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Trust Land Transfer Revitalization Pilot Project

Upper Dry Gulch Packet

July 2022



WASHINGTON STATE DEPT OF
**NATURAL
RESOURCES**

Trust Land Transfer Revitalization Pilot Project: **Upper Dry Gulch Packet**

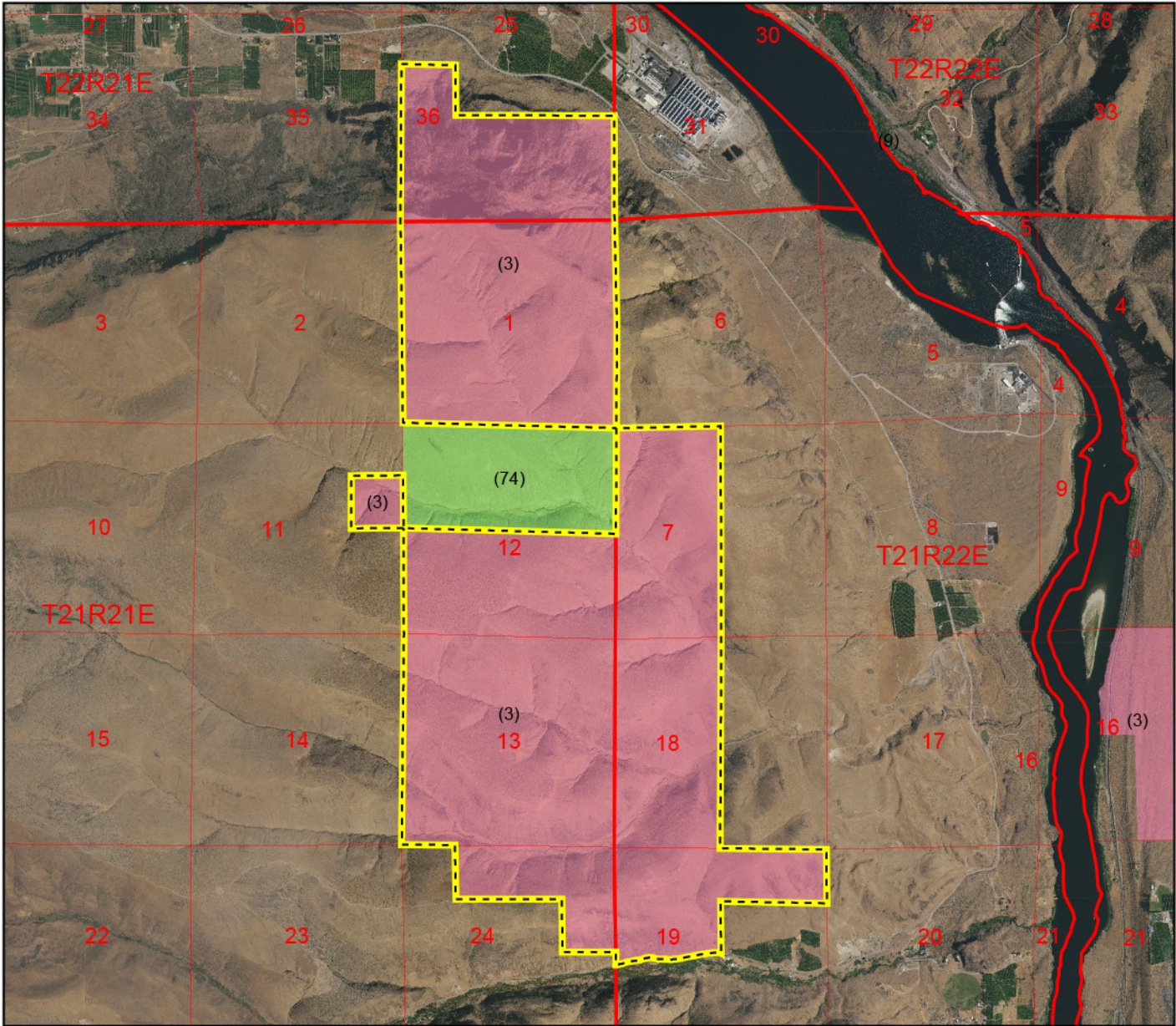
July 2022

Washington Department of Natural Resources (DNR)
Product Sales and Leasing Division
1111 Washington Street SE
PO Box 47014
Olympia, WA 98504-7014

Cover: Blakey Island Shoreline photo, Washington Department of Ecology

Map

TLT 2022 - Upper Dry Gulch



DNR-Managed Trust Lands

- State Forest Transfer (1)
- State Forest Purchase (2)
- Common School (3)
- Agricultural School (4)
- University - Transferred (5)
- CEP and RI (6)
- Capitol Grant (7)
- Normal School (8)
- Scientific School (10)
- University - Original (11)
- Community Forest Trust (48)
- NAP / NRCA (74/75)
- Other DNR-Managed Lands

Located In

Chelan County, Washington

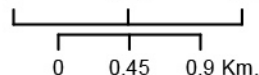


Transfer Parcel(s)

Boundaries may vary at time of transfer.



0 0.45 0.9 Mi.



Area of Detail



WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES

Disclaimer: Extreme care was used during the compilation of this map to ensure accuracy. However, due to changes in ownership and the need to rely on outside information, the Department of Natural Resources cannot accept responsibility for errors or omissions, and therefore, there are no warranties which accompany this material.

Application and Best Interests of the Trusts Analysis

TRUST LAND TRANSFER APPLICATION

(This application is available electronically.)

Submit by 4:00 PM on June 16, 2022 for consideration for the next funding cycle

Trust Land Transfer is an innovate tool for the Washington State Legislature, through the Department of Natural Resources, to address several land management needs. Specifically, this tool enables DNR to achieve the following:

- **Transfer out of economically under-performing state trust lands and acquire funds to purchase replacement lands with higher long-term income producing potential**
- **Conserve lands that have high ecological values or public benefits**

Applicant Information	DNR Staff contact (if different)
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Applicant's name: SE Region	Staff name: Larry Leach
Address: _____	Address: 713 Bowers Road
City, State, Zip: Ellensburg, WA 98926	City, State, Zip: same
Phone: 509-859-4791	Phone: _____
E-mail: Larry.leach@dnr.wa.gov	E-mail: _____
Parcel name/moniker: Upper Dry Gulch	_____

Property Information

For proposals with more than one trust ownership, or in more than one county, describe parcels separately:

1.	County: Chelan	Section: Portions of 1, 11, 12, 13, 24 Portions of 7, 18, 19	Township: 21N 21N	Range: 21E 22E	B&M	Parcel#:	
2.	What is the land currently zoned as?		Rural Residential Resource 10 and 20				
3.	What is the current land type/land cover?		Rangeland				
4.	What are the current uses of the property?		Rangeland/agriculture				
5.	Total project acres:		3,023	Total acres forest:	0		
6.	Proposed receiving agency. DNR Natural Areas						
7.	What trust(s) does this property currently belong to?						
Trust #1	Common School (Trust 03)			Acres	3,023		

Property Evaluation

Please help us picture the uniqueness or importance of this property for Trust Land Transfer.

Projects are ranked on four criteria: (1) ECOLOGICAL VALUES, (2) PUBLIC BENEFITS, (3) COMMUNITY INVOLVEMENT AND SUPPORT, AND (4) ECONOMIC IMPACTS. This information will help establish your preliminary ranking with the other projects submitted for consideration. You may attach extra pages, if needed.

The questions and statements under each criteria may be used as general guidance to describe the project in more detail. There may be other relevant or unique characteristics of the parcel, not be listed here, for each criteria that may be used to describe the property being proposed for transfer.

CRITERIA: ECOLOGICAL VALUES

This criterion focuses on the attributes of the property and the ecological values protected or gained from the transfer of the property and its resources.

Ecological values may include:

- Federal or state endangered or threatened plant, fish, or wildlife species
- Rare or unique plant or wildlife communities
- Site with ecological significance on a global, regional, state, ecosystem, or watershed level
- Habitat for wide-ranging migratory species, especially winter range
- Landscape features or ecosystem services (such as wetlands to reduce flooding, vegetative cover to provide shade and reduce surface temperature, or cover crops to limit erosion) that might alleviate or mitigate natural hazards such as flood, fire, drought, etc.
- Characteristics such as high potential for old-growth habitat, or providing continuity of wildlife corridors
- Watershed protection such as protecting water supply or buffering public drinking water supply
- Describe the parcel's ecological values. Consider factors such as the ecological and biological quality of the habitat and the habitat's role in supporting key species.
- Describe the stewardship or management practices of the receiving agency to perpetuate the ecological values of the parcel. For example, does the agency have the ability to manage, monitor and protect these values once the parcel is transferred? Would the parcel fit within the agency's long-term conservation planning efforts?
- Is the parcel near or adjacent to other protected lands, either public or private?

(Use as much space as needed)

The proposed parcels for transfer are all located within the approved boundary of the Upper Dry Gulch Natural Area Preserve (NAP). The NAP was established in 1989 to provide protection for a rare endemic plant species, Whited's milkvetch (*Astragalus sinuatus*). The entire global distribution of this species consists of less than 9 square miles centered around the existing NAP. In addition to the importance of the site for conservation of Whited's milkvetch, the area includes a relatively intact expanse of shrub-steppe. Two plant associations are well represented at this site, including big sagebrush/bluebunch wheatgrass shrub-steppe, and stiff sagebrush/Sandberg's bluegrass dwarf shrubland. Shrub-steppe ecosystems are fragmented in Washington, and throughout the western U.S. Within Washington, more than half of the shrub-steppe has been converted, primarily to agriculture. Shrub-steppe provides essential habitat for many wildlife species. The loggerhead shrike (state candidate) has shown decreases in population from historical densities and distribution. In the shrub-steppe of Washington, shrikes are most abundant in lowland communities dominated by various shrub species, most commonly big sagebrush and bitterbrush. Shrubs used for nesting have dense foliage to provide adequate protective

cover. This is also an important winter range area for elk and deer. They utilize the riparian areas along dry gulch early in the spring for forage and cover.

Whited's milkvetch is designated Priority 1 in the State of Washington Natural Heritage Plan (2018), and as such, is a top priority for inclusion within the statewide system of natural areas. Essentially the entire global extent of this rare endemic plant species occurs within the boundary of the Upper Dry Gulch NAP. The species is listed as endangered by the Washington Natural Heritage Program and is a federal species of concern. Shrub-steppe is also identified by the Washington Department of Fish and Wildlife (WDFW) as a priority habitat.

The current ecological condition varies within this site, depending on the disturbance history and substrate, aspect, and slope. Over the past ten years two fires, one in 2013 and one in 2017, have occurred at this site burning almost all populations of the Whited's milkvetch at least once. Only a small portion on private land has remained unburned and is currently the main seed source for future restoration plantings. While the fire intensity varied throughout the area much of the big sagebrush burned. Many of the native plant species have recovered from these fires but there has been an increase in nonnative grasses such as cheatgrass particularly on the south facing slopes.

The Whited's milkvetch population on the NAP has been monitored almost yearly since 1993. While population numbers fell initially after the fire in 2013, since then the population has recovered and 2019 had the highest number of non-seedling adults per transect ever recorded. Limiting grazing and invasive species control on the current NAP have helped protect this species.

Those areas that are dominated by a rocky surface (lithosols) are typically in good ecological condition, being vegetated by stiff sagebrush/Sandberg's bluegrass dwarf shrubland. Slopes with northerly aspects are less weedy and have greater abundance of native shrub-steppe plants. Some flatter areas on the tops of ridges were farmed in the past for dry land wheat; Whited's milkvetch occupies the steeper south-facing slopes that were not farmed. All of the area has received some level of grazing by domestic livestock. North-facing slopes within the NAP, which were fenced to exclude cattle soon after 1989, have recovered well and are in good overall condition.

The entire site design has been approved by the Washington Natural Heritage Advisory Council based on review of the conservation targets, boundary design, and long-term site viability. The site is also identified on the Washington Biodiversity Council's Conservation Opportunity Framework maps as "High Biodiversity Value / High Risk."

The nearby Bureau of Land Management property on the southern edge of the boundary was designated as an Area of Critical Environmental Concern because of the presence of the milkvetch. This expansion would dramatically enhance the protection of that site through improvement of long-term viability, as described above, and would also provide protection of a substantial enough area of habitat to help conserve wildlife species, such as shrub-steppe associated birds.

The expanded NAP would continue to be managed by the DNR Natural Areas Program as a natural area preserve, according to RCW 79.70, with the express intent of protecting the significant ecological features it contains. Major components of current management include monitoring of Whited's milkvetch and weed management. The Natural Areas Program has gotten assistance from volunteers with the University of Washington's RareCare Program to monitor the population of Whited's milkvetch. Natural Areas Program staff have been managing invasive species on the existing NAP with good success, using assistance from volunteers and partnerships. The Natural Areas Program has an active weed control program around the state. Fencing and gates would be installed for newly-acquired lands, as appropriate for site protection.

CRITERIA: PUBLIC BENEFITS

Public benefits means a positive effect on the general public or one or more groups of people or community interests. Examples may include:

- Resource-based outdoor recreation¹, parks, and/or public use, including accessible opportunities
- Public green space or open space
- Distinctive scenic or aesthetic features
- Archeological, non-tribal cultural, or historical significance that have been previously documented
- Scientific research
- Outdoor education
- Describe the public benefits that are provided by this parcel now, and would continue upon the transfer, or the public benefits that would be provided by the transfer.
- Cite any publicly reviewed or adopted plans that support the need for the public benefits identified.
- Identify the communities that would be served by the parcel.
 - Include any overburdened community², underserved population³, or vulnerable population⁴ that might receive direct public benefits from this transfer.
 - Describe how proximity to this parcel might increase the stated public benefit.

(Use as much space as needed)

A major public benefit of this proposal is the direct contribution it would make to maintain the state's biodiversity; it would provide the best available protection against extinction of Whited's milkvetch. This site is located within 30 minutes of Wenatchee and would provide easy access for research and education opportunities for local schools and community organizations. This area and the milkvetch have been the subjects of graduate studies on ecological relations between the Whited's milkvetch and the insects that feed upon it. The presence of both rare and common milk vetches on the same site has offered the opportunity to compare effects of predation. Protection of the site would provide a field laboratory for similar research. Currently DNR, BLM, and UW RareCare program coordinate annual monitoring and restoration projects for the Whited's milkvetch and protecting more of the population will allow more of the opportunities to be conducted throughout the range of the population.

There are currently no formal public trails on this site. Recreational opportunities are available on nearby state and federal public lands. Expanding the NAP boundary would provide more opportunities for environmental education through native plant walks, birdwatching and school group activities.

Based on a recent desk review, there is high potential for pre-contact and historic cultural resources on these parcels. Further surveys would need to be conducted to determine exact locations.

¹ Resource-based outdoor recreation is dependent on a particular element or combination of elements in the natural and cultural environments that cannot be easily duplicated by humans. Examples include but are not limited to trail use, camping, boating, swimming, picnicking, nature study.

² "Overburdened community" means a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts, and includes, but is not limited to, highly impacted communities as defined in RCW 19.405.020 (ESSSB 5141 Sec. 2 (11)). "Highly impacted community" means a community designated by the department of health based on cumulative impact analyses in RCW [19.405.140](#) or a community located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151.

³ Underserved populations ([34 USC § 12291\(a\)\(39\)](#)) means populations who face barriers in accessing victim services, and includes populations underserved because of geographic location or religion, underserved racial or ethnic populations, populations underserved because of special needs (such as language barriers, disabilities, alienage status, or age) and any other population determined to be underserved by the Attorney General or the Secretary of Health and Human Services, as appropriate.

⁴ "Vulnerable populations" means population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms (ESSSB 5141 Sec. 2 (14)). "Vulnerable populations" includes, but is not limited to: (i) Racial or ethnic minorities;11 (ii) Low-income populations;12 13 (iii) Populations disproportionately impacted by environmental harms; and14 15 (iv) Populations of workers experiencing environmental harms.

CRITERIA: COMMUNITY INVOLVEMENT AND SUPPORT

What is the level of community involvement and support for the proposed transfer?

- To what extent has the community been provided with an opportunity to become informed about the project and provide input?
 - Describe efforts to identify and contact all interested parties.
- Describe the level of involvement and support by the community, including local citizens, local organizations, local elected officials, interest groups, volunteers, public agencies, and others.
- Explain any known opposition to the transfer and any efforts to mitigate or address this opposition. Provide an explanation of why the transfer should be moved forward despite any community opposition.
- Describe any outreach efforts to overburdened communities, underserved populations, or vulnerable populations regarding this proposed transfer and the feedback received.

(Use as much space as needed)

Neighboring landowners both private and BLM understand the importance of the site and value to protect it. Community groups such as Chelan Douglas Land Trust, Audubon and Washington Native Plant Society all strongly support this site and expand the current NAP boundary.

Although the project is not within the Stemilt-Squilchuck watersheds, the Stemilt Partnership, a local conservation collaborative group, has had regular briefings and opportunity for comment on this NAP expansion. The nearby community of Malaga, WA is within the Stemilt-Squilchuck and most of the nearby landowners identify Malaga as their local community. The Stemilt Partnership is generally supportive of the project but would like to see more access for elk hunting as the result of the project. Being landlocked by private, that is difficult to accomplish.

As part of the NAP boundary approval process, public meetings have been conducted to allow community members and local officials the opportunity to comment on the natural area preserve boundary. In addition, local officials have received regular updates on the progress of the expansion and management of the site. Overall the community and local officials have been supportive of this site.

CRITERIA: ECONOMIC VALUES

Examples of economic industries could include the following:

- Commercial leasing
- Local Recreation
- Local Tourism
- Forest products
- Non-forest products
- Local public services
- Shellfish
- Agriculture
- Other

Describe the potential positive or negative economic values associated with this transfer.

(Use as much space as needed)

Currently this site does not have any active leases and does not generate any revenue. In the past these parcels have been utilized for grazing and Conservation Reserve Program (CRP).

The outdoor recreation and tourism industry in Chelan County is focused very much on the rivers and forested parts of the county. There is little demand for outdoor recreation in the vicinity of Upper Dry Gulch. Additionally, there are few services or resources that may be provided by the very arid landscape the makes up the proposal area.

Applicant's Comments Section

Other comments you may wish to add about your Trust Land Transfer proposal or property uniqueness.

Receiving Agency Information Section

1. Proposed receiving agency: **DNR Natural Areas**
2. Has the proposed receiving agency been contacted and confirmed interest in this proposed transfer?
 Yes No
 If yes,

Please provide contact information at the proposed receiving agency	Contact name: Curt Pavola	Phone Number 360-902-1032	Email curt.pavola@dnr.wa.gov
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3. Is there a comprehensive or landscape management plan that would apply to this property once transferred?
 Yes No
 Will be managed under the [Washington State Natural Heritage Plan](#)

4. Describe how this parcel fits within the context of the receiving agency's long-term management plans. Please include any information that supports the agency's capacity for managing the parcel and preserving the ecological value and/or public benefits associated with the parcel. If forested, does the receiving agency have the resources and/or any plans for ensuring forest health and reducing fire risk?

These parcels would be managed by the DNR Natural Areas Program as a natural area preserve, according to RCW 79.70, with the express intent of protecting the significant ecological features it contains. Addition of a larger land base and additional subpopulations to the existing Upper Dry Gulch NAP will greatly increase the long term viability of Whited's milkvetch by increasing the size, and thus resiliency, of the protected population. Buffer areas will offer more niche diversity and greater potential for the species to respond to changes in the environment, as well as increased protection against surrounding disturbance.

Liens and Encumbrances Section

Liens and Encumbrances

Please list any and all liens and encumbrances on the property proposed the Trust Land Transfer Program. Examples of liens and/or encumbrances include: utility easements, public rights of way, water flow or water use restrictions, septic systems or water easements, dump sites, long-term harvest deferrals, other environmental hazards, transportation corridors, etc.

There is a general purpose easement granted to Ravenwing Ranch through some of the trust lands. There is also a gas pipeline easement in the same vicinity.

Testimony and Affiliation

The information in this application is true to the best of my knowledge and beliefs.

Larry Leach
Signature

6/9/2022
Date

State Lands Assistant Region Manager, Southeast Region, WADNR

Title/position

Organization

E-Mail the completed application to:

**TLT – Best Interests of the Trust Analysis:
Upper Dry Gulch (3,023 acres)
Date: 7/4/2022; Bob Winslow**

Quantitative assessment (Productivity and Operability)

<p>1. Forest Lands Productivity</p>	<p>a. Site index score: N/A. b. Tree type: N/A. c. Stand condition/Base age: Not forested. Grass and shrub-steppe. d. Net present value: N/a e. Topography: Mountainous to hilly f. Climate: Great Basin g. Timber Volume: N/A. h. Planned Harvests: None</p>	<p>Not forested</p>
<p>2. Non-forest lands productivity</p>	<p>a. Current Use: CRP and natural area uses b. Lease type/revenue: CRP on small portion of the property c. Harvest levels/crop, if any: CRP. See 2.b. d. Soils (identified farmlands of commercial significance): Not checked. e. Water rights: None f. Infrastructure improvements: None other than existing roads.</p>	<p>1.b. –A 65.62-acre portion of the S1/2 of the S1/2 of Section 12, T21N, R21E was formerly cultivated as dryland grain. This 65.62 acres is currently under the federal Conservation Reserve Program (CRP) under a DNR Land Use License contract #10001B whereby DNR receives a total of approximately \$1,262 per year until the contract terminates on 9/30/2023.</p> <p>No active grazing leases and former Alcoa buffer lease cancelled. The former grazing revenue was \$1.26 per acre per year. Former buffer lease was approximately \$1.00 per acre per year.</p>
<p>3. Physical</p>	<p>a. Access/lack of access: Legal access via easements. See explanation.</p>	

	<p>b. Unstable or steep slopes/<i>acres affected</i>: Many steep areas. Not quantified due to lack of cultivation.</p>	<p>3.a. – Created and enhanced legal access through the recent Malaga land exchange which also consolidated the property and brought most ownerships closer to the county road.</p>
<p>c. Site encumbrances/<i>acres affected</i>: Rare plants, rocky soils, steep soils;</p>		
<p>d. Unharvestable areas/<i>acres affected</i>: Not cropped, not applicable.</p>		
<p>e. Other: none</p>		
<p>4. Ecological</p>	<p>a. Water resources/<i>acres affected</i>: None.</p>	<p>4.c. - The entire world population of Whited's milk vetch (<i>Astragalus sinuatus</i>) that is known to occur is located on 422 acres and limited to southern Malaga, Washington. Currently 104 acres (25%) of this endangered plant habitat is protected in the Upper Dry Gulch Natural Area Preserve. Currently DNR owns 399 of the 422 (95%) worldwide acres of this plant's habitat either through state trust land ownership or natural area ownership.</p> <p>4.d.- No legal protection measures for the rare plants. May have some policy or procedure protections under DNR management plans and policies.</p> <p>4.e. – The site has a high concentration of cultural resource sites.</p> <p>4.f.- The existing Upper Dry Gulch Natural Area Preserve is 320 acres in size in the N2 of Section 12, T21N, R21E. The approved boundary expansion for the Upper Dry Gulch Natural Area preserve is much larger and includes all of these parcels <u>except for</u> Section 36, T22N, R21E.</p>
<p>b. Unique site features (bogs, cliffs, landscape features, etc. /<i>acres affected</i>): Rare plants see 4.c.</p>		
<p>c. Endangered or protected species/<i>acres affected</i>: Rare plants on approximately 295 acres.</p>		
<p>d. Protected plant species/<i>acres affected</i>: See explanation.</p>		
<p>e. Protected cultural resources/number of sites: 94</p>		
<p>f. Proximity to other conserved or scenic lands: Adjacent to conserved DNR natural area lands.</p>		
<p>g. Other: none</p>		

Qualitative Assessment		
5. Social Pressure	a. Public use/trails: No currently developed trails. Some hike in access over existing roads.	5.c. – The Ravenwing development is east of the state trust property along the county road. Ravenwing owns very extensive amounts of property both east and west of the state trust lands. With the permanent closure of the nearby Alcoa aluminum plant, there is some community interest in finding new industrial development for their property.
	b. Proximity to urban areas: Town of Malaga about 6 miles by road to the west.	
	c. Proximity to residential land: Ravenwing cluster development within 1-2 miles. Town of Malaga about 6 miles.	
	d. Other: none	
6. Environmental Pressure	a. Public concerns with natural resource management pertaining to perceived/real environmental conditions on the property: See explanation under 6.a.	6.a. – This area falls outside of and south of the Malaga sub-area plan by Chelan County as part of their recent Comprehensive Plan updates. Chelan County expressed some interest in this area when they were working on the Stemilt Landscape Plan; however, this property falls outside of the final scoped boundaries of that planning effort. The entire world population of Whited’s milk vetch (<i>Astragalus sinuatus</i>) that is known to occur is located on 422 acres and limited to southern Malaga, Washington. Currently 104 acres (25%) of this endangered plant habitat is protected in the Upper Dry Gulch Natural Area Preserve. Currently DNR owns 399 of the 422 (95%) worldwide acres of this plant’s habitat either through state trust land ownership or natural area ownership.
	b. Other: none	
7. Policy Risk and Governance	a. Resource Management challenges: Area transitioning into large acreage residential with some nearby commercial by Malaga.	7.a. – Ravenwing has multi-phase development permits in hand for property east of the state trust lands. Chelan County recently purchased some port property in Malaga near the Alcoa ownership and inside of the Malaga sub-area planning area.
	b. Impacts to Harvest levels: Not applicable.	
	c. Impacts to Current Use: Not applicable.	

	<p>d. Proximity to other DNR managed land (or) Isolation from other trust lands: Block of trust parcels separated from other state trust lands.</p>	
	<p>e. Other: none</p>	
8. Land Use Analysis	<p>a. Current zoning: See comments.</p>	8.a. - All properties are RR-20 except for RR-10 in Section 19, T21N, R22E. For RR-20 the number of dwelling units is 1 per 20 acres. For RR-10 the number of dwelling units is 1 per 10 acres.
	<p>b. Comprehensive Plan designation: Rural Residential</p>	
	<p>c. Existing development trends: Mostly large acreage rural residences and government owned large parcels. New sub-division by Ravenwing Ranch.</p>	
	<p>d. Other: none</p>	
9. Other DNR program opportunity	<p>Other disposal strategies</p> <ul style="list-style-type: none"> • Public auction • Direct Transfer to public agency • Exchange • Lease for alternative land use • Hold as transition land for future development or transition 	<ul style="list-style-type: none"> • <u>Public auction</u>: Rejected due to current lack of infrastructure, shared transportation challenges, rare plant concerns, and lack of likely current demand. • <u>Direct Transfer</u>: The DNR conservation lands group has a grant for acquiring property in the approved Upper Dry Gulch Natural Area Boundary, but they desire to currently focus on obtaining private lands first due to potential threat of development. Chelan County and WDFW have not expressed any interest and do not appear to have funds for direct acquisition. • <u>Exchange</u>: Rejected due to lack of past contacts and interest, potential public issues due to rare plant, and likely public interest for open space, visual impact, recreation or conservation. • <u>Land use lease</u>: Rejected due to lack of demand or non-competitive viable return on potential lease opportunity. This property is not suitable for alternative energy generation due to the rare plant community on this parcel.

Summary of Property Assessment:

This property has some features that are not suitable for long-term trust management which include:

- Low rainfall area limits productivity
- Lack of public roads and infrastructure to properties
- Steep topography over much of the land area
- Very high fire prone area with rapid spread rates
- Low leasing revenue potential
- Globally rare plants on portions of the property
- High wildlife use by elk, mule deer, big horn sheep
- Lack of water rights or developed wells

Some positive features of the property include:

- Scenic views of Columbia River and adjacent mountains from portions of the property
- Newly secured easement access
- High wildlife usage
- Some newer development being explored at Ravenwing and with county Malaga Industrial Area

While there is some potential increase in development values in the future, there is a large amount of undeveloped land around the greater Wenatchee area and this property is not likely to be up-zoned or have strong increases in value due to lack of public infrastructure and costs of development.

Best Interests of the Trust DNR Recommendation:

Recommend keeping this parcel on the TLT parcel list for the pilot project.

Internal staff administrative valuation of entire parcel:

Based on fair market value | For internal use only; does not constitute an appraisal

Date: 7/6/22	Provisional estimate: \$1,500,000	Summary: 1) Inclusion of location, asset class, trust, acres, land and improvement value, and projected cash flow 2) Identify industry standards for fair market value (FMV) 3) Obstacles/encumbrances/assumptions that might affect FMV
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Formal appraisal summary: Formal appraisal will be completed if transfer is funded for TLT funding by the Legislature.

Date:	Appraisal:	Summary: 1) Inclusion of location, asset class, trust, acres, land and improvement value, and projected cash flow 2) Identify industry standards for fair market value (FMV) 3) Obstacles/encumbrances/assumptions that might affect FMV
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Comment Summaries

Additional Information

COMMISSIONER'S ORDER

202104

NUMBER _____

STATE OF WASHINGTON

DEPARTMENT OF NATURAL RESOURCES

Hilary S. Franz, Commissioner of Public Lands

COMMISSIONER'S ORDER

Whereas, the Washington State Legislature, through Revised Code of Washington Chapter 79.70, the Natural Area Preserves Act, found that there is a need by the people of Washington for certain areas of the state to be conserved for the benefit of present and future generations; such areas are worthy of conservation for their outstanding ecological and scenic values; protection within an enduring system of natural areas is necessary for plants and animals in their natural ecological systems; such areas are valuable for purposes of scientific research and teaching, as rare species habitat, and as places of natural historic interest and living museums of the original heritage of the state, and

Whereas, pursuant to RCW 79.70.030, the Washington State Department of Natural Resources is authorized to establish the criteria for selection, acquisition, management, protection and use of natural areas, and acquire by fee or any lesser right or interest in real property lands that shall be held and managed as natural areas, and

Whereas, pursuant to RCW 79.70.080(1)(f), the Washington State Natural Heritage Advisory Council reviewed and recommended the expansion and proposed boundary of Upper Dry Gulch Natural Area Preserve during their October 18, 2006, meeting, and

Whereas, the Department held a public hearing as required by RCW 79.70.100 on July 22, 2013 in Chelan County, Washington, to receive public comment on the expansion and boundary designation of Upper Dry Gulch Natural Area Preserve, and

Whereas, the Department held a public hearing in Chelan County on November 19, 2019, to, in part, exchange privately owned lands within the preserve boundary with state trust lands to facilitate later sale of trust assets into conservation status, known as the Malaga Exchange between the Department of Natural Resources of the State of Washington and Ravenwing Ranch LLC, as authorized by RCW 79.17.010 and 79.17.070.

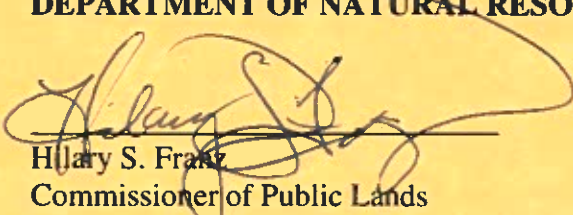
Whereas, the Board of Natural Resources approved the Malaga Exchange via Resolution No. 1564 on May 5, 2020; and

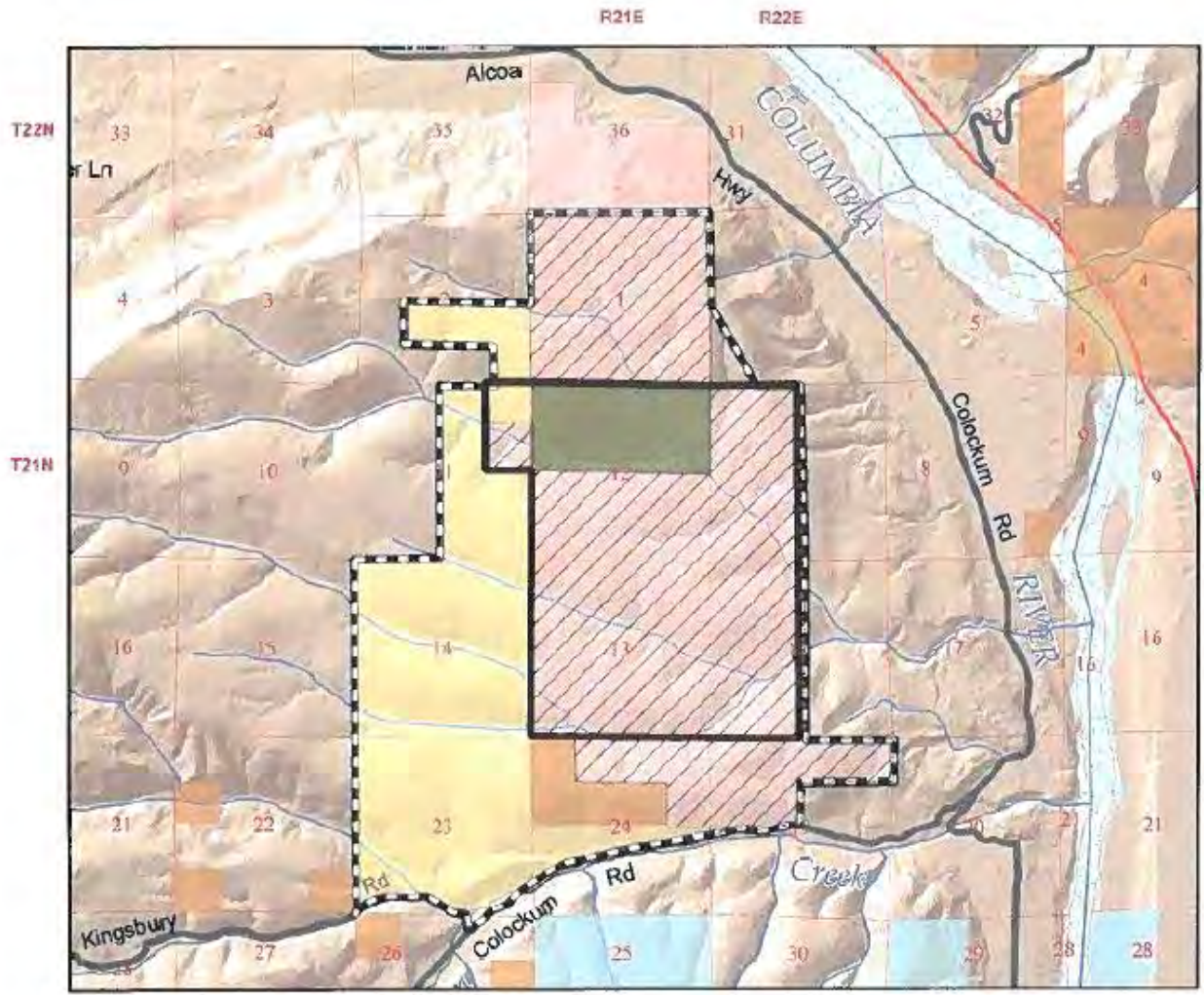
Whereas, the Department has determined that the area described below should be designated as a natural area preserve and, per RCW 79.70.020(2), includes areas that have retained their natural character or are important in preserving rare or vanishing flora, fauna, geological, natural historical or similar features of scientific or educational value.

It is **THEREFORE ORDERED AND DIRECTED** that Upper Dry Gulch Natural Area Preserve be expanded to include approximately 2,900 additional acres in portions of Sections 1, 2, 11, 14, 23, 24 & 26 in Township 21 North, Range 21 East and portions of Sections 6 & 19, in Township 21 North, Range 22 East for a total boundary acreage of approximately 4,894 in portions of Sections 1, 2, 11, 12, 13, 14, 23, 24 & 26 in Township 21 North, Range 21 East and Sections 6, 7, 18 & 19 in Township 21 North, Range 22 East in Chelan County, Washington, as indicated on the attached boundary map dated July 13, 2020.

Dated this 28th day of May, 2021.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES


Hilary S. Franz
Commissioner of Public Lands



Upper Dry Gulch Natural Area Preserve

Columbia Plateau Ecoregion

Map Legend

- Proposed Natural Area Preserve Boundary
- Current Natural Area Preserve Boundary
- Natural Area Preserve
- DNR Trust Lands Eligible for Inclusion
- Other Lands Eligible for Inclusion
- DNR Trust Lands
- WA Dept of Fish and Wildlife
- US Bureau of Land Management



Disclaimer: Extreme care was used during the completion of this map to ensure a correct. However, due to changes in ownership and the need to rely on outside information, the Department of Natural Resources cannot accept responsibility for errors or omissions, and, therefore, there are no warranties which accompany this material.

DW 7-13-2020



WASHINGTON STATE DEPT OF
**NATURAL
RESOURCES**

Department of Natural Resources Natural Areas Program

Upper Dry Gulch Natural Area Preserve Boundary Hearing

Monday, July 22nd, 2013
Wenatchee, WA

Department of Natural Resources Staff

Jeanne Demorest, Keyna Bugner

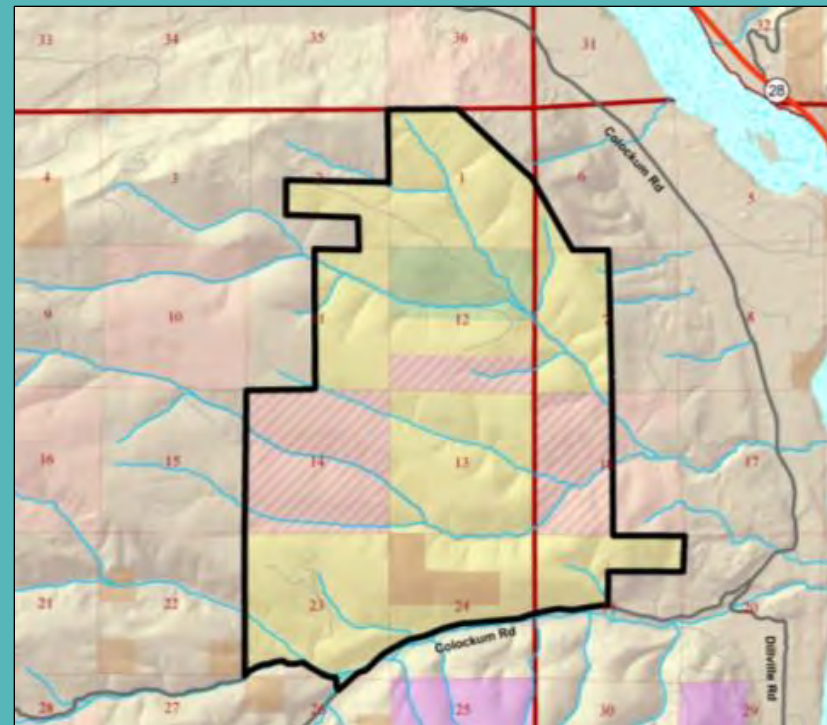
Pene Speaks, John Gamon, Curt Pavola

AGENDA

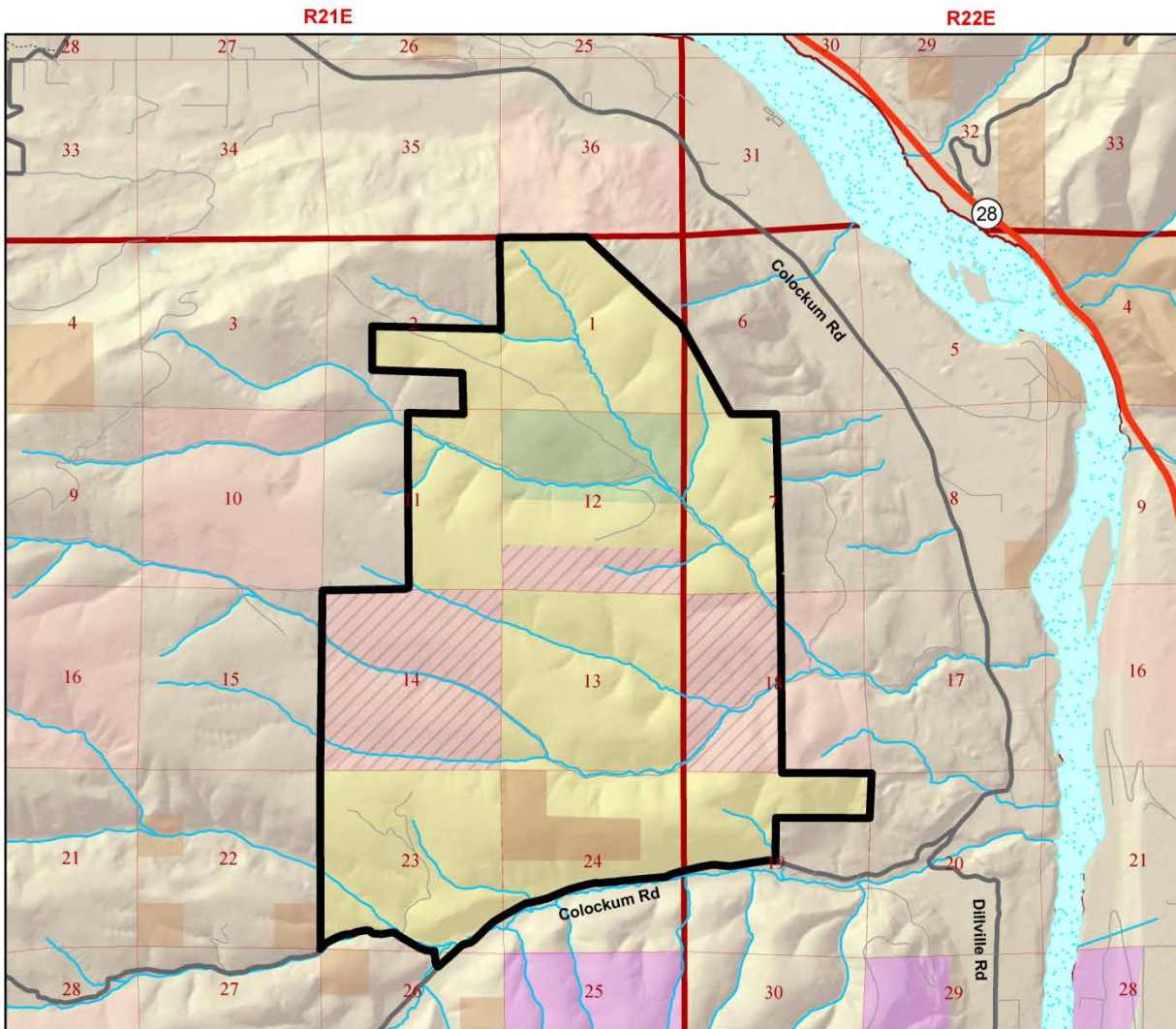
- 6:00 Welcome and Meeting Overview**
- 6:15 Introduction to the Natural Areas Program and the Proposed Boundary for Upper Dry Gulch NAP**
- 6:40 Audience Q&A**
- 7:00 Public Hearing on Proposed Boundary**
 - Oral testimony
 - Or written testimony
- 8:00 Adjourn (or at conclusion of testimony)**

Natural Area Preserve “Boundary”

- The boundary is an administrative tool for DNR staff, required before acquiring lands
- No regulatory effect
- Landowners retain all rights and flexibility to manage lands as they see fit
- With the boundary, DNR staff can engage willing-seller landowners about purchasing their land at market value (with independent appraisal)



Proposed Boundary Expansion for Upper Dry Gulch NAP

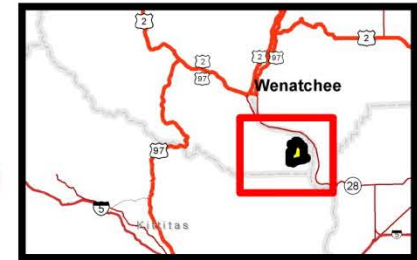


Upper Dry Gulch Natural Area Preserve

Columbia Plateau Ecoregion

T22N

T21N



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CS/JJ 5-17-2012



WASHINGTON STATE DEPARTMENT OF
Natural Resources
Peter Goldmark - Commissioner of Public Lands

Site Overview



- The NAP is currently owned by Department of Natural Resources – as natural area preserve (NAP)
- Established in 1989, primarily for the protection of Whited's milkvetch
- The NAP is currently 320 acres

Features and Conservation Goals

- Site Description: Shrub-steppe on ridges, slopes, and canyons above the Columbia River.
- Conservation Goals: Protection of native ecological features, including:



Whited's Milkvetch

(Astragalus sinuatus)

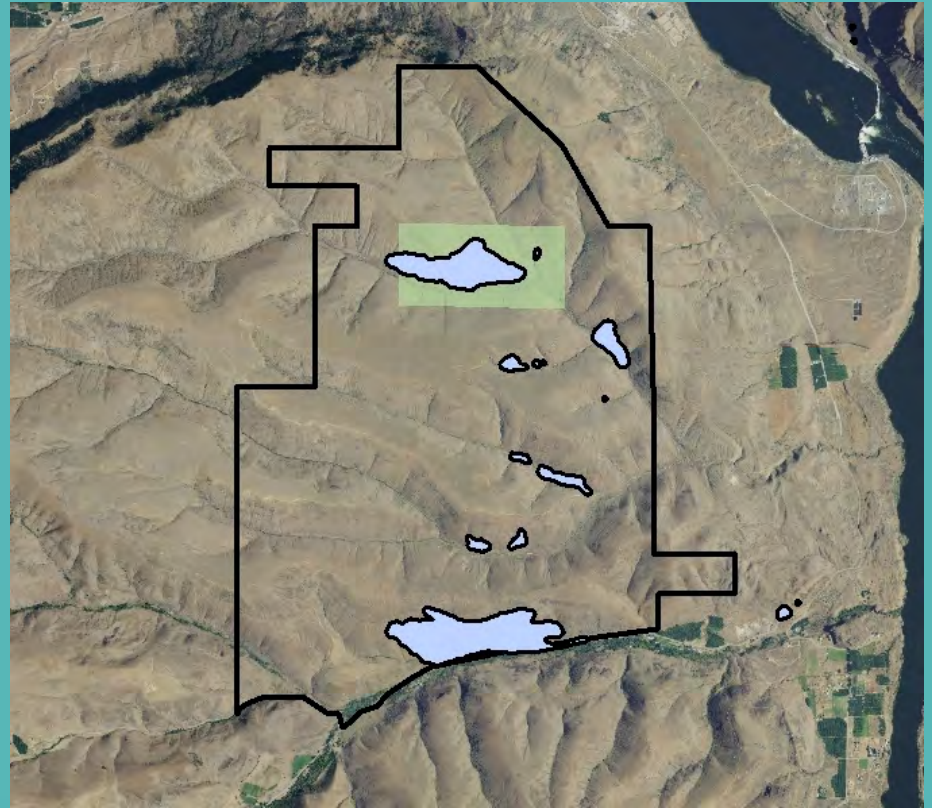
- State Endangered
- Federal species of concern
- Priority 1 for conservation in the State of Washington Natural Heritage Plan
- Endemic to area between Dry Gulch and Colockum Creek drainages



Whited's Milkvetch

(Astragalus sinuatus)

- Endemic to area between Dry Gulch and Colockum Creek drainages
- Global range of Whited's milkvetch



Other Features

Two plant associations :

- **Big sagebrush/ bluebunch wheatgrass shrub-steppe (~2,000 acres)**
- **Stiff sagebrush/ Sandberg's bluegrass dwarf shrubland (~500 acres)**



Other Features

Loggerhead shrike

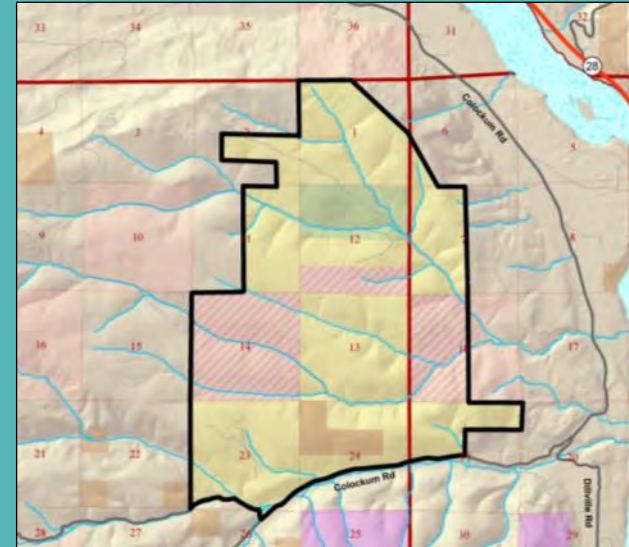


- State Candidate
- Federal Species of Concern



Objectives of Proposed Expansion

- **Protect entire known population of Whited's milkvetch**
- **Improve site viability and manageability:**
 - **Adds ecosystem elements to the NAP**
 - **Buffers against invasive species along road**
 - **Improves access for management activities**



Site Management

- **Managed by DNR SE Region staff to:**
 - **Allow plants and plant communities to exist within their natural range of variability in a setting with natural processes dominating**
 - **Protect conservation features from use impacts and weeds**
 - **Use the NAP for research and education**

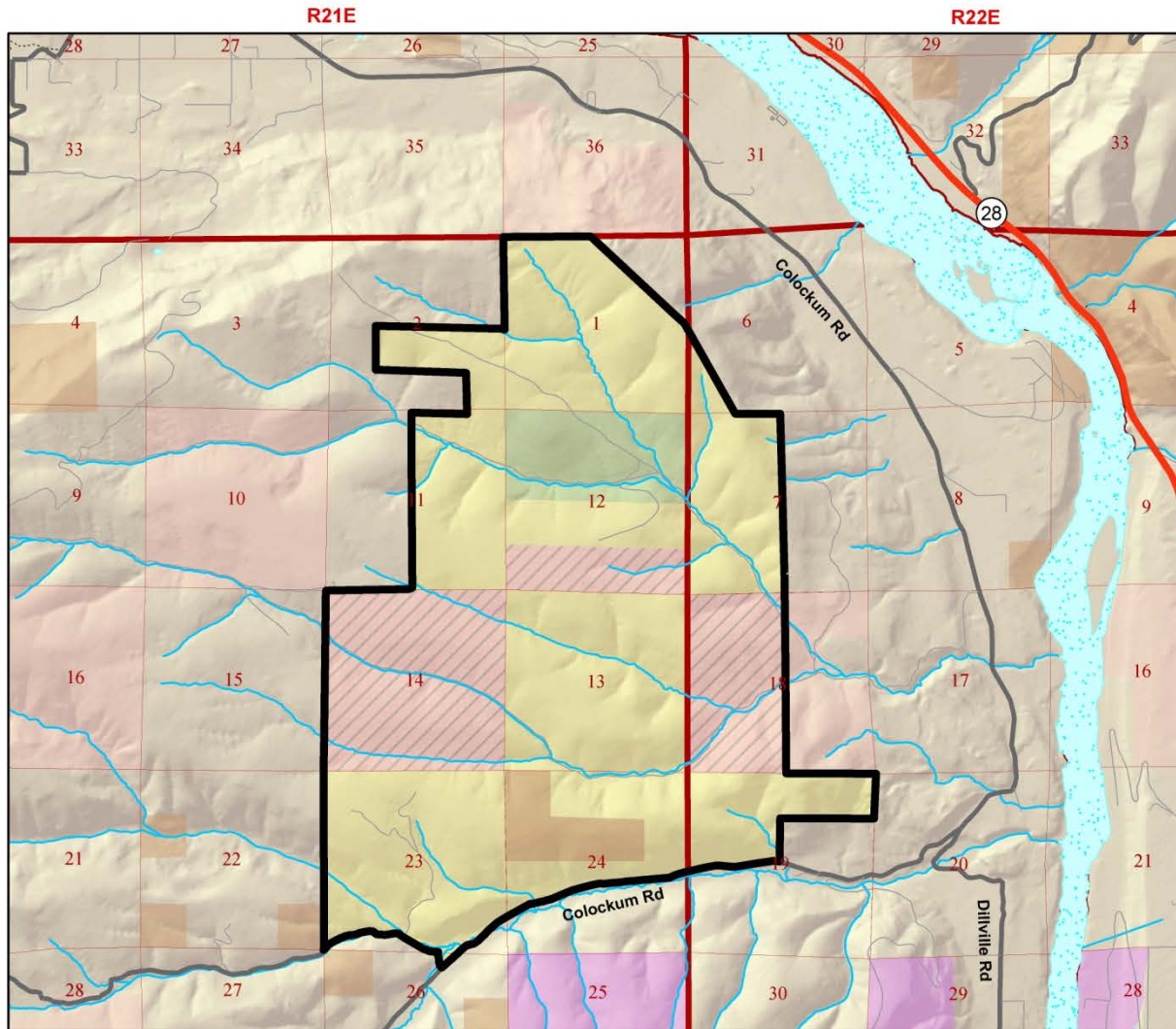


Research and Environmental Education

- **Education:**
 - UW Rare Care program volunteers assist with monitoring & learn about the site and its natural features.
- **Research**
 - Important study site for research on milkvetch seed predation, pollination, and competitive interactions with cheatgrass. Also focus of native bee and moth inventories.

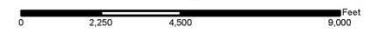
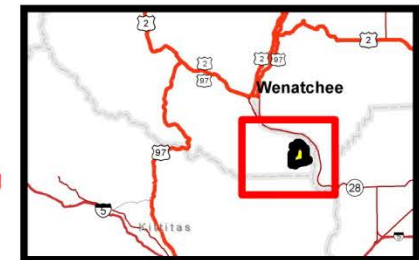


Proposed Boundary Expansion for Upper Dry Gulch NAP



Upper Dry Gulch Natural Area Preserve

Columbia Plateau Ecoregion



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CS/JJ 5-17-2012



AGENDA

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Proposed Boundary Expansion for Upper Dry Gulch NAP

Protecting the entire known population of the rare Whited's milkvetch plant species

The Natural Areas Program of the Washington State Department of Natural Resources (DNR) proposes to expand the Upper Dry Gulch Natural Area Preserve (NAP) in Chelan County. The site is about 10 miles southeast of the City of Wenatchee in the hills south of the Rock Island Dam on the Columbia River.



DNR is gathering and evaluating public comments about the expansion proposal. This information will assist the Commissioner of Public Lands with the decision to either approve or disapprove an expansion of the NAP boundary. If approved, the preserve boundary would potentially expand from 320 acres to include roughly 4,900 acres. The proposal includes approximately 1,120 acres of DNR trust lands, 160 acres managed by the Bureau of Land Management, and up to 3,300 acres of privately owned property. The boundary represents lands eligible for inclusion within the preserve. However lands do not become part of the preserve unless they are purchased from willing sellers at market value as determined by an independent appraisal.

The ecological importance of Upper Dry Gulch NAP

Expansion of Upper Dry Gulch Natural Area Preserve will include the entire known distribution of Whited's milkvetch (*Astragalus sinuatus*), a plant species endemic to Washington State. Whited's milkvetch is designated as "endangered" by the Washington State Natural Heritage Program and classified as a "species of concern" by the U.S. Fish and Wildlife Service. This species only occurs in a narrow area extending three miles to the north of the Colockum Creek drainage. Recent research identifies several potential threats to the species. The goal of the proposed boundary expansion is to prioritize conservation of the plant's habitat, which DNR hopes to do through purchases from willing sellers and a transfer of currently state trust property within the proposed boundary.

The current boundary of Upper Dry Gulch NAP was established in 1985. Since then a much clearer understanding of the biology of this milkvetch species has emerged—including its distribution, abundance, and threats. Seed predation and competition by non-native species have been shown to limit seedling establishment. Current and potential land uses within the area limit its ability to flourish. In addition, a changing environment has reinforced the need for a species, such as the Whited's milkvetch, to have adequate habitat to adapt over time.

Potential impacts to current landowners

A proposed natural area boundary imposes no change in land-use zoning, development code requirements, or any other restrictions on current or future landowners. A proposed natural area boundary is a designation of lands eligible for inclusion within a state-owned natural area. The boundary is an administrative tool to indicate where DNR will work with willing property owners to expand the state-owned natural area. Privately owned lands within the boundary only become part of the natural area if

DNR purchase them from a willing private seller at market value, which is determined by an independent, third-party appraisal.

The proposed boundary expansion for the Upper Dry Gulch NAP includes about 820 acres of Common School trust lands, which are managed by DNR to provide funds for school construction statewide. These lands would be purchased from the trust via the state's Trust Land Transfer Program. In addition to enhancing the NAP, this transfer would provide money for replacement trust lands with a higher income potential. The lands in the current 320-acre Upper Dry Gulch NAP were purchased for conservation from the Common School trust at fair market value.

Public participation in establishing the site

DNR welcomes information and ideas from the public about establishing a natural area and its boundary. Public comments will be taken at a boundary hearing. Written comments also will be accepted throughout the public review process. All public comments become part of the record in the department's development of a recommendation for boundary designation of the natural area preserve. The Commissioner of Public Lands takes these comments into consideration when evaluating whether to move forward with establishing or expanding a natural area.

DNR's Natural Areas Program

“Conserving Washington’s native species and ecosystems, today and for future generations”

DNR manages 55 Natural Area Preserves (NAPs) and 35 Natural Resources Conservation Areas (NRCAs) on more than 150,000 acres statewide. NAPs protect high-quality examples of native ecosystems and rare plant and animal species. NAPs serve as genetic reserves for Washington's native species and as reference sites for comparing natural and altered environments.

NRCAs protect lands having high conservation values for ecological systems, scenic qualities, wildlife habitat, and low-impact recreational opportunities. Environmental education and approved research projects occur on both NAPs and NRCAs.

