

# Annual State Land Acquisition Coordinating Forum

## *Agenda*

Room 175, Natural Resources Building  
Capitol Campus, Olympia  
August 2, 2011: 9:00am - 4:30pm

### **Forum Objectives**

The third Annual State Land Acquisition Coordinating Forum is a chance for state agencies to share information about acquisition projects that were recently funded and to coordinate plans for future purchases.

Participating agencies will present maps and other information about land they received state and federal funding in 2011 to purchase, and land they plan to request grant funding to acquire in the future. Attendees are encouraged to ask questions and discuss the projects with the state agency staff to help identify opportunities for coordination about habitat and recreation land acquisitions and disposals.

- 9:00 Welcome, Introductions, Agenda Overview**  
Dominga Soliz, Coordinator  
*Habitat and Recreation Lands Coordinating Group*
- 9:15 Introductory Remarks**  
Kaleen Cottingham, Director  
*Recreation and Conservation Office*
- 9:20 Lands Group Highlights**  
Dominga Soliz, Coordinator  
*Habitat and Recreation Lands Coordinating Group*
- 9:45 Department of Ecology, Wetland Stewardship Project Presentations**  
Jeanne Koenings, Project Planner
- 10:15 Department of Fish and Wildlife Project Presentations**  
Elizabeth Rodrick, Land Conservation Manager  
Dan Budd, Real Estate Manager

**HABITAT AND RECREATION LANDS  
COORDINATING GROUP  
AUGUST 2, 2011**

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**11:00 Break**

**11:15 Department of Natural Resources Project Presentations**  
Pene Speaks, Assistant Division Manager Forest Resources and  
Conservation Division

**12:00 Lunch**

**12:30 State Parks and Recreation Commission Project Presentations**  
Steve Hahn, Lands Program Manager

**1:00 State Conservation Commission, Office of Farmland Preservation**  
Josh Giuntoli, Project Coordinator

**1:30 Department of Natural Resources, Trust Land Transfer Program**  
Julie Sandberg, Assistant Division Manager

**2:00 Break**

**2:15 PRISM Project Snapshot Demo**  
Scott Chapman, PRISM Database Manager

**2:45 Focus Discussion**  
Identify issues and opportunities for improving transparency and  
coordination of state land acquisitions

**4:30 Adjourn**

## **Annual State Land Acquisition Coordinating Forum**

### ***Meeting Summary***

#### **Forum Objectives**

The third Annual State Land Acquisition Coordinating Forum, hosted by the Habitat and Recreation Lands Coordinating Group (Lands Group), is a chance for state agencies to share information about habitat and recreation land acquisition projects that were recently funded and to coordinate plans for future purchases.

Participating agencies presented maps and other information about land they received state and federal funding in 2011 to purchase, and land they plan to request grant funding to acquire in the future. 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 38 people attended.

#### **Introductory Remarks**

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

Director Cottingham noted that the key purpose of the Lands Group is to provide more transparency about state land acquisitions. Another key purpose is coordination; in a time of shrinking resources, it is especially important for state agencies to work together to avoid duplicating one another's work. She explained that the lands group provides a process that increases transparency and coordination at three key points— before, during, and after the acquisitions are complete. She noted that more information can be found on the lands group web site at <http://www.rco.wa.gov/boards/hrlcg.shtml>. Also on the RCO web site, the new PRISM Snapshot feature allows the public to access up-to-date information about all RCO-funded projects. Go to [www.rco.wa.gov](http://www.rco.wa.gov) and click on "Project Search" on the left.

#### **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 prior to the Lands Group's statutory formation in 2007, a 2005 report submitted by RCO (then the Interagency Committee for Outdoor Recreation (IAC)) to the legislature gave recommendations relating to establishing a statewide strategy for land acquisitions and disposals. The report focused on improving transparency and coordination of habitat and recreation land purchases by the Department of Fish and Wildlife (DFW), Department of Natural Resources (DNR), and State Parks and Recreation Commission (State Parks).

The report addressed key questions, such as: Are state agencies acquiring habitat and recreation lands strategically? Are the agencies talking to each other? Can agencies provide more public awareness about their plans and transactions? Are the agencies duplicating one another's roles?

Recommendations for working toward a statewide strategy for land acquisitions included 1) develop and convene an annual forum for agencies to meet to discuss proposed acquisitions and disposals, inviting local governments and non-governmental organizations (NGOs) 2) produce a biennial forecast of acquisitions and disposals, and publish it on a web site or a centralized, easily accessible format and 3) develop an approach for monitoring the success of acquisitions.

In 2007, the legislature created the lands group by statute to improve transparency, coordination, and centralized documentation of state habitat and recreation land acquisitions. The Lands Group includes members from state and local agencies, NGOs, private landowners, and the legislature. RCO provides staff support. The Lands Group provides annual reports to OFM and is scheduled to sunset in July 2012 unless extended. The enabling legislation requires the Recreation and Conservation Funding Board (RCFB) to give recommendations to the legislature in December 2011 on whether to continue the Lands Group.

State Land Acquisition Transparency and Coordination Process - Dominga explained that there are three main components of the state land acquisition transparency and coordination process established by the Lands Group. One component is the Annual State Land Acquisition Coordinating Forum which is a platform for agencies to coordinate their near-term acquisition and disposal plans, including implementation plans and upcoming grant requests. Another component is the Biennial State Land Acquisition Forecast which gives statewide and countywide views of proposed state land acquisition projects. The first

forecast report was published on the Lands Group web site in June 2010. The final component is the Biennial State Land Acquisition Monitoring Report which shows whether state agencies purchased habitat and recreation lands according to their initial plans. The first monitoring report will be published in September 2011.

An attendee suggested the word "Forecast" is misleading because it implies more accuracy than the report actually provides. Dominga responded that the report shows projects on the state agency "wish lists" rather than what the agencies actually expect to be funded. She explained that the word "forecast" is included in the Lands Group's enabling legislation, but that the group will consider whether to change the name of the report.

Lands Group Next Steps – Dominga gave a schedule of the Lands Group's next steps, including the first State Land Acquisition Monitoring Report (September 2011), Final Recommendations to the legislature on whether to continue the Lands Group (December 2011), 4<sup>th</sup> Annual State Land Acquisition Coordinating Forum (February 2012), 2<sup>nd</sup> Biennial State Land Acquisition Forecast Report (June 2012), and Lands Group sunset date unless extended (July 2012).

Today's Forum – Dominga showed a map of habitat and recreation land projects that were approved for funding by DFW, DNR, and State Parks in the 2011-13 biennium. She explained that the map represents less than half of the acquisition projects proposed for funding by those state agencies. DFW received funding for 48% of the proposed projects, DNR received funding for 33%, and State Parks received funding for 50%.

**Department of Ecology, Wetland Stewardship Project Presentations**

*Jeanne Koenings, Project Planner*

Jeanne 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. The Department of Ecology (Ecology) and other state natural resource agencies can apply, and Ecology passes awarded funds through to NGOs, tribes, and local governments. Jeanne presented the projects included in the federal fiscal year 2012 applications and the projects awarded funds in federal fiscal years 2010 and 2011.

Jeanne 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. Ecology is the only eligible Washington State applicant. Ecology passes money through to local and tribal governments, state natural resource agencies, and Padilla Bay. Jeanne presented the projects included in the federal fiscal year 2012 applications and the projects awarded funds in federal fiscal years 2009, 2010, and 2011.

Jeanne's presentation generated several questions and comments. One attendee was concerned that since the federal grant programs require state agencies to compete against each other for funding, this is contrary to state agency coordination. He said that when the agencies compete against each other for their own purposes, the overarching statewide objective is overlooked. Jeanne responded that no state agency is beating out any other; they are all highly successful in obtaining the grants.

One question was about the immediacy of the threat of development. Jeanne responded that immediacy of threat is included in the criteria and that the detailed grant process ensures the best projects are funded.

Another question was about how continued public access is guaranteed on funded projects. Jeanne responded that access is generally allowed unless it will impair the resource.

Other questions focused on how the land will be managed, who are the partners, how early does Ecology begin the planning process, how are the land trusts involved, and what match is required.

A general comment was that it would be good to provide more transparency about the other sources of funding for projects. Kiket Island was an example of a project with a complicated funding strategy for which Legislators have had difficulty getting clear information. Kaleen Cottingham noted that the new PRISM Snapshot tool on the RCO web site gives detailed project information.

**Department of Fish and Wildlife Project Presentations**

*Elizabeth Rodrick Land Conservation Manager*

*Dan Budd, Real Estate Manager*

Elizabeth showed maps and information about projects that DFW received funding to acquire and that are planned for funding requests in future biennia. Attendees had general interest in knowing the fund sources, partners, and context of the projects.

One attendee commented that the legislature is particularly concerned with how the capital budget requests tie with the operating budget. He asked to see how the projects shown will be managed. DFW staff explained that funds for land management are lacking and that future income from the Discovery Pass will help supplement.

The Ebey Island project generated comments about possibilities for conserving habitat without losing productive farmland. DFW staff noted that this project is especially complicated because of the competing needs of farmland preservation, recreation and habitat conservation. Several planning efforts were mentioned, such as a bill to require an impact statement for farmlands when they are acquired for other purposes, the Snohomish sustainable land initiative that is making progress toward a net gain for farms and fish, and the ecoregional planning process that would lay out the big landscape objectives for the state.

A comment was that coordination should give the big picture objectives. It should start at the policy level and requires clarification at the state level of what the objectives are. The state agencies have planning processes, such as DFW's Lands 20/20 plan, but high level planning about state land acquisitions is not communicated well to the legislature. The legislature wants feedback that shows the broader plan and how the projects fit within it.

**Department of Natural Resources Project Presentations**

*Pene Speaks, Assistant Division Manager Forest Resources and Conservation Division*

Pene showed the Natural Heritage Plan, which establishes the criteria for natural area selection and the process by which natural areas are approved. The Plan lists the statewide conservation priorities for ecosystems and rare species which are established by the Natural Heritage Program in consultation with others.. Natural area boundaries are initially identified by scientists in the Natural Heritage and Natural Areas programs, primarily based upon 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. The recommendation from the Natural Heritage Advisory Council and information from the public meeting and hearing are forwarded to the Commissioner of Public Lands. The Commissioner establishes the boundary within which DNR staff is then authorized to pursue acquisition. DNR staff identifies potential funding sources and works with willing landowners.

Attendees wanted to know how DFW uses the Natural Heritage information. DFW staff responded that it uses it as a guide. Examples of close coordination between DFW and DNR are the Rattlesnake Slope and West Rocky Prairie projects.

A question was whether DFW has a similar plan. DFW staff explained that there is a state listing process that ranks species according to their threat level, lands are assessed through individual species recovery plans and management plans, and there are game species plans.

Pene showed the 5 projects that DNR was awarded funding to acquire in 2011-13. 17 were proposed. She explained that she did not show the projects planned for future funding because DNR is not sure what will happen. The Natural Heritage Program is facing big cuts and the agency is not sure how that will affect the ability to make grant proposals.

A comment was that since many of the Land and Water Conservation Fund (LWCF) leases on trust lands are coming due within the next 15 years, it is a good opportunity to address recreational access. Many of the leases and easements on trust lands do not guarantee recreational access.

### **State Parks and Recreation Commission Project Presentations**

*Steve Hahn, Lands Program Manager*

Steve explained that it is a new era for State Parks, given the recent general fund cuts. The agency is looking more for revenue generating opportunities, and for opportunities that avoid operating impacts. State Parks also disposes of surplus lands.



Steve presented the list of projects State Parks requested funding for in 2009-11, the list of projects for which funds were actually appropriated, and the status of those acquisitions. He also presented the list of projects that State Parks planned to acquire with 2011-13 funds, and the list of projects State Parks requested funding for in 2011-13, the list of projects for which funds were actually appropriated, and maps and other information about projects being implemented this biennium.

Questions were generated about the acquisition negotiation process. One comment was that state agencies should be tougher negotiators during tough economic times. State agency staff explained that state law requires agencies to make offers at fair market value, although agencies can accept donations from landowners at less than fair market value. Agencies are also constrained from going above fair market value.

An attendee commented that there should be a formal process in place where other agencies can see if a planned acquisition meets their objectives.

Another comment was that operation and maintenance costs should be considered during the acquisition planning process to help identify priorities.

**State Conservation Commission, Office of Farmland Preservation**

*Josh Giuntoli, Project Coordinator*

Josh explained that the legislature recently added the State Conservation Commission as an eligible applicant in the Washington Wildlife and Recreation Program's (WWRP) Farmland Preservation Category. He provided an overview of the Office of Farmland Preservation's (OFP) process for prioritizing farmland preservation projects. OFP received 22 project applications for 2011-13 funds. Of those, 3 were submitted for grant requests. Josh provided maps and project information about the projects OFP submitted for grant requests.

WWRP's Farmland Preservation Category received \$776,000 in the 2011-13 biennium which allowed funding for one project and one partial project. The projects submitted by OFP are alternates.

There were several comments about the intent of farmland preservation. An attendee noted that farmland preservation should be a priority even during a tough economy. There was a suggestion that there be a trigger to make it a

higher priority during a budget crisis. Another attendee explained that an effort to change WWRP's statutory formula during the 2011 legislative session met with strong resistance.

Another comment was that farmland preservation and habitat conservation share a common goal of protecting from the threat of development.

**PRISM Snapshot Demonstration, Recreation and Conservation Office**

*Scott Chapman, PRISM Database Manager*

Scott demonstrated a new tool developed by RCO to make grant project information more accessible. The tool is also expected to reduce duplication of effort during the grant application process. By going to the RCO web site, users can search for projects and see the project information in the PRISM database as a Web page. Viewers can also see information on partners, project contacts, funding, metrics, location, status and attachments. Go to [www.rco.wa.gov](http://www.rco.wa.gov) and click on "Project Search" on the left.

**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. DNR 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. DNR 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. DNR identifies a list of such properties each biennium for consideration by the Board of Natural Resources and the legislature as candidates for the TLT program. 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.

DNR 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, 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. DNR is authorized by legislation to implement the program and must complete the transfers within the biennium.

Julie 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 as good for the trust because DNR still owns the land yet the value of the property to the trust is encumbered by a long term lease.

There were several comments suggesting better communication to the legislature about why leases are not a good alternative to fee transfers. One commenter said the legislature needs a better understanding of why so much of the land value stays with DNR after the transfer.

Another comment was that it would be helpful to show how the lands can meet multiple objectives for different agencies. The legislature wants to hear more about coordinated efforts toward mutual benefits.

**Focus Discussion**

Identify issues and opportunities for improving transparency and coordination of state land acquisitions

The group concluded by reflecting on the presentations and discussions. There were several comments that it is clear the legislature is not aware of the coordination state agencies are doing around acquisitions. There needs to be greater communication about agency habitat and recreation land objectives, and about statewide acquisition strategies. The legislature does not have a clear message about how state land acquisitions add value. State agencies should do more to provide the high-level picture of state land acquisitions.