

Summary

Meeting dates: May 31, 2013 Fish and Wildlife Commission Conference Call

Agenda item: Stemilt Basin Fee title Acquisition and Termination of Lease

Presenter(s): Dan Budd, Real Estate Services Manager

Background summary:

On April 8, 2011 the Washington Fish and Wildlife Commission approved the Department's recommendation to acquire a 50 year lease on 2,543 acres of land in Chelan County owned by the Washington Department of Natural Resources (WDNR). The \$1,890,000 payment for the lease was funded through the 2009-2011 Trust Land Transfer Program within WDNR's capital budget. In that same action the Commission approved the purchase of the fee title to these leased acres with the \$140,000 appraised value of the remaining fee interest to be provided by an appropriation in the Washington Department of Fish and Wildlife's (WDFW) current capital budget for acquisitions at Stemilt Basin.

On June 6, 2011 the agencies entered into the 50 year lease with the intention of completing the fee interest portion of the transaction upon approval by the Board of Natural Resources (BNR). The Board of Natural Resources at their June 7, 2011 meeting rejected the proposal to sell the fee interest to WDFW for the \$140,000 amount. Concern was expressed by members of the BNR that the \$140,000 would not be adequate to purchase sufficient replacement land to keep the trust whole.

For the past two years WDFW has managed its leasehold interest in the 2,543 acres however, this leasehold position comes with some challenges which include a winter snow park and irrigation from some reservoirs by orchardists. WDFW had contemplated the management of these issues as a fee owner. However, holding only a leasehold estate limits the management options available to WDFW.

WDNR and WDFW have arrived at a solution which we believe will improve WDFW's management options, allow flexibility to address the needs of the reservoir owners, and eliminate the area included in the snow park from WDFW's management responsibility. The proposed solution is the termination of the 50 year lease on all four sections and the transfer of the south and west two sections to WDFW in fee title. The common school trust will be compensated for the fee title transfer with \$500,000 of Trust Land Transfer funds that are currently in WDNR's budget.

The property will be managed by the Wildlife Program as part of the Colockum Wildlife Area. Payments in lieu of property taxes are estimated at \$1,200 per year. With the reduction of acres to be managed, WDFW's reduced operation and maintenance costs are estimated at \$10,200 annually.

The Department recommends that the Commission authorize the Director to accept fee title to the 1,268 acres of Washington Department of Natural Resources Trust Land Transfer property in Chelan County and relinquish the 50-year lease under such terms and conditions as the Director deems appropriate.

Policy issue(s) you are bringing to the Commission for consideration:

Conservation and protection of critical fish and wildlife habitat, providing fish and wildlife recreational opportunity.

Public involvement process used and what you learned:

The Department has meet with local elected officials and conservation groups and there is strong local support for WDFW's ownership of this land in the Stemilt Basin.

Action requested:

Authorize the Director to accept fee title to the 1,268 acres of Washington Department of Natural Resources Trust Land Transfer property in Chelan County and relinquish the 50-year lease under such terms and conditions as the Director deems appropriate.

Draft motion language:

Move to authorize the Director to accept fee title to the 1,268 acres of Washington Department of Natural Resources Trust Land Transfer property in Chelan County and relinquish the 50-year lease under such terms and conditions as the Director deems appropriate.

Justification for Commission action:

This action will conserve and protect critical fish and wildlife habitat, and enhance fish and wildlife recreational opportunity.

Communications Plan:

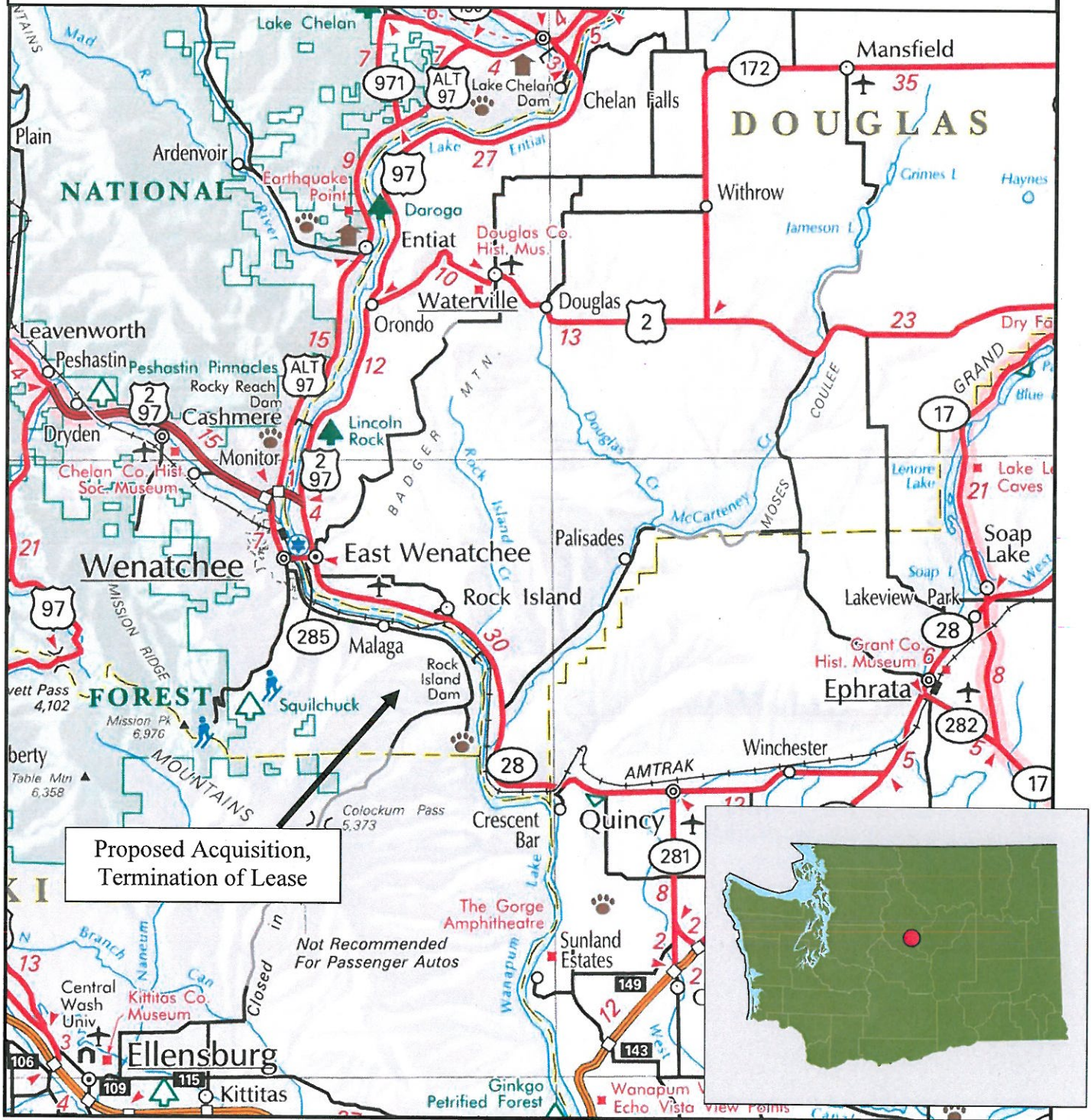
Upon completion of the transaction transferring title to the 1,268 acres, WDFW will send out a press release informing the public of this action.

**ITEM: PROPOSED ACQUISITION & TERMINATION OF LEASE
STEMILT BASIN PROPERTY**

COUNTY: CHELAN COUNTY

LEGAL: SECTIONS 16, 20, 22, 28 TOWNSHIP 21N, RANGE 20E, W.M.

ACRES: 1,268

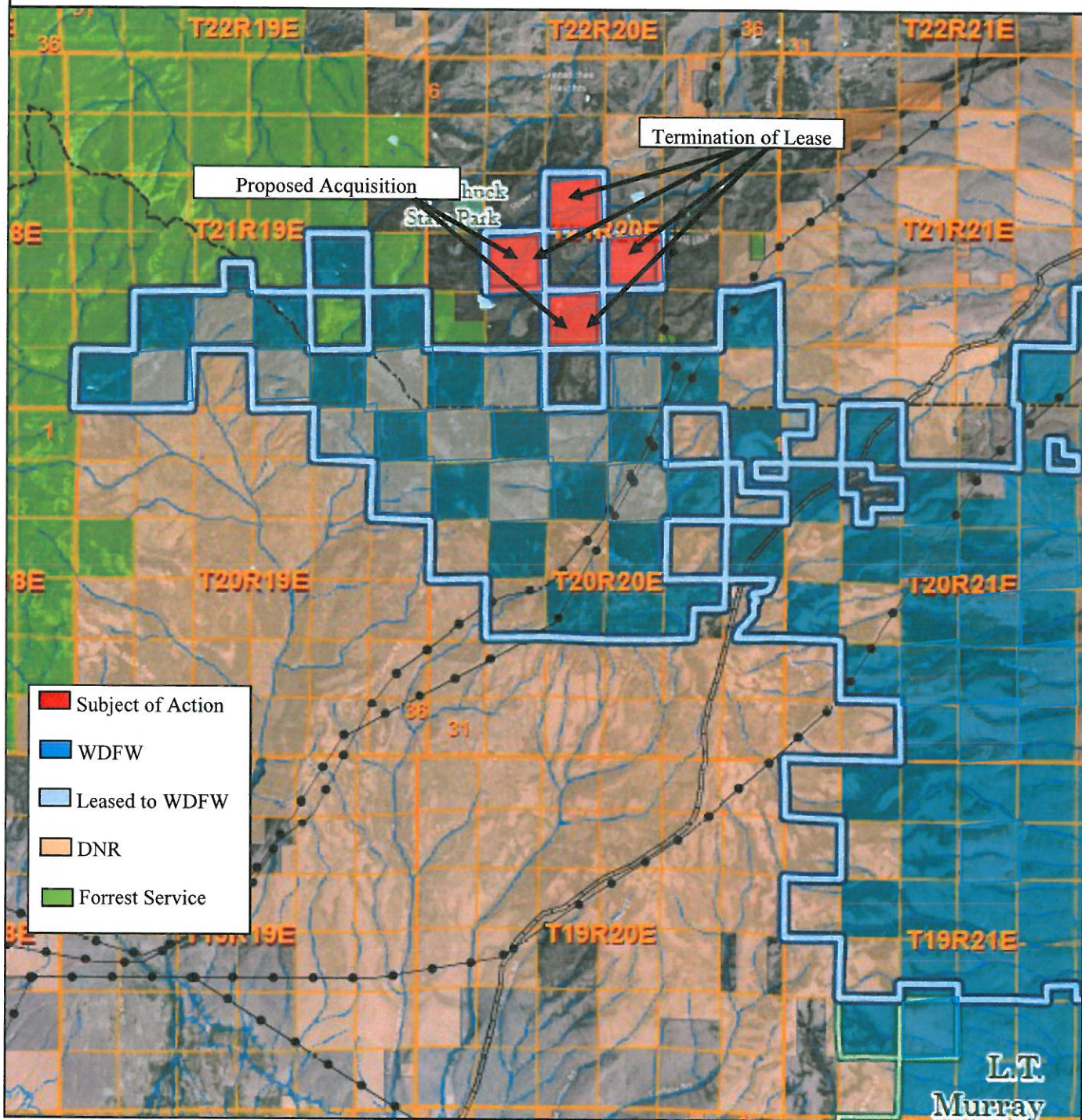


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