Quarterly Meeting Summary

Attendance

Senator Linda Evans Parlette
Kaleen Cottingham (Recreation and Conservation Office Director)
Steve McLellan (Recreation and Conservation Office)
Bill Robinson (The Nature Conservancy)
Pene Speaks (Department of Natural Resources)
Lora Leschner (Pacific Coast Joint Venture)
Elizabeth Rodrick (Department of Fish and Wildlife)
Steve Hahn (State Parks and Recreation Commission)
Jeanne Koenings (Department of Ecology)
Dominga Soliz (Recreation and Conservation Office)
Josh Giuntoli (State Conservation Commission)
Eric Beach (Green Diamond Resources)
Sarah Gage (Biodiversity Council)
Sean Graham (Senator Parlette's Office)
Julie Sandberg (Department of Natural Resources)
Shelly Snyder (Department of Fish and Wildlife)
Scott Robinson (Recreation and Conservation Office)

Welcome, agenda review, member updates

Dominga Soliz welcomed the group and reviewed the agenda. The focus of the meeting will be on reviewing the Annual Forum and preparing for the Biennial Acquisition Forecast.

Dominga introduced new members. Lora Leschner (Pacific Coast Joint Venture) will take Joe LaTourette's place. Sarah Gage (Biodiversity Council) will take Lynn Helbrecht's place as the new Biodiversity Council Coordinator. Kelly Ramirez will take Peter Dykstra's place as a representative from the Trust for Public Land.

RCO Director Update and Discussion

Kaleen Cottingham gave updates on the Natural Resources Reform process. The main highlights are the 2009 Executive Order 09-07 and recent legislation which aim to increase natural resource agency efficiency and effectiveness, customer service, and accountability by consolidating regional boundaries and sharing services and resources. As part of the consolidation and streamlining effort, RCO, for example, will share back office functions with the Puget Sound Partnership and is working to develop an approach to coordinate state agency grants and loans.

Of particular interest to lands group members, there will be some consolidation of land management functions. There will be more information after tomorrow, when the newly established Natural Resources Cabinet will meet. There is a tight timeline for carrying out directives – possibly next December.

The bill to merge state natural resource agencies failed largely because of an overwhelming negative response from the public and stakeholders. General comments were that State Parks and Department of Fish and Wildlife (DFW) need to provide customer service toward individuals but Department of Natural Resources (DNR) needs to provide customer service to larger groups.

Lands group members asked what the group's role is in the reform process. Should the direction of the lands group change in response to the reform effort? While there is some overlap (such as with the lands group's grant coordination and GIS coordination tasks), the lands group reports directly to the legislature rather than to the Natural Resources Cabinet. Given the lack of resources and staffing for the lands group, it's important to focus on prioritized tasks rather than peripheral issues such as land management. However, the peripheral issues that come up during coordination are important and should be captured by the lands group. For example, recent ideas about coordinating land management, private disposals, and state agency in lieu fee mitigation programs are not central to the lands group's mandate, but have great potential for public benefit.

What's the value of the lands group? The intent of the legislation was to improve communication and visibility about acquisitions between the agencies and to external interests. The group has come a long way toward adding transparency and to promoting communication between the agencies. Senator Parlette recently shared information from the February annual forum with legislators and it was positively received.

Annual State Land Acquisition Forum Review

Dominga gave a PowerPoint presentation reviewing the February 2010 forum. The goals of the forum were to give state agencies that acquire habitat and recreation lands a platform to share information with each other and with others who want to know about potential acquisitions in their areas. Sharing the information helped state agencies identify opportunities for coordination about upcoming habitat and recreation land acquisitions and disposals. Also, DNR invited discussion about how to improve the trust land transfer process.

Five agencies participated: DNR, DFW, State Parks, the Department of Transportation (DOT), and the State Conservation Commission (SCC). On the first day agencies presented potential acquisition projects for the 2011-13 biennium, including maps and other information such as estimated cost, fund source, and number of acres. At the outset, it was made very clear that this information is only forecasted information about unfunded projects. The information was based only on best guesses at the time and

included projects funded by state, federal, and private sources. Stakeholders were actively engaged in discussion about the projects.

On the second day DNR gave an overview of the Trust Land Transfer program and invited discussion about how develop the trust land transfer list to submit to legislature and how to approach legislative shift toward using long term leases rather than fee ownership.

Shelly Snyder and her team at the Department of Fish and Wildlife (DFW) developed a statewide map of potential acquisition projects for the 2011-13 biennium. A similar map will be published with the biennial acquisition forecast report in June 2010. DNR, DFW, and State Parks presented vicinity and site maps for the projects as well as on-the-ground photos and information including estimated cost, number of acres, fund source, county, legislative district, and project descriptions. State agency GIS experts worked to develop consistent, similar looking project maps to make it easier for viewers to understand.

DOT presented maps of its six regional areas and their specific mitigation needs. DOT is working to identify mitigation sites for unavoidable impacts to wetlands. WSDOT hopes the lands group forum can help DOT locate mitigation opportunities and partners for restoration efforts and. Also, they'd like to promote advance mitigation projects that are consistent with goals of other agencies.

The SCC updated the lands group on its new acquisition grant eligibility. In 2009, the legislature amended the Farmland Preservation Program (FPP) within the larger Washington Wildlife and Recreation Program (WWRP) to include the eligibility of the State Conservation Commission (SCC) to apply for funds through the program.
The Commission is applying for 4 grants in the 2011-13 biennium for projects in which there is no other eligible local sponsor or the project does not have all the required matching resources.

On the second day, Julie Sandberg of DNR gave an overview of the Trust Land Transfer program. She talked about the goals of the program, described how it works, and presented the proposed list of transfer properties for the 2009-2011 biennium. Julie engaged attendees in a discussion focused on the legislative shift toward long term leases rather than fee ownership. She also invited suggestions about how to better involve the public in developing the list to submit to the Legislature.

About 36 people came to the forum, representing local governments, non-profits, tribes, and various state agencies. Attendees asked questions and engaged with the presenters about upcoming projects. State agencies identified some opportunities for coordinating with each other about specific projects. The lands group asked for verbal and written feedback about the forum and attendees said the project information and discussion was helpful to their work. The lands group also made contact forms for people to fill out so that the lands group could help put them in contact with agency

representatives to answer questions about specific projects. After the forum the lands group received several requests to see the project slides and we posted the presentations on the lands group website along with a spreadsheet of the project data.

The next steps are to host the next annual forum in July 2011. The next forum will focus on coordinating budget implementation. Also, the Biennial Acquisition Report and companion map will include updated information from the February forum and will be published on the lands group website in June 2010.

Trust Land Transfer Proposal Review

Julie Sandberg (DNR) gave an overview of DNR's Trust Land Transfer (TLT) program and explained the proposal to include the TLT program in the lands group process.

The Department of Natural Resources (DNR) has administered the Trust Land Transfer (TLT) Program for over twenty years. The direction and funding for the TLT Program has always been appropriated through the capital budget bill rather than statutory language. Common School Construction Account (CSCA) bond monies are diverted through the TLT Program to allow for the transfer of certain DNR managed trust properties. The timber value is deposited to the CSCA and the land value is used by DNR to acquire replacement trust property. The land and timber is then transferred to a public program recipient to be managed for state park, fish and wildlife habitat, natural area preserve or natural area, conservation area, open space or recreation.

Each biennium DNR prepares a list of trust properties that are difficult to manage or are underperforming as trust revenue producing assets. With limited resources, the agency works with interested recipient agencies to prioritize the list of properties for submission to the Legislature. The budget bill requires that eighty percent of the total value of transferred property be timber value deposited into the CSCA. The program began with all properties transferred in fee ownership. Over the past few years the Legislature has designated more properties be transferred as long term leases. For the 09-11 biennium an appropriation of $100,133,000 was made for the TLT Program. This included 11 properties for fee transfer and 23 properties set for 50-year leases.

Many recipients are not amenable to accepting leases, particularly municipalities that want to run a bond issue, for which fee title is required. Sometimes the lease just isn't good enough. This is the case, for example, when it's connected to the public water supply – the public land is the watershed. Another problem is that when leases are used, DNR does not have money to buy replacement land. Leases may provide a less expensive way to get money for the school construction account, but in the long term it does not provide the value of replacement land. Also, the leases don't allow the trust lands to be used as federal match, which requires perpetuity.

Is there any wiggle room here? For example, can DNR extend the lease? Can the local entity buy out the underlying land? DNR offers the option to buy out the underlying land. Or, since it's a lease between the legislature and DNR, the legislature could pay more.

DNR anticipates going to the legislature again to explain the problems with using leases for this process.

The proposal is for the TLT process to help the lands group meet its mandate to "identify and commence a dialogue with key state and federal partners to produce an inventory of potential public lands for transfer into habitat and recreation land management status." The draft TLT list would be included in the annual forum and the biennial forecast. The final list would be published on the lands group website. This will help inform the public, legislators and others about upcoming TLT program transfers and will allow stakeholders opportunities to engage in developing the list.

Lands group members responded that this proposal fits well within the scope of the lands group and will help give visibility to the TLT program.

Preparing the Biennial Acquisition Forecast

Dominga presented a sample pdf format for the Biennial Acquisition Forecast report. Lands group members responded that the "look and feel" of the format was fine and offered no recommendations for changes. The report will be posted on the lands group website with a companion statewide map of potential acquisition projects. GIS experts are working to develop tabular data for the projects so that users will be able to click on a project site on the map and a table of data about the project will appear. If users want more detailed information about the project they will be directed to the report, which will include maps, photos and project descriptions in addition to the table data.

Lands group members reviewed a draft outline for the report. Members commented that the report should be reorganized a bit so that an executive summary with conclusions and next steps appears after a brief introduction. The methodology section should be moved to an appendix. The analysis section includes appropriate topics, but the data tables should include existing uses/functions as well as intended uses/functions. Members commented that it may be difficult to include existing and intended uses because there is no agreed-upon terminology. However, agencies will work to provide descriptions of uses for priority parcels of projects to include in the report and will continue developing common definitions of land functions. Perhaps "working lands" can be a category of land function, as well as "habitat" and "recreation".

The section about tax consequences of public ownership of land is important to include because it will help give the full picture to local governments, legislators, and others about state acquisitions. It is too complex to include data for each county about tax consequences of the acquisition projects planned in the county for the 2011-2013 biennium, but it will be helpful to describe the each agency's responsibility regarding compensation for local tax base reductions.

The disposal piece is important to include, but the disposal projects may not fit into the same format as acquisition projects. There are only a handful of disposal projects

planned by state agencies and they do not have the same process or timeline as acquisitions. Agencies may like legislative help in disposing of lands. Currently, agencies own some lands that do not help the agency meet its mandates. State Parks, for example, owns the majority of grain elevators in the state and owns “piano keys” of small, disconnected beachfront parcels. DNR, for example, owns the majority of vineyards in the state. Agencies have many barriers to disposing of these lands, including statutory barriers. Senator Parlette invited State Parks and other agencies to work with her on possible legislative solutions to facilitating disposals. It will be economically beneficial to the state to sell any unnecessary lands. Getting rid of surplus land is expensive (an example is the DNR/DFW land exchange). It will be important to provide funding for real estate services. Perhaps there can be a footnote to the report that includes other types of land transactions in the state, such as the DOT disposals (as required by statute), and other land exchanges.

Members commented that the lands group should also compile other acquisition-related issues, tools, and techniques and help make these more visible to the public. This will not likely be included in the report, however.

Task Updates

GIS Coordination - Dominga gave brief updates on some other lands group tasks. Workgroup 2 is working to develop recommendations for coordinating state agency GIS. In order to do forum, state agency GIS experts identified some standards for project maps. The same maps will be used in grant applications. Developing baseline standards will allow agencies to produce maps that are more consistent and less confusing to users/viewers and that can be used and modified to meet a variety of needs. Also, GIS experts are finding the conversation itself is helpful – they can share ideas about techniques and tools that can streamline work. They are working to refine the statewide map of potential projects to include tables of project data that appear when the user clicks on the project dot. This will be useful for providing the public with quick access to project information. Next steps – GIS experts will continue meeting to develop baseline standards. Workgroup 2 will draft summary of recommendations for the lands group to review.

Monitoring the Success of Acquisitions – Workgroup 3 is working on recommendations for monitoring the success of acquisitions. Suggested approach is to compare what the acquisition project looks like when it is finally completed with what the agencies said they planned to do at the outset. The process is as follows:

- Even Year Forum – Coordination of grant requests for potential acquisitions. (No funding for the projects yet)

- Biennial Forecast – Report on potential acquisitions for the upcoming biennium (Funding requested)

- Odd-Year Forum – Coordination of budget implementation for potential acquisitions. (Funding received)
- Project completion – For each acquisition project, ask agencies: Did you do what you said you were going to do? Use the same data fields (cost, acres, fund source, description (purpose), location, maps) that were used in the annual forum and biennial forecast. This will allow easy "before" and "after" comparison of the projects.
- Report biennially – At the end of the biennium, produce a report on projects completed during that biennium that shows the "before" and "after" comparative analysis (Include maps.

As a next step, the workgroup will draft a proposal and bring it to the lands group later this year.

Review of Agency Plans and Policies - Workgroup 1 is picking up where it left off last year in "reviewing agency land acquisition and disposal plans and policies to help ensure statewide coordination of habitat and recreation land acquisitions and disposals." It is updating a matrix of agency plans and summary of recommendations. Workgroup 1 will bring a summary of recommendations to the lands group for review later this year.

Next Steps

Workgroup 1 will collect updated information from agencies on potential projects to include in the biennial forecast. The workgroup will develop a draft of the report and will circulate the draft to the lands group in June for review before publishing on the land group website.

The next lands group quarterly meeting is July 28, 2010 from 9:00-12:00.