are forwarded to the commissioner of public lands. The commissioner establishes the boundary within which department staff is then authorized to pursue acquisition.

Staff identifies potential funding sources and works with willing landowners.

State Parks and Recreation Commission

Mission

The State Parks and Recreation Commission mission focuses on managing how people interact with natural, historic, and developed landscapes.

State Parks acquires land to protect and manage natural resources that are important for people.

State Parks additionally acquires lands within and adjacent to existing state parks to provide new or improved recreational opportunities to the public.

Plan

Property acquisitions are prioritized through the Classification and Management Planning or CAMP process. Once prioritized, the commission adopts a biennial listing of priorities through the adoption of the agency's capital budget. The majority of funding used in acquiring new land is provided by grants managed through RCO or through a variety of other grant sources.

Land Acquisition Process

Properties are acquired from willing sellers after appraisal, in accordance with the priority rankings as provided through the CAMP process. State Parks occasionally acquires new lands through land exchanges with second parties, through donations from second parties, or through property transfers from other forms of government.

State Agency Acquisition Priorities

Department of Fish and Wildlife	Department of Natural Resources	State Parks and Recreation Commission
<p>Natural Area Preserves</p> <ul style="list-style-type: none"> • Representative examples of highest quality native ecosystems • Populations of endangered, threatened, sensitive, rare, or diminishing animal species 	<p>Natural Area Preserves</p> <ul style="list-style-type: none"> • Representative examples of highest quality native ecosystems • Rare or diminishing plant or animal populations 	<p>Natural Area Preserves</p> <p>Representative examples of highest quality native ecosystems</p>
<p>Wildlife Areas</p> <p><u>Objective:</u> Focus on lands that are necessary to recover, maintain, or enhance the integrity of priority species, habitats, and ecosystems.</p> <p><u>Criteria:</u> Priority species, habitat values, biodiversity, appropriate and accessible recreation, research and education, economics, fiscal accountability, stewardship, partnership, and citizen involvement.</p>	<p>Natural Resources Conservation Areas</p> <p><u>Objective:</u> Areas with high priority for conservation, natural systems, wildlife, and low-impact public use values</p> <p><u>Criteria:</u> Flora, fauna, geological, archaeological, scenic or similar features; native ecological communities; connectivity between protected areas; protection of Natural Area Preserves core area; and opportunities for low impact public use</p>	<p>Classification and Management Planning (CAMP)</p> <p><u>Includes:</u> Natural Area Preserves, Natural Areas, Natural Forest Areas, Resource Recreation Areas, Recreation Areas, and Heritage Areas.</p> <p><u>Objective:</u> Protect a view shed or for stewardship of natural and cultural resources.</p> <p><u>Criteria:</u> Significance, popularity, experiences, uniqueness, flora and fauna, scenery size, condition, and revenue.</p>
<p>Recreation Lands</p> <p><u>Objective:</u> Acquire property to provide fish and wildlife-related recreational opportunities for the public and for department administrative support.</p> <p><u>Criteria:</u> Need, site suitability and design, diversity and compatibility, performance measures, public benefit, and population proximity.</p>	<p>Recreation Lands</p> <p><u>Objective:</u> The Department of Natural Resources does not buy land primarily for recreation purposes.</p>	<p>Recreation Lands</p> <p><u>Objective:</u> Acquire parkland for outdoor recreational opportunities for the public.</p> <p><u>Criteria:</u> Significance, popularity, experiences, uniqueness, flora and fauna, scenery size, condition, and revenue</p>

State Acquisition Practices

State land acquisition practices are guided by the statutes, rules, and policies of the agencies and the grant programs. The best practices are those that ensure the best public investment through public outreach and open grant competitions while also giving agencies flexibility to negotiate with willing landowners.

Agencies use a variety of mechanisms to purchase priority habitat and recreation lands, including fee simple, conservation easements, and leasehold interests.

Conservation easements are used to place restrictions on how the land is used while allowing the landowner to continue holding title to the land. All purchases are from willing sellers, and a seller may prefer one mechanism over another.

When an agency cannot predict whether a landowner will be willing to sell a particular parcel, the agency may apply for a grant by identifying a project area with a number of potential high priority parcels, intending to purchase only some of them. This strategy is designed to give clarity to elected officials, the public, grant evaluation teams, and the funding board about which

properties are intended to be purchased, while giving agencies flexibility to acquire viable, high-priority lands. Sometimes agencies do not identify a specific site in order to comply with a landowner's desire to protect his or her privacy.

When a project is evaluated and approved for a grant, the cost of the project is based on a best estimate. This is because agencies do not have appropriated funding to conduct appraisals. Most grant funding precludes reimbursement for work performed in advance of a signed grant agreement. Appraisals generally take place once grant funding is approved.

Negotiations with the landowner can be challenging and lengthy because the agency's offer to buy may be less desirable than a private buyer's offer. The seller may not want to wait for a year or more for the agency to secure grant funding and may expect an offer above fair market value. Agencies cannot offer more than appraised value except under rare circumstances, and they are required to offer no less than appraised value (Title 8 Revised Code of Washington).

In the case of the Washington Wildlife and Recreation Program, if an agency is unable to use the grant in the identified project area, the money may be returned to the

grant program to be applied to the next alternate on the ranked project list or, at the agency's request, the grant may be amended to change the location of the project.

Agencies typically expect to complete the acquisition within 2 years of funding approval. However, the time it takes to complete an acquisition can vary based on several factors, including unpredictable negotiations with the seller.

Funding for State Acquisitions

State agencies purchase habitat and recreation lands using a variety of funding sources, including state and federal grants. Major state grant programs include the Washington Wildlife and Recreation Program, Aquatic Lands Enhancement Account, and Salmon Recovery Funding Board programs. Major federal grant programs include the U.S. Fish and Wildlife Service Section 6, National Coastal Wetlands Conservation Act, North American Wetlands Conservation Act, Coastal and Estuarine Lands Conservation Program, and Land and Water Conservation Fund.

Grant program priorities are established in statute. A state agency requests funding based on how well the project meets the grant program priorities. For example, an agency may request funding through the Washington Wildlife and Recreation Program's Urban Wildlife Habitat Category to acquire wildlife habitat close to an urban growth area. Or, an agency may request Aquatic Lands Enhancement Account funds to buy aquatic lands for public purposes, such as providing or improving public access to aquatic lands.

Through an open, competitive evaluation process, the agency must show how well the proposed project meets specific criteria. The agency must show, for example, how well the project is coordinated with other state or local plans, whether it is a regional priority, and how it fits with the broader landscape or watershed.

Grant programs are competitive and managed to ensure the projects that best meet the program objectives get funding priority. State grant programs use citizen evaluation committees made up of experts in recreation and conservation issues. The evaluation committees score projects based on criteria established by the funding board and submit ranked lists to the funding board for consideration. For most state

Example

Critical Habitat Category Evaluation Summary		
Criteria	Evaluation Elements	Possible Points
Project Information	Locate the project on statewide, vicinity, and site maps. Brief summary of the project (goals and objectives statement)	Not scored
Ecological and Biological Characteristics	<ul style="list-style-type: none"> The bigger picture Uniqueness and significance of the site Fish and wildlife species or communities Quality of habitat 	20
Species and Communities with Special Status	<ul style="list-style-type: none"> Threat to species or communities Importance of acquisitions Ecological roles Taxonomic distinctness Rarity 	10
Manageability and Viability	<ul style="list-style-type: none"> Immediacy of threat to site Long-term viability Enhancement of existing protected land Ongoing stewardship 	15
Public Benefit	<ul style="list-style-type: none"> Project support Educational and/or scientific value 	5
Total Possible Points		50

agency acquisition grants, the funding board submits a prioritized list of projects to the Governor and Legislature for approval.

Most state habitat and recreation land acquisition grant programs are on a biennial cycle that coincides with the biennial state capital budget cycle. State grants are typically approved about a year after the agency applies for a grant.

Major Funding Sources for State Land Acquisitions

Grant Program	Fund Source	Administering Agency	Eligible Receiving Agencies	Purpose
Washington Wildlife and Recreation Program	State bonds	Recreation and Conservation Office	Department of Enterprise Services Department of Fish and Wildlife Department of Natural Resources State Conservation Commission State Parks and Recreation Commission	Habitat, ecosystem, and species conservation; farmland preservation; riparian protection; and outdoor recreation
Aquatic Lands Enhancement Account	Aquatic land leases	Recreation and Conservation Office	Department of Ecology Department of Fish and Wildlife Department of Natural Resources State Parks and Recreation Commission	Shoreline preservation and public access enhancement
Salmon Recovery Funding Board	State bonds, Pacific Coastal Salmon Recovery Fund	Recreation and Conservation Office	Department of Fish and Wildlife Department of Natural Resources State Parks and Recreation Commission	Salmon recovery
Land and Water Conservation Fund	Federal offshore oil and gas resources	Recreation and Conservation Office	Department of Fish and Wildlife Department of Natural Resources State Parks and Recreation Commission	Public outdoor recreation and conservation
National Coastal Wetlands Conservation Act	Taxes on fishing equipment, motorboat and small engine fuel	U.S. Fish and Wildlife Service	Department of Ecology Department of Fish and Wildlife Department of Natural Resources State Parks and Recreation Commission	Coastal wetlands acquisition or restoration
Coastal and Estuarine Land Conservation Program	Appropriated by Congress each year	National Oceanic and Atmospheric Administration's Ocean Coastal Resource Management to Department of Ecology	Department of Ecology (Padilla Bay) Department of Fish and Wildlife Department of Natural Resources State Parks and Recreation Commission	Coastal and estuarine land protection
Cooperative Endangered Species Conservation Fund (Endangered Species Act)	Appropriated by Congress each year	U.S. Fish and Wildlife Service	Department of Fish and Wildlife Department of Natural Resources	Habitat conservation on non-federal lands
Northwest American Wetlands Conservation Act	Appropriated by Congress each year	U.S. Fish and Wildlife Service	Department of Fish and Wildlife Department of Natural Resources	Wetlands conservation for migratory wildlife

PROJECTS MONITORED FOR PERFORMANCE (2011-2013)

Projects Monitored for Performance

This section summarizes data from state habitat and recreation land acquisition projects proposed for funding in the 2011-2013 Biennium. Project details were provided by the purchasing agency.

This section compares each project from when it was awarded a grant to its status in 2013. This section compares project information such as number of acres, project cost, location, acquisition type, and estimated future costs (where the agency had data to provide).

For some of the projects, the land has not yet been purchased and the grants are not closed. For these projects, the data shown are not final; final data will be available after this report is published.

For additional project details, including a location map of the project, please refer to the [2010 Biennial State Land Acquisition Forecast Report](#).

How to Read the Data

Agency – State agency responsible for the acquisition or disposal.

County – County in which the project is located.

Project Name – Name of the project.

Acres Proposed – Number of acres that the agency agreed to purchase with state grant. Does not include acres proposed to be purchased with other funds unless indicated.

Acres Acquired – Number of acres acquired with state grant as of December 2015. Does not include acres acquired with other funds unless indicated.

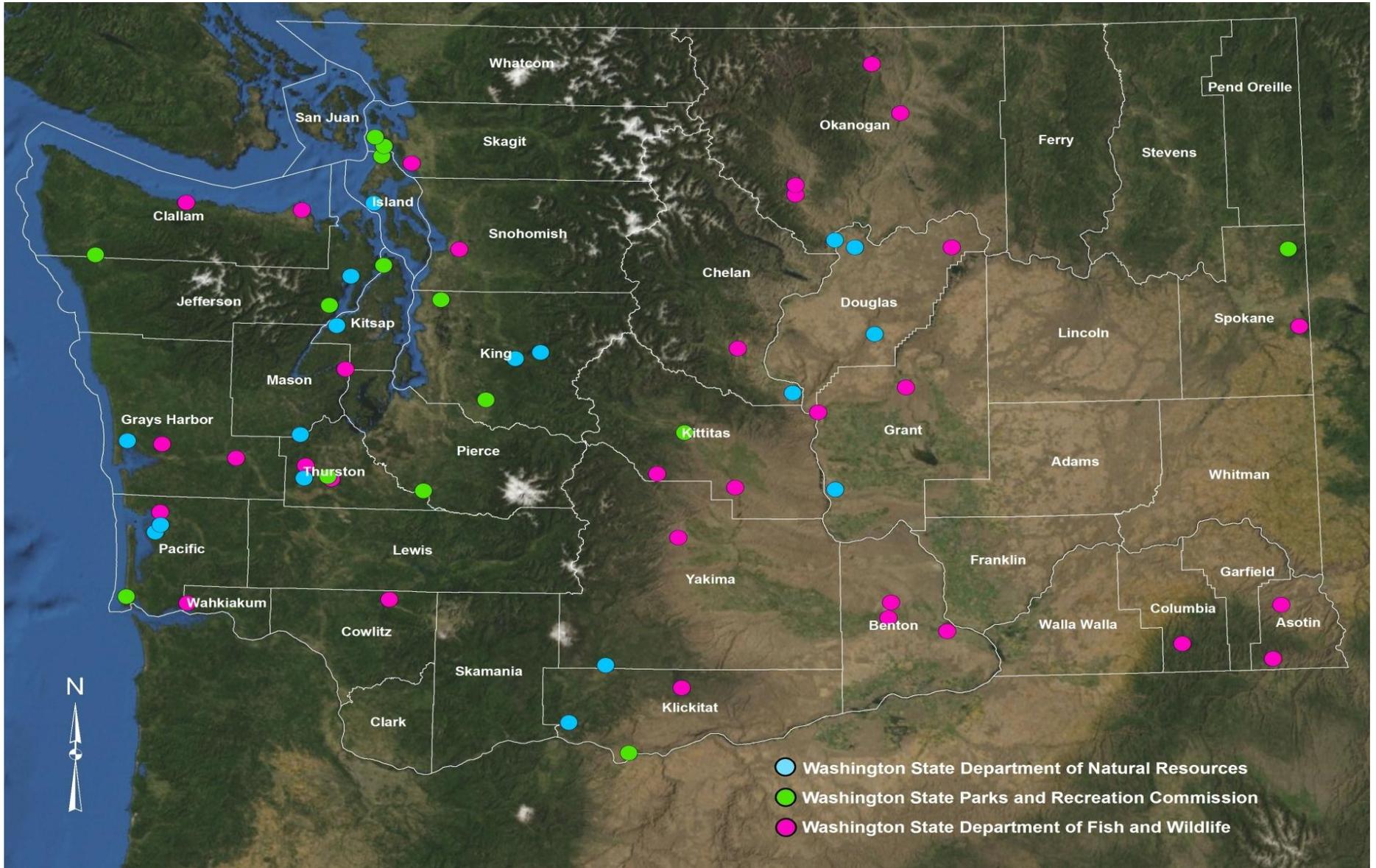
Acquisition Year – Closing year of completed acquisition. If multiple properties were purchased as part of the project, then the final purchase year is reported.

Type of Acquisition – Type of real property interest that was transferred. May indicate fee simple, conservation easement, or leasehold interest.

Acquisition Cost – Amount of the state grant award and grant recipient match.

Estimated Annual Future Costs – Amount the agency estimates that the acquisition will cost to operate or maintain in future. Costs can include Payment In-Lieu of Taxes, annual operation and maintenance, future development costs, and others.

Comments – General information about what actually happened with the project and the acquisition process.



Summary by Agency

The following table summarizes, by state agency, how state habitat and recreation acquisitions compare with their proposals.

Agency	Acres Proposed	Acres Acquired	Acquisition Cost	Estimated Annual Future Costs
Department of Fish and Wildlife	80,009	12,959	\$19,813,147	
Department of Natural Resources	13,747	162	\$4,562,518	\$13,300
State Parks and Recreation Commission	790	460	\$4,209,000	\$2,000
Total	94,546	13,581	\$28,584,665	\$15,300

Summary by County

Agency	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments ¹
Asotin County							
Department of Fish and Wildlife	Asotin Creek-Charley Fork	2,465	1,145	Fee title, donation	\$324,500		
Department of Fish and Wildlife	Mountain View	6,489	2,182	Fee title	\$6,855,937		
Benton County							
Department of Fish and Wildlife	Amon Basin	150	0				Not funded by the Legislature
Department of Fish and Wildlife	Badlands Lake	1,050	0				Not funded by the Legislature
Department of Fish and Wildlife	Rattlesnake Mountain	14,135	0				Sold to another buyer
Chelan County							
Department of Natural Resources	Upper Dry Gulch Natural Area Preserve	3,286	0	Fee title	\$3,383		Boundary issues and unwilling seller
Department of Fish and Wildlife	Cashmere Pond	21.5	21	Transfer, mitigation	\$0		Received from Washington Department of Transportation
Clallam County							
Department of Fish and Wildlife	Dungeness Phase 4	75	52	Fee title	\$1,000,000		
Department of Fish and Wildlife	Lyre River	320	0				Not funded by the Legislature
State Parks and Recreation Commission	Inholding-Banner	5	0				Not funded by the Legislature
Columbia County							
Department of Fish and Wildlife	Wolf Fork	772	0				Not funded by the Legislature

Summary by County

Agency	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments ¹
Cowlitz County							
Department of Fish and Wildlife	Mount Saint Helens 504 additions	4,100	0				Agency did not submit for funding because not agency priority that biennium
Douglas County							
Department of Natural Resources	Dyer Haystacks and Two Steppe Natural Area Preserves	2,110	0	Fee title	\$0		Unwilling seller
Department of Fish and Wildlife	Big Bend	7,500	0				Not funded by the Legislature
Grant County							
Department of Natural Resources	Wanapum Natural Area Preserve	4,481	0	Fee title	\$0		Boundary issues
Department of Fish and Wildlife	Ephrata Lake	540	120	Fee title	\$150,000		
Department of Fish and Wildlife	Trinidad Creek	63.18	74	Fee title	\$50,000		Agency received as mitigation from Grant County Public Utility District
Grays Harbor County							
Department of Natural Resources	North Bay Natural Area Preserve	119	0	Fee title	\$0		Not funded by the Legislature
Department of Fish and Wildlife	Chehalis Wildlife Area Additions	77.9	117	Fee title	\$215,000		
Department of Fish and Wildlife	Hoquiam Surge Plain						
Island County							
Department of Natural Resources	Admiralty Inlet Natural Area Preserve	54	46	Easement	\$200,817		

Summary by County

Agency	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments ¹
State Parks and Recreation Commission	Donnelly (Whidbey Market)	3	0	Fee title			Not RCO eligible
Jefferson County							
Department of Natural Resources	Dabob Bay Natural Area Preserve	90	106	Fee title	\$3,537,915	\$13,000	
Department of Natural Resources	Dabob Bay Natural Area Preserve	175	0	Fee title	\$0		Not funded by the Legislature
State Parks and Recreation Commission	Pope	333	302	Fee title	\$724,000	\$500	
State Parks and Recreation Commission	Inholding-De Monde	1	0	Fee title			Unwilling seller
King County							
Department of Natural Resources	Middle Fork Snoqualmie and Mount Si Natural Resource Conservation Areas	230	0	Fee title	\$0		Not funded by the Legislature
Department of Natural Resources	Rattlesnake Mountain Scenic Area	91	0	Fee title	\$0		Not funded by the Legislature
State Parks and Recreation Commission	Icy Creek	10	0	Easement			Unwilling seller
State Parks and Recreation Commission	McDonald	10	0	Fee title			Unwilling seller
Kitsap County							
Department of Natural Resources	Stavis Natural Resource Conservation Area/Kitsap Forest Natural Area Preserve	103	5	Fee title	\$504,683		

Summary by County

Agency	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments ¹
Department of Natural Resources	Stavis Natural Resource Conservation Area/Kitsap Forest Natural Area Preserve	145	0	Fee title	\$0		Not funded by the Legislature
Kittitas County							
State Parks and Recreation Commission	Palmer	40	53	Fee title	\$525,000	\$500	
Department of Fish and Wildlife	Big Horn, Yakima Access	689	0				Unwilling seller
Department of Fish and Wildlife	Rock Creek/Heart of the Cascades	7,716	7,711	Fee title	\$4,642,000		
Klickitat County							
Department of Natural Resources	Klickitat Canyon Natural Resource Conservation Area	1,120	0	Fee title	\$34,051		
Department of Natural Resources	White Salmon Oak Natural Resource Conservation Area	310	0	Fee title	\$0		Not funded by the Legislature
Department of Fish and Wildlife	Simcoe	20,000	0				Not funded by the Legislature
State Parks and Recreation Commission	Dancing Rock	66	0	Fee title			Not requested by agency. Land bought by Friends of the Columbia Gorge.
Mason County							
Department of Fish and Wildlife	North Bay/Coulter Creek	75	0				Not funded by the Legislature
Okanogan County							
Department of Natural Resources	Methow Rapids Natural Area Preserve	570	0	Fee title	\$0		Not funded by the Legislature

Summary by County

Agency	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments ¹
Department of Fish and Wildlife	Libby Creek	18.55	0				Not funded by the Legislature
Department of Fish and Wildlife	McLaughlin Falls	430	10	Fee title	\$40,000		
Department of Fish and Wildlife	Methow Watershed Phase 7	2700	382	Fee title	\$2,981,000		
Department of Fish and Wildlife	Okanogan Similkameen	1,110	0				Not funded by the Legislature
Pacific County							
Department of Natural Resources	Bone River and Niawiakum River Natural Area Preserves	665	0	Fee title	\$0		Not funded by the Legislature
Department of Fish and Wildlife	North Willapa Bay	1,140	995	Fee title	\$3,075,710		
State Parks and Recreation Commission	Seaview Dunes	50	35	Fee title	\$2,700,000	\$500	
Pierce County							
State Parks and Recreation Commission	Manke	100	70	Fee title	\$260,000	\$500	
Skagit County							
Department of Fish and Wildlife	North Fork Skagit	87.88	0				Not funded by the Legislature
State Parks and Recreation Commission	Inholding-Sievers	7	0	Fee title			Not funded by the Legislature
Snohomish County							
Department of Fish and Wildlife	Ebey Island	2,024	0				Not funded by the Legislature
Department of Fish and Wildlife	Mica Peak	920	0				Not funded by the Legislature

Summary by County

Agency	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments ¹
Spokane County							
State Parks and Recreation Commission	Forest Capital	160	0	Fee title			Unwilling seller
Thurston County							
Department of Natural Resources	Kennedy Creek Natural Area Preserve	47	0	Fee title	\$0		Not funded by the Legislature
Department of Natural Resources	Mima Mounds Natural Area Preserve	151	5	Fee title	\$281,669	\$300	
Department of Fish and Wildlife	Darlin Creek	302.73	0				Not funded by the Legislature
Department of Fish and Wildlife	West Rocky Prairie	200-745	0				Not funded by the Legislature
State Parks and Recreation Commission	Deep Lake Resort	5	0	Fee title			Land sold to another buyer
Wahkiakum County							
Department of Fish and Wildlife	Grays Bay	287	151	Fee title	\$479,000		
Yakima County							
Department of Fish and Wildlife	Cowiche	4,750	0				Not funded by the Legislature
Total		94,546	13,581		\$28,584,665	\$15,300	

¹Comments Key: Not submitted as an agency request project=Forecasted projects that were not submitted as agency request legislation in the agency's biennial capital budget; Not funded by Legislature=Projects not funded through the Legislature or RCO, including all projects below the RCO funding line; Other=Projects not funded because of an unwilling seller, because it was purchased by a tribe or private buyer, or because of some other action or condition that did not result in an acquisition by the agency.

FARMLAND PRESERVATION

Farmland Preservation

In addition to habitat and recreation land acquisitions, projects for conserving farmlands are included in this report.

Like habitat and recreation lands, Washington farmlands are being rapidly converted to other uses. Population growth is creating development pressures that change the whole landscape of the state, including farmland and open space. The State is projecting to add 2 million new residents in the next 20 years, likely resulting in less farmland and open space.

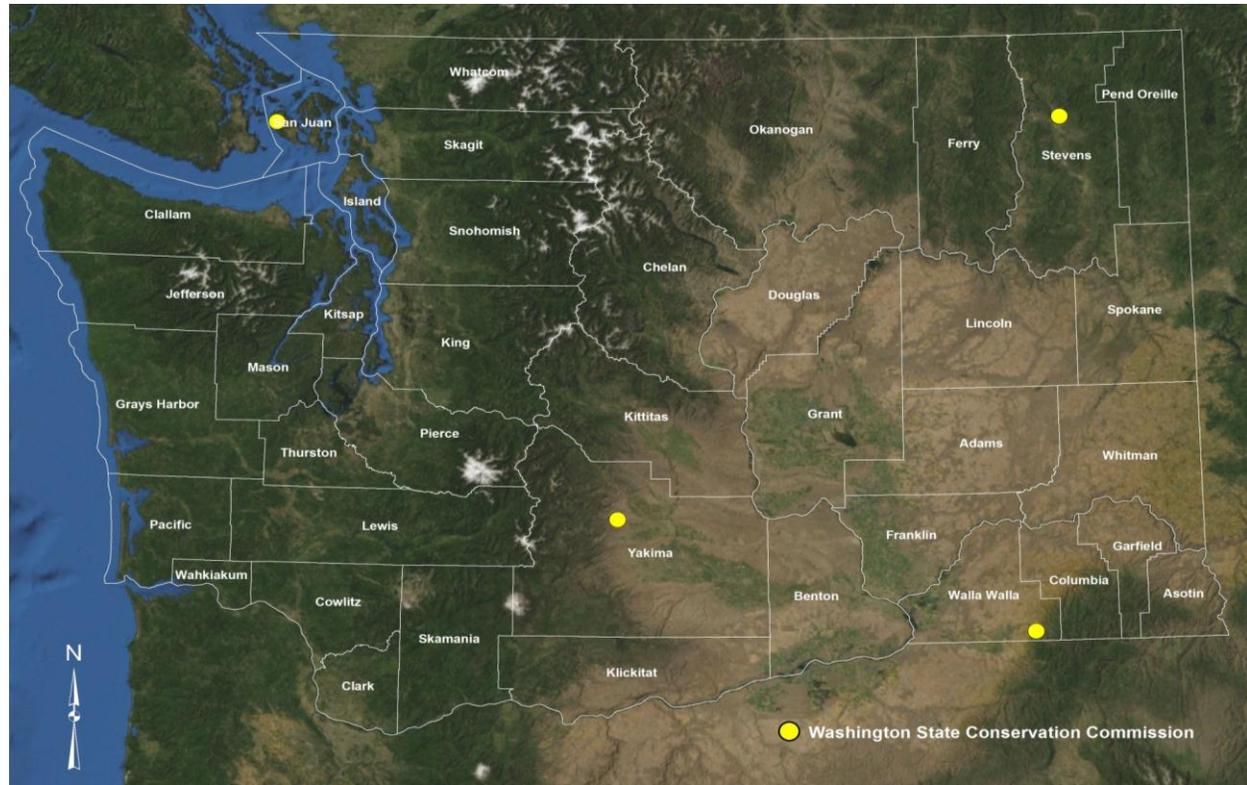
Preservation of working farm and range lands is an important issue for local, state, and federal governments. Key factors that contribute to the decline of farmland in Washington include:

- Population growth
- Aging farmers
- Zoning changes
- Water availability
- Land prices

In 2005, the Washington State Legislature created a statewide farmland preservation program to provide grants to preserve economically viable farmlands in

Washington and enhance ecological functions on those lands. The grant program is part of the Washington Wildlife and Recreation Program, which provides funds for the acquisition and development of outdoor recreation and habitat conservation areas. Farmland preservation grants can be used for the acquisition of conservation easements and may include enhancement or restoration of the land.

The grants allow applicants to buy development rights on farmlands through voluntary land preservation agreements, called conservation easements. Under the agreements, the landowner agrees to maintain the land for farming.



Summary of Farmland Preservation

Agency	County	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Estimated Annual Future Costs	Comments
State Conservation Commission	San Juan	Mitchell Bay Farm	21	0	Easement	\$0	Not submitted as an agency request project
State Conservation Commission	Stevens	Jeff Dawson Ranch	115	0	Easement	\$0	Not submitted as an agency request project
State Conservation Commission	Walla Walla	Farrens Family Farm	14	0	Easement	\$0	Not submitted as an agency request project
State Conservation Commission	Yakima	Cowiche Basin Working Rangelands	4,516	0	Easement	\$0	Unwilling seller
Total			4,666	0		\$0	

TRUST LAND TRANSFER PROGRAM

Trust Land Transfer Program

The Department of Natural Resources' Trust Land Transfer Program is included in this report to better inform the public about the development of the list of potential properties for transfer that will be submitted to the Legislature for approval.

Program Overview

The Department of Natural Resources manages more than 3 million acres of forest, agricultural, range, and commercial properties that earn income to fund schools, universities, capitol buildings, and other state institutions, and help fund local services in many counties. Trust lands provide important habitat for wildlife as well as recreation and educational opportunities for the public. The department strives to improve returns from state trust lands; however, not all trust lands are best suited to produce income.

The Department of Natural Resources, over time, has consolidated trust lands to improve economic returns through land sales, exchanges, and acquisitions. Low-income producing properties have been

sold and replaced with properties that can be managed for greater returns for trust beneficiaries.

Some state trust lands have important social or ecological values that are desirable to be managed for a special use or feature of importance rather than for economic return. The Trust Land Transfer Program presents an opportunity to retain these special lands in public ownership while maintaining and improving economic returns to trust beneficiaries.

How the Program Works

Some trust lands have low potential for income production due to factors such as steep, unstable slopes; critical wildlife habitat; public use demands; environmental and social concerns; and other issues that complicate income production. The department identifies a list of such properties each biennium for consideration by the Board of Natural Resources and the Legislature as candidates for the transfer program. One key criterion is that candidate properties, in aggregate, should have a high timber-value-to-land-value ratio to ensure the greater part of the appropriation is deposited directly to fund school construction in the current biennium. The

timber value of a property is deposited into the Common School Construction Account and the land value is deposited into the department's Real Property Replacement Account to purchase working resource land better suited for revenue production.

The Department of Natural Resources coordinates the review and prioritization of the proposed list of transfer properties with other state agencies and programs. Candidate properties are screened for special characteristics that distinguish the property from other income-producing trust assets. An appropriate and receptive public agency or program is identified to receive and manage each of the candidate properties. The list, along with maps and property descriptions, are assembled into an informational package that is presented to the Board of Natural Resources and then to the Governor's Office for submission to the Legislature.

The Legislature reviews the proposal, determines the makeup of the final package, and sets an appropriation funding level. If approved, the transfer package is authorized and funded in the capital budget. Legislation establishes the property transfer list and identifies properties for fee transfer or for long-term lease.

The department is authorized by legislation to implement the program and must complete the transfers within the biennium.

The Department of Natural Resources coordinates with receiving agencies and completes market appraisals on all properties before transfer. Each transfer in fee ownership is presented to the Board of Natural Resources for final approval. Leases are approved and signed by the Commissioner of Public Lands. Some proposed properties may not be transferred if they do not meet value expectations or are not acceptable for reasons unforeseen at the time of listing.

At transfer, legislation directs the timber (or lease) value to be deposited into the Common School Construction Account and the land value to be deposited into the Real Property Replacement Account. The timber value is then available for distribution by the Office of the Superintendent of Public Instruction to fund school construction (kindergarten through 12th grade) within the current biennium. The land value is used by the Department of Natural Resources to acquire other lands to be managed to provide income for the Common School Trust.

The program provides immediate income and improves future revenue returns. The land is transferred, unaltered, to the appropriate receiving agency for management and protection of the special resource. Legislation directs that a deed restriction be imposed that dedicates the land for the special public use intended.

Some properties with high land and low timber value are proposed as leases to be managed for public use by the receiving agency as indicated. Leasing has the advantage of allowing the entire lease value to be deposited into the Common School Construction Account just as timber revenue is deposited if the property is transferred in fee. Lease duration is usually for 25-50 years and is renewable.

The Trust Land Transfer list is developed using the following schedule:

- January-April (even-numbered years): The Department of Natural Resources' regions and the Trust Land Transfer Program initiate a proposed list of transfer properties. The list is shared with the lands group.

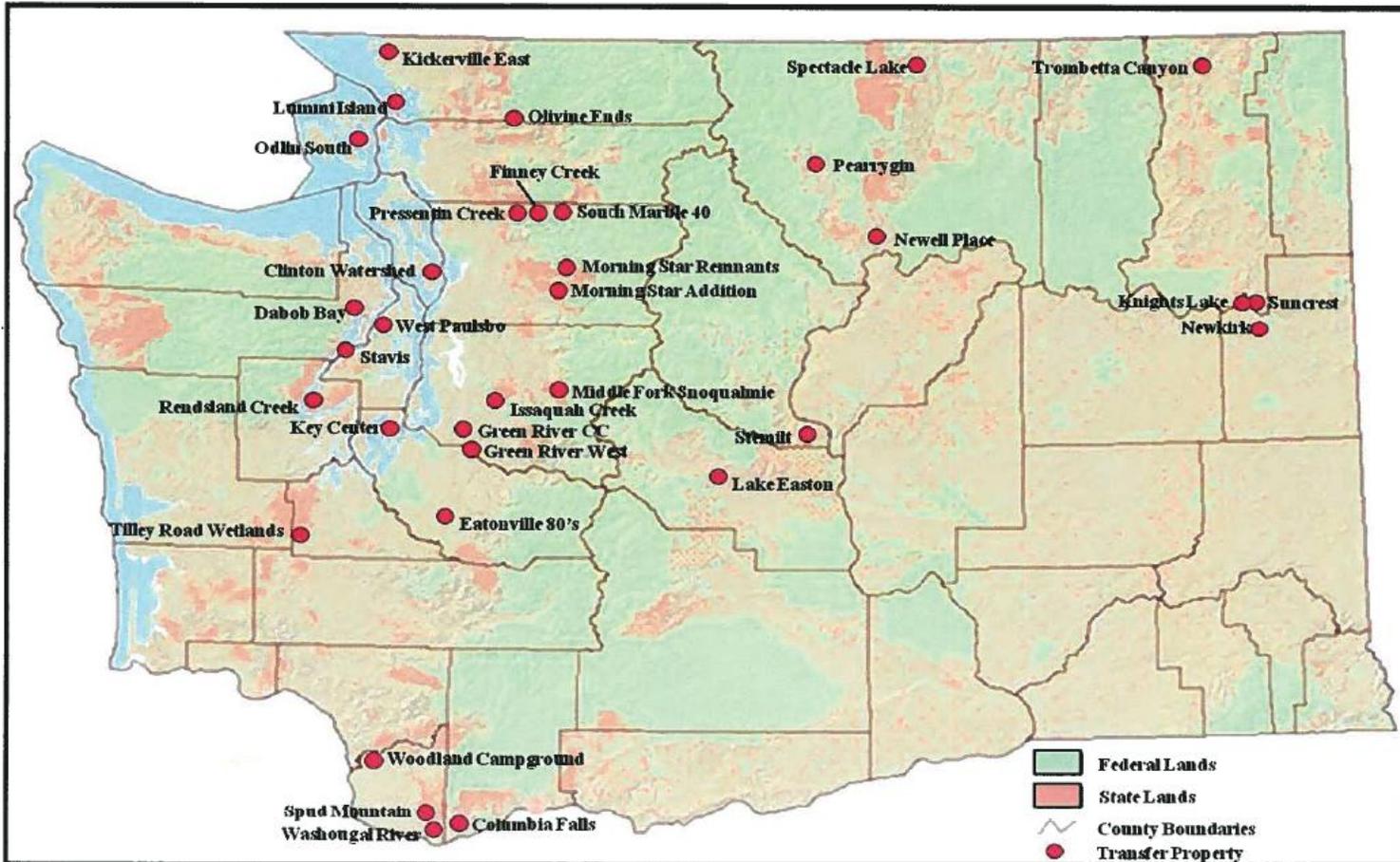
- May-August: Property review is conducted, potential recipients are confirmed, maps are created, values are estimated, the list is prioritized.
- August-September: The prioritized list is shared with stakeholders including the lands group.
- October-November: The trust land transfer package is presented to the Board of Natural Resources for approval.
- November-December: The trust land transfer package is forwarded to the Office of Financial Management and the Legislature for budget approval.
- April (odd-numbered years): The Legislature and the Governor approve the capital budget with trust land transfer appropriation.
- July: The Department of Natural Resources begins processing the new biennium's trust land transfer package.

The 2011-2013 list of state trust land properties proposed for transfer is in the development stage.

For more information about 2011-2013 updates, please visit the Trust Land Transfer Program Web site at www.dnr.wa.gov/BusinessPermits/Topics/OtherLandTransactions/Pages/amp_tlt.aspx.

The 2009-2011 trust land transfer properties were approved by the Legislature and Governor in 2009. They are included in this report to provide information about properties currently being transferred as part of the Trust Land Transfer Program.

2009-2011 Approved Properties



Summary of Trust Land Transfer Program

Receiving Agency	County	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments
Department of Fish and Wildlife	Chelan	Stemilt	2,560	1,267	Lease transfer	\$2,390,000	\$0	Lease not accepted, did fee transfer
Clark County	Clark	Woodland Campground	80	80	Fee transfer	\$1,093,000	\$0	
Clark County	Clark	Spud Mountain	160	157	Lease transfer	\$1,695,000	\$0	Lease not accepted, did fee transfer
Clark County	Clark	Washougal River	40	41	Lease transfer	\$307,000	\$0	
Clinton Water District	Island	Clinton Watershed	40	40	Lease transfer	\$487,000	\$0	
Department of Natural Resources	Jefferson	Dabob Bay	1,915	1,524	Fee transfer	\$10,151,000	\$27,778	
Department of Natural Resources	King	Middle Fork Snoqualmie	7,836	9,000	Fee transfer	\$28,832,000	\$129,500	
Green River Community College	King	Green River Community College	72	0	Lease transfer	\$0	\$0	Lease not accepted
King County	King	Green River West	80	78	Lease transfer	\$540,000	\$0	Lease not accepted, did fee transfer
King County	King	Issaquah Creek	28	30	Lease transfer	\$373,000	\$0	
Department of Natural Resources	Kitsap	Stavis	1,125	553	Lease transfer	\$5,306,200	\$2,530	Lease not accepted, did fee transfer
Port of Poulsbo	Kitsap	West Poulsbo	168	186	Lease transfer	\$1,470,000	\$0	Lease not accepted, did fee transfer

Summary of Trust Land Transfer Program

Receiving Agency	County	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments
State Parks and Recreation Commission or Department of Transportation	Kittitas	Lake Easton	162	0	Lease transfer	\$0	\$0	Lease not accepted
Mason County and/or Department of Natural Resources	Mason	Rendsland Creek	23	33	Fee transfer	\$941,000	\$0	
Okanogan County	Okanogan	Newell Place	43	0	Lease transfer	\$0	\$0	Lease not accepted
State Parks and Recreation Commission	Okanogan	Pearrygin	40	40	Lease transfer	\$128,000	\$0	
Department of Fish and Wildlife	Okanogan	Spectacle Lake	1,570	0	Lease transfer	\$0	\$0	Lease not accepted
Pierce County	Pierce	Eatonville 80s	160	0	Lease transfer	\$0	\$0	Recipient no longer interested
Key Peninsula Metropolitan Park District	Pierce	Key Center	480	484	Lease transfer	\$3,355,000	\$0	
San Juan County	San Juan	Odlin South	37	106	Lease transfer	\$1,096,000	\$0	
Seattle City Light	Skagit	Pressentin Creek	640	640	Fee transfer	\$10,330,000	\$0	
Seattle City Light	Skagit	South Marble 40	40	40	Fee transfer	\$109,000	\$0	
Seattle City Light	Skagit	Finney Creek	640	640	Fee transfer	\$1,553,000	\$0	
Seattle City Light	Skagit	Olivine Ends	220	211	Fee transfer	\$413,000	\$0	
Department of Natural Resources	Skamania	Columbia Falls	670	680	Fee transfer	\$7,087,000	\$13,000	

Summary of Trust Land Transfer Program

Receiving Agency	County	Project Name	Acres Proposed	Acres Acquired	Type of Acquisition	Acquisition Cost	Estimated Annual Future Costs	Comments
Department of Natural Resources	Snohomish	Morning Star Remnants	136	122	Fee transfer	\$1,010,000	\$1,700	
Department of Natural Resources	Snohomish	Morning Star Addition	3,200	3,097	Lease transfer	\$18,325,000	\$54,500	Lease not accepted, did fee transfer
State Parks and Recreation Commission	Spokane	Newkirk	135	121	Lease transfer	\$293,000	\$0	
Spokane County	Spokane	Knights Lake	560	0	Lease transfer	\$0	\$0	Lease not accepted
Department of Natural Resources	Stevens	Trombetta Canyon	760	760	Lease transfer	\$1,700,000	\$14,000	Lease not accepted, did fee transfer
Stevens County	Stevens	Suncrest	40	40	Lease transfer	\$175,000	\$0	
Department of Fish and Wildlife	Thurston	Tilley Road Wetlands	240	0	Lease transfer	\$0	\$0	Lease not accepted
Department of Natural Resources	Whatcom	Lummi Island	10	10	Fee transfer	\$24,000	\$80	
Department of Fish and Wildlife	Whatcom	Kickerville East	120	120	Lease transfer	\$720,000	\$0	
Total			24,030	20,101		\$99,903,200	\$243,088	