



WASHINGTON STATE DEPARTMENT OF
Natural Resources

Peter Goldmark - Commissioner of Public Lands
Kyle Blum - Deputy Supervisor for State Uplands

ELK RIVER TRUST LAND TRANSFER 2013-2015

PROPOSAL

The Department of Natural Resources proposes to transfer 194.18 acres, more or less, of Common School Trust property located in Grays Harbor County to the Elk River Natural Resources Conservation Area (NRCA).

Proceeds from the timber value will be deposited into the Common School Construction Account. The land value proceeds will be deposited to the Real Property Replacement Account and used to purchase replacement property desirable for the Common School Trust.

BENEFITS

The property asset base of the Common School Trust is improved by:

- Disposing of property that is inefficient to manage for timber harvest income.
- Disposing of an isolated ownership geographically separated from other trust holdings.
- Enabling replacement of the asset with property that has greater potential for income production to provide future revenue to support public schools statewide.
- Transferring the property to a program that will protect and manage for identified biological, ecological, and social values.

GENERAL LOCATION

The property is located approximately four miles east of Westport within Section 16, Township 16 North, Range 11 West, W.M., in Pacific Cascade Region.

ENCUMBRANCES

The property is encumbered by an easement for State Route 105 and a resource road easement. A special use lease with Grays Harbor County is expiring on August 30, 2014, that was associated with a solid waste transfer station.

IMPROVEMENTS The on-site structure (transfer station) will be removed by Grays Harbor County as part of the lease termination.

PRESENT INCOME None.

MARKET VALUE

Timber (4,218 Mbf)	\$1,631,000
Land & Reprod.	<u>\$ 349,000</u>
TOTAL	\$1,980,000

TERMS OF TRANSFER

Cash.

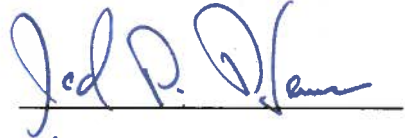
JUSTIFICATION

The property is included in the 2013-2015 Biennium Trust Land Transfer Program. Approval and funding for the transfer is authorized by Washington Laws of 2013, Ch. 19, Section 3231 and RCW 79.17.200.

COMMENTS

Transfer will be by Commissioner's Order. Mineral rights will be retained in their existing trust ownership. As specified by legislation, permitted use will be restricted to Natural Resources Conservation Area purposes. Property will be reserved as Permit Lands as defined in the Department's Habitat Conservation Plan.

Division Manager



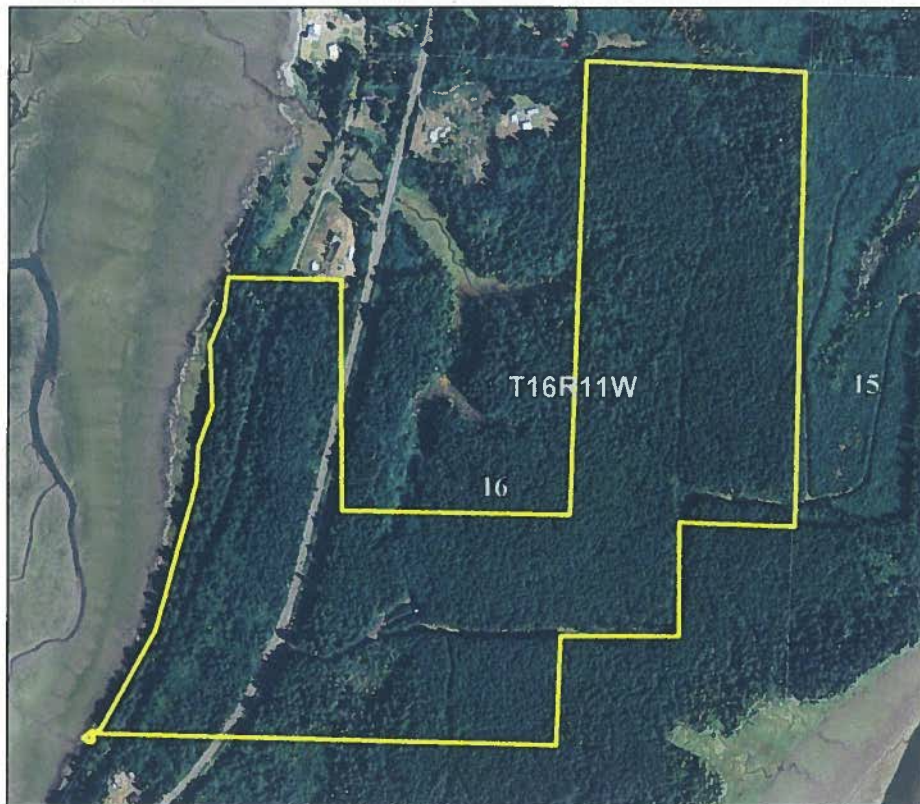
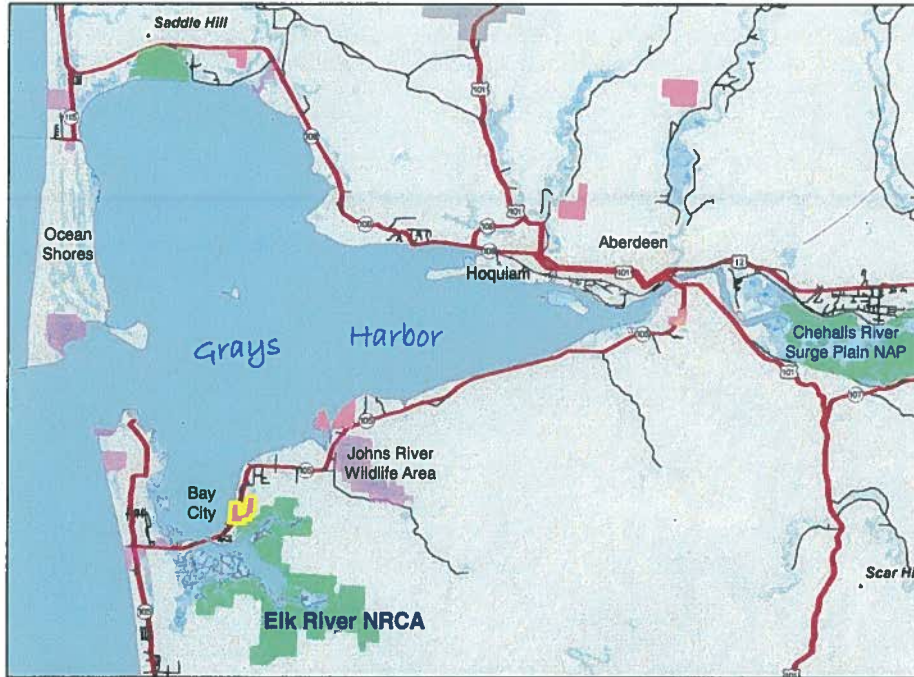
Deputy Supervisor
for State Uplands



Date of Board Approval

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BOARD OF NATURAL RESOURCES**

ELK RIVER TRUST LAND TRANSFER 02-090359



Within Section 16, Township 16 North, Range 11 West, W.M., Grays Harbor County

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BOARD OF NATURAL RESOURCES**

RESOLUTION NO. 1429

A **RESOLUTION** relating to the compensation to the Common School Trust for the designation of Common School Trust property to be managed as a Natural Resources Conservation Area as authorized by Section 3231, Chapter 19, Laws of 2013 and RCW 79.71.040 under Department of Natural Resources Land Transfer File No. 02-090367.

**BE IT RESOLVED BY THE BOARD OF NATURAL RESOURCES,
DEPARTMENT OF NATURAL RESOURCES, STATE OF WASHINGTON, THAT:**

SECTION 1. The State of Washington, acting by and through the Department of Natural Resources, has title to and holds in trust under the provisions of Title 79 RCW the Common School Trust property described in Exhibit A, attached hereto and by this reference is made a part hereof.

SECTION 2. The real property described in Exhibit A and known as Elk River Trust Land Transfer is among the properties identified for transfer in Section 3231, Chapter 19, Laws of 2013.

SECTION 3. The Board of Natural Resources finds that it is in the best interest of the Common School Trust to transfer and set aside the real property described in Exhibit A to Natural Resources Conservation Area status.

SECTION 4. The Board of Natural Resources finds the appraised market value of the real property described in Exhibit A to be \$1,980,000, consistent with the valuation method used to establish the value of the fee simple interest of the property described in Exhibit A.

SECTION 5. The Board of Natural Resources approves of the use of the Declaration of Covenants, Conditions, and Restrictions related to the Dedication of Elk River Trust Land Transfer as a Natural Resources Conservation Area and Management Commitment, attached hereto as Exhibit B and by this reference made a part hereof, as evidence of the transfer of the property described in Exhibit A to Natural Resources Conservation Area status.

SECTION 6. Should the transfer authorized by this resolution be consummated, the State of Washington, Department of Natural Resources shall:

- A. Upon receiving payment of the value stated in SECTION 4 above, properly authorize and record the Declaration of Covenants, Conditions, and Restrictions related to the Dedication of Elk River Trust Land Transfer as a Natural Resources

Conservation Area and Management Commitment, and take whatever steps are necessary to designate the property described in Exhibit A as a Natural Resources Conservation Area. Use shall be restricted for purposes consistent with Ch. 79.71 RCW. The property shall be retained as Permit Lands as defined in the Department of Natural Resources' Habitat Conservation Plan. All oils, gases, coals, ores, minerals, and fossils were not included, and will be reserved in their existing trust ownerships as provided under RCW 79.11.210. Easement rights will be reserved as provided under RCW 79.36.370. The term of the Natural Resources Conservation Area status shall be perpetual if approved by this Board.

- B. Disburse the proceeds as a result of the transfer to Natural Resources Conservation Area status as follows:
1. Deposit the timber value of \$1,631,000 into the Common School Construction Account; and
 2. Deposit the land value of \$349,000 into the Real Property Replacement Account and hold said funds, together with accrued interest, for the purpose of acquiring desirable replacement property for the Common School Trust in future purchases to be approved by the Board.

APPROVED AND ADOPTED by the Board of Natural Resources, Department of Natural Resources, State of Washington, this _____ day of _____, 2014.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Commissioner of Public Lands.

PETER GOLDMARK
Commissioner of Public Lands

Approved as to form this 9th day
of June, 2014.


Assistant Attorney General

EXHIBIT A

LEGAL DESCRIPTION

Government Lots 2 and 3 and the East half of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter and the Northwest Quarter of the Northeast Quarter of the Southeast Quarter, all within Section 16, Township 16 North, Range 11 West., W.M., Grays Harbor County, Washington.

Rynea L Edwards, PLS 45158
State Land Survey Unit
Engineering Division
PO Box 47030
Olympia, WA 98504-7030

EXHIBIT B

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS RELATED TO THE DEDICATION OF ELK RIVER TRUST LAND TRANSFER AS A NATURAL RESOURCES CONSERVATION AREA AND MANAGEMENT COMMITMENT

Grays Harbor County

Grantor: State of Washington, by and through the Department of Natural Resources

Grantee: State of Washington, by and through the Department of Natural Resources, Natural Areas Program

Abbreviated Legal Desc: PTN OF 16-16-11

Tax Parcel #: 161116110000

THIS DECLARATION is made this ____ day of _____, 2014, by the State of Washington, Department of Natural Resources (DNR).

RECITALS

WHEREAS, the State of Washington owns that certain real property legally described as set forth on Exhibit A attached hereto and incorporated herein by this reference (the Property);

WHEREAS, Peter Goldmark, Commissioner of Public Lands, following the approval of the Board of Natural Resources, designated the Property as a natural resources conservation area pursuant to the requirements of Ch. 79.71 Revised Code of Washington; and

WHEREAS, DNR desires to place a Declaration of Covenants, Conditions, and Restrictions declaring that the Property shall be utilized perpetually as a natural resources conservation area and desires this Declaration to be recorded as a covenant running with the land to bind the Property according to the terms of this instrument.

NOW, THEREFORE, DNR hereby declares that the Property shall be used perpetually as a natural resources conservation area only subject to further restrictions of use as set forth herein.

Section 1. Restriction on Use of Property. The Elk River Natural Resources Conservation Area was established for the Property to protect for public benefit an area that is important for scenic and ecological value. No uses are to be made of the Property except those consistent with its designation for the term specified herein. No additional or future restrictions may be placed on the Property without the approval of the Commissioner of Public Lands. DNR shall manage

the Property consistent with its designation as a natural resources conservation area, and subject to any management plan that is adopted pursuant to RCW 79.71.070. Any other use or activity on the Property which is or may become inconsistent with the purposes of the Elk River Natural Resources Conservation Area, the preservation of the Property in its natural condition, or the protection of its ecological features, or any management plan that is adopted, is prohibited.

Section 2. Applicability of Habitat Conservation Plan. The Property is located within an area that is subject to the State of Washington, Department of Natural Resources Habitat Conservation Plan and amendments thereto adopted in connection with Incidental Take Permit No. PRT-812521, as supplemented by Permit No. 1168, and the Implementation Agreement for the Washington State Department of Natural Resources Habitat Conservation Plan dated January 30, 1997, and any amendments to said permits and agreement. The Property is also to be used consistent with management as "PERMIT LANDS" as defined in the Habitat Conservation Plan Implementation Agreement as long as the Habitat Conservation Plan Implementation Agreement is in effect.

Section 3. This Declaration does not convey to the public the right to enter the Property for any purpose whatsoever, except as is set forth in any management plan adopted for the Elk River Natural Resources Conservation Area.

Section 4. The covenants and restriction of this Declaration shall run with the land and bind the Property in perpetuity.

Section 5. This Declaration, and any future changes duly authorized in writing by the Commissioner of Public Lands, shall be recorded in the Auditor's Office of Gray Harbor County.

Section 6. Each covenant, condition, and restriction contained in this Declaration may be enforced by DNR or any owner of the Property if the Property is subsequently transferred from the State of Washington to another person or entity.

Section 7. This Declaration shall be governed by and construed in accordance with the laws of the State of Washington.

Section 8. This Declaration shall take effect when recorded.

This Declaration is executed and delivered pursuant to RCW 79.71.050 pursuant to Commissioner's Order No. _____, dated _____, entered by the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

IN WITNESS WHEREOF, this _____ day of _____, 2014.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

PETER GOLDMARK
Commissioner of Public Lands

Approved as to form this _____ day
of _____, 2014.

Assistant Attorney General