

4th Annual State Land Acquisition Coordinating Forum

Summary

Forum Objectives

The Annual State Land Acquisition Coordinating Forum, hosted by the Habitat and Recreation Lands Coordinating Group (Lands Group), is a chance to learn about habitat and recreation lands that state agencies hope to receive state and federal funding to purchase in 2013.

Participating agencies presented maps and other information about planned projects and explained why the projects are priorities for the state. Attendees were encouraged to discuss the projects openly at the forum. The forum is informal, intended to generate questions and discussion to help identify opportunities for coordination about state habitat and recreation land acquisitions and disposals.

Welcome, Introductions, Agenda Overview

Dominga Soliz, Lands Group Coordinator, welcomed attendees and reviewed the agenda. Attendees introduced themselves; about 50 people attended.

Introductory Remarks

Kaleen Cottingham, Director, Recreation and Conservation Office (RCO)

Director Cottingham noted that state land acquisition programs are highly dependent on public support. A single controversy can have a effect on all state land acquisitions. It's imperative that state agencies increase the transparency of the programs. It's important for state and local governments, NGO's, and citizens.

She noted that interagency coordination between the agencies is also important. The Lands Group forums and quarterly meetings have helped they agencies make key connections with each other. One example is connecting natural resource agencies with the Department of Transportation on mitigation opportunities and collaboration on restoration efforts. In a time of shrinking resources, it's especially important to be effective stewards and to avoid duplication by state agencies.

Director Cottingham explained that the Legislature passed the Senate Bill 6385 to extend the lands group to 2017. The bill is awaiting action by the Governor. More

information about the lands group can be found at
<http://www.rco.wa.gov/boards/hrlcg.shtml>.

Lands Group Highlights

Dominga Soliz, Lands Group Coordinator

Dominga gave a presentation that provided an overview of the Lands Group's history, goals, and recent highlights.

Lands Group Background - Dominga explained that legislature established the lands group by statute in 2007. The enabling legislation contains several tasks focused on improving the visibility and interagency coordination of state habitat and recreation purchases and disposals. It requires the lands group to include members of the Department of Natural Resources, Department of Fish and Wildlife, State Parks and Recreation and Commission and others. The Recreation and Conservation Office provides staff support. The group includes Legislative staff, local government representatives, non-government organizations, private landowners, and several state agencies.

The lands group meets quarterly and provides annual progress reports to the Office of Financial Management. The statute required recommendations to the Legislature by December 2011 on whether to continue the group past its sunset date of July 2012. The recommendations were submitted in December 2011.

Dominga explained that the lands group focuses on improving the visibility and coordination of state land acquisitions. In the past, citizens and local governments have typically had a hard time finding out about plans for state land purchases in their area. Local communities have been concerned that the state agencies haven't engaged them enough in planning processes and about the impacts of state land purchases on the local tax base. Citizens and local governments want to know which purchasers are planning to buy land in their area, what land is planned for purchase, why the land is being purchased, and how they can get involved in the planning process. Citizens and local governments want:

- Early notification about projects planned in their area
- Meaningful opportunity to engage in the planning process
- Complete, consistent, and accessible information about proposed projects (such as why it's being purchased, who is buying it, and where the money is coming from)

- County-wide and statewide data about state land purchases
- Follow-up info such as how well the project met it's intended goals

The lands group also works toward a more coordinated statewide strategy for land acquisitions. In the past, state habitat and recreation land purchases have generally been uncoordinated. State agencies typically consulted with each other only when it was necessary to complete a land transaction. But that has made it hard to understand whether the agencies are purchasing lands strategically – with a statewide perspective and not just as opportunities arise - and whether agencies are duplicating each others' roles. The lands group provides a platform for the agencies coordinate regularly at quarterly meetings and the annual coordinating forums to make more efficient, strategic state land purchases.

Vehicle for Visibility and Coordination - Since 2007, the lands group has become the vehicle for visibility and coordination of state habitat and recreation land acquisitions and disposals. There are 3 main components:

- *Annual State Land Acquisition Coordinating Forum* – Agencies share proposals for state habitat and recreation land purchases and disposals
- *State Land Acquisition Forecast* - Provides information about the state land purchases and disposals that are being planned around the state
- *State Land Acquisition Performance Monitoring Report* - Shows whether state agencies achieved their initial acquisition project objectives

The annual forum meets the lands group's statutory directive to develop and convene an annual forum for agencies to coordinate their near-term acquisition and disposal plans. It is a platform for coordination and communication with local governments, non-government organizations, and others, and between the state agencies themselves. It is timed to take place at key points in the funding process to allow those interested plenty of time to engage in the decision-making process.

The forecast meets the lands group's statutory directive to produce a statewide biennial forecast of habitat and recreation land acquisition and disposal plans, and to publish it in a centralized easily accessible format. The goal is to give a statewide and countywide view of proposed projects, as well project level data and maps. The data it includes is not static, it only captures proposed data at a certain point in time, so it's a working document intended to be used as a tool for

planning. It is published biennially. The first forecast report was published on the lands group website in June 2010. The second one will be published this June.

The performance monitoring report meets the lands group directive of developing an approach for monitoring the success of acquisitions. The key question is whether state agencies purchased lands according to their initial acquisition objectives. The report shows project level, count-wide, and statewide comparisons of how completed habitat and recreation acquisition projects align with their initial proposals. It is published biennially on the lands group web site. The first report was published in December 2011. The next will be in 2013 if the lands group is extended past its sunset date. The first report was downloaded over 25,000 times from the web site since it was published 3 months ago.

Next Steps – Dominga provided a schedule of lands group next steps. The lands group will publish the second state land acquisition forecast report this June. If the lands group is continued past its sunset date, it will host the fifth Annual Coordinating Forum in August 2013 and will publish the second Performance Monitoring Report in December 2013.

Today's Forum – Dominga showed a map of habitat and recreation land projects across the state that are expected to be proposed by the Department of Fish and Wildlife, Department of Natural Resource, and the State Parks and Recreation Commission for funding in the 2013-15 biennium. She explained that the goals for the annual forum are to make the planned projects more visible and show how they advance statewide conservation and recreation strategies. It's a chance for the agencies to communicate with each other and with others about their plans to help make land acquisition processes more efficient. She encouraged attendees to ask questions and share ideas throughout the day.

Department of Fish and Wildlife Project Presentations

Jennifer Quan, Lands Division Manager

Jennifer reviewed the missions of the Department of Fish and Wildlife. She explained that acquisitions are one of many tools the agency uses to meet its missions, including regulation, land use planning, and partnerships with private landowners.

The Department of Fish and Wildlife has been involved in acquisitions since 1939. It first purchased lands in Sinlahekin for mule deer habitat. The agency's lands are

part of \$4.6 billion recreation industry in Washington State. This recreation industry supports as many as 60,000 jobs throughout the state and the lands are used by about 4 million visitors per year. The agency owns and operates over 700 boat launch sites, providing the most public water access in the state.

Jennifer explained that the agency's Lands 20/20 process started in 2006 to prioritize lands strategically. The process occurs twice per year and includes internal and external review. All proposals (including fee title, easements, donation, mitigation, etc.) must be approved or denied by the Fish and Wildlife Commission. The agency also focuses on acquiring lands that further other goals such as providing outdoor recreation opportunities, strengthening local economies, and maintaining or restoring habitat connectivity, and focusing on expanding existing public holdings (note – all the proposals either would expand Department of Fish and Wildlife ownership or connect to other public ownership).

The agency has 21 projects currently proposed for funding next year. Most acquisitions are funded by the U.S. Fish and Wildlife Service and Washington Wildlife and Recreation Program grants. The proposed projects have been reviewed internally and have been reviewed by the Fish and Wildlife Commission. The Commission has not yet approved the proposals. The next step in the process is to collect public feedback on the proposals.

Jennifer presented each of the 21 proposed projects.

Jennifer responded to several questions from the attendees. She explained that the agency looks to multiple strategies for prioritizing land acquisitions because there are so many diverse areas and species around the state. Of the 21 projects, all are proposed to include public access. She said that partners typically include non-government organizations and city and county councils.

She explained that the Department of Fish and Wildlife works with willing landowners and that it is interested in how the landowner has managed the land over time. As part of the selection criteria, the agency has to consider how it will be managed. In some cases the relationship with the landowner will continue over time. Tools such as life estates, grazing permits, etc. can help create or maintain mutual benefits to the economy and habitat. The land must be threatened before the agency will purchase it, and that they bring in a water rights specialist to maintain and protect water rights.

An attendee noted that the Payment In Lieu of Taxes program could be reduced and questions arose about how the agency pays operating costs. Jennifer said there is a mix of funding for operations and maintenance including federal sources such as Pittman Robertson, hunting and fishing license revenue, and now Discover Pass revenue.

State Parks and Recreation Commission Project Presentations

Steve Hahn, Lands Program Manager

Steve explained that since State Parks is coming off the tax rolls it is forced to become self-sufficient and is focusing more on development projects. There are 115 state parks on 150,000 acres of land in Washington. Of 44 proposed projects, 8 are acquisition proposals. The 8 proposals make up about 400 acres, which is tiny in comparison to other agency proposals. About 30 percent of the dollars requested are for acquisitions. Typically, State Parks receives about half the grant money it requests.

State Parks also disposes of surplus lands when the Commission determines it is no longer advantageous for park purposes. Disposals are typically done by public auction and the money received can only be used to buy replacement lands. One example is the Auburn Game Farm disposal which was transferred to the City of Auburn for city park use. Another is 100 acres on Harstine Island; the money will be reinvested in Fudge Point.

Steve presented the list of projects State Parks is planning to request for funding in the 2013-15 biennium.

Attendees asked about the operating cost of the proposed projects. Steve noted that several are revenue generating projects including RV parks and overnight facilities. Others are undeveloped lands with low operating and maintenance costs. He said that State Parks is not likely to invest in land unless it can pay for itself.

Department of Natural Resources Project Presentations

Pene Speaks, Assistant Division Manager Forest Resources and Conservation Division

Pene discussed the Department of Natural Resources' objectives and strategies for land acquisition and management. The Department manages 5 to 6 million

acres of uplands and aquatic lands in Washington State. Of this, about 145,000 are conservation lands (Natural Area Preserves, or Natural Resources Conservation Areas). The land for conservation is about 2 percent of land the department manages overall. Most land is forest land, agricultural land, or another class of management. Trust lands are a different kind since they are managed for trust purposes rather than for conservation. About 2 million acres of upland forest land is open for recreation, but those lands are not part of the discussion today. Only the conservation lands, many of which provide recreation opportunities, are within the scope of the lands group.

Pene explained how the Department of Natural Resources identifies lands important for long-term conservation. Natural Area Preserves are lands of high ecological value. Natural Resources Conservation Areas have strong ecological value, but also provide low-impact public use. The Natural Heritage Program is the state resource for ecosystem and rare plant data. The program is responsible for inventorying and identifying ecosystems and resources that are worthy of preservation across the state. It identifies the species and ecosystem, its condition, and what area it is in. Every 2 years the program updates the Natural Heritage Plan.

Once the area is identified, the program draws a boundary line around it and determines what it will take to make sure that the species is viable long term. The Natural Heritage Advisory Council is a technical body that provides advice about where the boundary should be. Then the agency holds public hearings in the county and the Commissioner of Public Lands will approve or deny it. Finally, the agency looks for acquisition opportunities depending on landowner preference and what will work best for longevity.

There were several questions by attendees. Pene noted that the agency receives funding for operation and maintenance from several sources including federal Section 6, state Aquatic Lands Enhancement Account, and the Washington Wildlife and Recreation Program allows costs for weed control and initial fencing as part of the grant. She explained that aquaculture is allowed on many of their sites.

State Land Acquisition Partnerships with Non-Profit Organizations

Eric Erler, Capitol Land Trust

Bill Robinson, The Nature Conservancy

Bill Clarke, Trust for Public Land

Eric Erler is the Director of the Capitol Land Trust. He also represents the Washington Association of Land Trusts, which has 26 member organizations across the state. Eric said it is important for state agencies to partner with non-government organizations because land trust builds local relationships. For example, county commissioners are supporting members of Capitol Land Trust. By partnering with a local land trust, there is a greater level of understanding at the local level. The Washington Association of Land Trusts has more than 60,000 individual members statewide.

Partnerships also leverage funding and capacity. Woodard Bay is an example. The partnership enables conservation to be done that isn't adding to the Department of Natural Resources' workload. The capacity allows larger landscape scale conservation. Land trusts also work with many different, additional funding sources. When you partner with a land trust, you have dozens of other funding sources available to leverage work. This is increasingly necessary with shrinking budgets.

In addition, partnerships help with advocacy work. For example, the Washington Association of Land Trusts support the Washington Wildlife and Recreation Program.

Bill Robinson spoke on behalf of The Nature Conservancy. He said The Nature Conservancy is involved with Lands Group because it's an opportunity for all the agencies involved in acquisition to coordinate. It promotes economic efficiencies to know what each other is doing. The lands group forum has done a great job in increasing visibility.

Many non-government organizations are doing habitat and recreation land conservation. Local groups are often involved in land acquisitions. The lands group forum should involve more of the local land trust. They are working locally to work with state agencies in a cooperative way.

The Nature Conservancy is an international non-profit. It is in all 50 states, 37 countries and has over 1 million members. It has an academic and science background - about 1/3 of its employees are scientists. The Nature Conservancy is looking at how to be more strategic with managing financial and natural resources. It is training local landowners on how to do things differently.

Some of the organization's focus areas are the eco-regional assessments project to assess what needs to be done to protect the resource on a large landscape scale, private and federal fundraising to generate match for projects, and advocacy. The partnership relationship has a mutual benefit for all.

Bill Clarke is a state lobbyist for the Trust for Public Land. The Trust for Public Land has offices in all 50 states. Conservation groups are unique; each has an area of expertise. The Trust for Public Land specializes in working lands, personal services such as real estate, and urban projects with lower conservation value but opportunities for restoration and public involvement. The Trust for Public Land's role is usually as a real estate broker for projects to help find ways to finance projects.

In addition to money for projects, there's policy work that conservation groups help with. For example, an assessment of the significant jobs coming out of land acquisitions and restoration work. Non-government organizations can also work to make a project that is competing for funding stand out. There are opportunities with farm bureaus, local cattlemen's associations, and trade associations that should be explored.

Attendees commented that it's important to keep local governments informed as to what's going on. The partners should continue to talk with local governments. In addition, roundtable talks are important. It's important for the Legislature to know what the local concerns are.

There was an effort in Congress to remove the charitable tax contribution. Land trusts got together to form a response that demonstrated economic benefits and showed that they are operating at highest ethical level.

GIS as a Tool for State Land Acquisition Planning

Greg Tudor, Recreation and Conservation Office

Greg is the Information Technology Manager at the Recreation and Conservation Office. He provided a demonstration of the Project Search function on the Recreation and Conservation Office web site. It allows anyone using the web to learn detailed information about projects in specific areas, or by grant program, agency, project type, etc. Rolled-up information such as dollar amounts is also available. A user can see information about all Recreation and Conservation Office projects funded since 1964.

Greg also gave an ArcGIS mapping demonstration of Recreation and Conservation Office acquisition projects by grant program, fiscal year, and amount. The projects included city, county, and state acquisitions for recreation, conservation and salmon recovery purposes.

Department of Natural Resources, Trust Land Transfer Program

Julie Sandberg, Assistant Division Manager, Asset and Property Management Division

Julie explained the Trust Land Transfer (TLT) program goals and how it works. This has been a capital budget program for over twenty years and is not in statute. 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 also 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, but not all trust lands are best suited to produce income. The Department of Natural Resources 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 trust lands have low potential for income production due to factors such as unstable slopes; critical wildlife habitat; public use demands; environmental and social concerns; and other issues that complicate income production. The Department of Natural Resources identifies a list of such properties each biennium for presentation to the Board of Natural Resources and the legislature as candidates for the TLT program.

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 is identified to receive and manage each of the candidate properties. The list, along with maps and property descriptions, is 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.

If approved, the transfer package is authorized and funded as a section in the capital budget. Legislation establishes the property transfer list and identifies properties for fee transfer or for long-term lease. The timber or lease value of a property is deposited into the Common School Construction Account (CSCA) 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 is authorized by legislation to implement the program and must complete the transfers within the biennium.

Julie reviewed the 2011-'13 project list and discussed the recent legislative trend toward approving more leases and fewer fee transfers. This can lead to difficulties for the receiving entity because the land use is more prescriptive, they cannot run a bond, and they cannot use it for matching resources. It is also not beneficial for the trust because the Department of Natural Resources still owns the land yet the value of the property to the trust is encumbered by a long term lease and the revenue has already gone to the CSCA.

There were several questions. Julie responded that money for leases is from the State Building Construction Account and it is given to the Department of Natural Resources specifically to process the transactions. There was a suggestion that since the Legislature didn't anticipate this problem with leases, the agency could prepare an analysis on the impact of leases to trust value.

State Conservation Commission, Office of Farmland Preservation

Josh Giuntoli, Project Coordinator

Josh explained that the Legislature added the State Conservation Commission as an eligible applicant in the Washington Wildlife and Recreation Program's (WWRP) Farmland Preservation Category in 2009. The Commission partners with non-eligible entities. The Commission prioritizes keystone farming operations that represent the local agricultural community. It provides community support and training for local landowners. For central Washington, keystone farming requires big landscapes on which to graze cattle. The Commission partners with organizations such as conservation districts. For example, the North Yakima Conservation District has agricultural preservation as its first priority. Perpetual easements are a tool that interest some landowners. Partnerships with local land trusts, for example, can fund the management and enforcement of the

easements. Conservation Districts also might have funds for stewardship. So the partnerships are important for farmland preservation projects.

Josh presented one proposed project. Last biennium the Farmland Preservation Program received about \$800,000 out of a total \$42 million for the Washington Wildlife and Recreation Program. The proposed project ranked 6 out of 24 during the last grant cycle. It received 100 out of 118 points.

It supports riparian areas, working lands, and what the district has done downstream to protect listed fish. It provides stormwater retention and habitat for wintering elk. The landowner currently uses it for grazing cattle during late summer/fall.

The Commission hopes to open the idea of farmland preservation up to other farmers and ranchers. It provides opportunities to new ranchers because the value of the land is more affordable if it has a conservation easement on it.

Department of Transportation

Paul Wagner, Biology Branch Manager

Paul is with the environmental services offices of the Department of Transportation. The Department of Transportation works to keep business and people moving. In addition to highways, there are ferries, rail, mass transit, trails and other systems within its purview. Environmental protection is an important part of the work because the agency needs to address the ongoing effects of the transit system on the environment.

The agency coordinates on conservation issues such as materials, timing, planning, etc. for the construction projects as well as other issues such as how to meet the agency goals while creating minimum impacts on habitat. An example is the 1-90 ecological corridor project. Ecological connectivity is a goal of the project, not just an offset of the impacts.

The agency strives for ecologically meaningful mitigation. How does it fit into overall conservation goals? The agency has a good interactive web site that shows the projects it is working on.

Paul said the economy is hitting the Department of Transportation. Since projects are associated with the gas tax, a lot of the work has been frontloaded. He expects them to drop off pretty drastically. The agency has to make sure it is making the most beneficial, cost effective mitigation projects. Partnering can help. Partnering can advance projects that achieve complementary resource management objectives/goals of other agencies. The agency looks to partner around mitigation as well as conservation issues, such as habitat connectivity.

The Department of Transportation is partnering with the Department of Fish and Wildlife to do a statewide assessment of connectivity. It will assess where the barriers to wildlife movement are as well as safety issues from animal vehicle collisions on the road. More information can be found at: Waconnected.org.

Attendees asked about mitigation banks. The agency has 3 banks that are working well. They work in partnership with private partners. After some initial effort to get the process set up, the banks can be effective.

Department of Ecology, Wetland Stewardship Project Presentations

Chris Hempleman, Project Planner

Chris presented National Coastal Wetland Conservation Grant projects funded through the U.S. Fish and Wildlife Service. It is a nationally competitive grant program funded by excise taxes on motor boat fuel, hunting and fishing. Funding is stable for this grant program. The Department of Ecology (Ecology) and other state natural resource agencies can apply, and Ecology passes awarded funds through to non-government organizations, tribes, and local governments. Chris presented the projects federal fiscal year 2012 and projects that received funding in 2010 and 2011. All 7 proposed projects were successful. Over the last 25 years, this program has brought more the 25 million federal dollars to the state. It has been used to acquire over 5,700 acres of coastal wetland habitat. The US Fish and Wildlife Service considers Washington the best state for this program.

Chris presented Coastal and Estuarine Land Conservation Program (CELCP) projects funded through the National Oceanic and Atmospheric Administration (NOAA). It is a nationally competitive program that is dependent upon Congressional appropriations, which are currently volatile. Ecology is the only eligible Washington State applicant. Ecology passes money through to local and tribal governments, state natural resource agencies, and Padilla Bay. Chris presented the projects included in the federal fiscal year 2012 applications and

the projects awarded funds in federal fiscal years 2010 and 2011. Dabob Bay was recently successful. It is considered the best project in the nation.

Focus Discussion

The group concluded by reflecting on the presentations and discussions. State agencies talked about the need to educate people more about how they operate and maintain the lands they purchase, and how operating and maintenance costs relate to acquisition costs. One suggestion was to take this discussion back to agency executive management to show them the need to make this message clear. Agencies need to start working on it now and think outside the box on how to address the question – how do you plan to take care of what you own?

The group discussed the need to be more coordinated. There should be more opportunities for interagency coordination earlier in the planning process. The lands group appears to be making the plans more visible, but the coordination work could be improved. Perhaps the quarterly meetings could be used as workshops.

Farmland preservation should be a more meaningful component of the lands group. Perhaps there should be forums at the local level where agencies could coordinate and provide visibility regionally.

This forum focused more on the statewide strategy for land acquisitions. Can the agencies do more to show there is a statewide strategy? How? GIS can be used more effectively to show the big picture. Layers of data that overlap can be used to show why the proposed areas are priorities for conservation.

At the next forum there could be more involvement from conservation groups to talk about their projects. The agencies would like to do more coordinated planning before the next forum. It would be helpful to organize the slides by county, rather than just by agency.