

AGENDA SHEET FOR COMMISSIONER'S MEETING OF: December 7th, 2010

SUBMITTING DEPARTMENT: Parks, Recreation & Golf

CONTACT PERSON: Doug Chase

PHONE NUMBER: 477-2720

CHECK TYPE OF MEETING ITEM BELOW:

BID OPENING:

2:00 PM CONSENT AGENDA:

5:00 PM LEGISLATIVE SESSION:

BY LEAVE: (Item Title)

SPECIAL SESSION: (Item Title)

9:30 AM BOARD BRIEFING:

BELOW FOR CLERKS USE ONLY:

Clerk's Resolution No. _____
Approved: (Majority – Unanimous) _____
Denied: (Majority – Unanimous) _____
Renews/Amends No. _____

Public Works No. _____

Purchasing Dept. No. _____

AGENDA TITLE: In the matter of considering the recommendation of the Spokane County Parks Advisory Committee and the Spokane County Conservation Futures Land Evaluation Committee concerning the 2010 Conservation Futures Prioritized Acquisition List.

RECOMMENDATION: Yes, please approve. The Spokane County Parks Advisory Committee and the Spokane County Conservation Futures Land Evaluation Committee (made up of representatives of the City of Spokane Park Board and the Spokane County Park Advisory Committee) have forwarded the attached Conservation Futures 2010 Prioritized Acquisition list with the following recommendations:

- Consistent with the approved 2010 Conservation Futures Program Overview, upon approval of 2010 Prioritized Acquisition List, all previous Conservation Futures acquisition lists be rescinded and replaced with the new list.
- That two former priority nominations which are currently being pursued for acquisition and/or are under an existing Purchase and Sale Agreement otherwise known as Big Rock and Antoine Peak Phase 3, remain unaffected by the above action.
- That Spokane County enter into a lease with Washington State Department of Natural Resources Trust Land Transfer Program for Knight's Lake, NW-03-10, as soon as practicable in order to obtain the deepest possible discount on the property's fee title purchase.
- Upon acquisition of fee title to Knight's Lake, NW-03-10, Spokane County accepts a \$100,000 endowment towards the long-term care and maintenance of the Knight's Lake property offered by neighbors of the property.
- Dishman Hills nomination, SE-02-10, be acquired with the condition that the Dishman Hills Natural Area Association (DHNA) contributes 50% of the appraised value (based on a 2010 appraisal obtained and provided by the Association) and that the DHNA strongly considers the same percentage "match" if the subsequent appraised values are found to be higher than the Association's appraisal.
- Similar to the examples above, the evaluation and ranking process has in many cases taken into account various unique written commitments associated with individual nominated properties such as discounted pricing, volunteer maintenance, etc. to an extent that it is not feasible to list each and every item. It is hereby conditioned that during the acquisition phase, said commitments shall be carefully reviewed for implementation as may be feasible and applicable to a nominated property's ranking. Should a commitment not materialize, Spokane County reserves the right to remove said property from the list and/or otherwise amend the List at any time.

BACKGROUND (Attach separate sheet(s) if necessary):

The Spokane County Parks Advisory Committee reviewed and accepted the Conservation Futures Land Evaluation Committee's "Prioritized Acquisition List" at their December 1st, 2010, public meeting and by unanimous vote does hereby pass their recommendation on to the Board of County Commissioners for consideration. The recommended Prioritized Acquisition List contains 36 properties, of which all of have been ranked in a prioritized manner with #1 being the top-ranked property and #36 being the lowest ranked property to be considered for acquisition with Conservation Futures Tax Levy funds. The process laid out in the 2010 Program Overview approved by the Board of County Commissioners during the April 20th, 2010 CEO briefing was

adhered to throughout the current nomination round (please see attached 2010 Conservation Futures process flowchart).

Thirty-six (36) completed nominations were received by staff during the open nomination period (May 1st through July 31st, 2010). Advertisements soliciting nominations for the 2010 Nomination Round were placed in the Spokesman Review, the Inlander, Out There Monthly, and community newspapers in Cheney, Deer Park, and Liberty Lake on the first weeks of May and July. The ranking was formulated through site visits by the Land Evaluation Committee (September 20th-22nd, 2010), committee members scoring each property based on the 2010 Evaluation Criteria, and committee members considering public input received during the public comment period (September 27th-October 19th) and the well-attended public meeting at the IMAX in Riverfront Park on October 12th, 2010.

Knight's Lake: The #1 ranked property has several details that merit review. The property is being offered at an estimated discount of 80 to 90% off the fair market value through the Washington State Department of Natural Resources (DNR) Trust Land Transfer Program (TLT). According to DNR, the TLT program strives to improve returns from state trust land recognizing that not all trust lands are best suited for income production. Some lands have important social or ecological values that are desirable of protection for public use and benefit. Knight's Lake was identified in the most recent TLT program (2009-2011) for transfer to a different public agency; if Spokane County accepts the TLT lease, DNR will be compensated for the timber value by the Washington State Legislature. In this scenario, Spokane County would obtain a no-cost lease for 50 years and then purchase the land with the encumbrance of the 50-year lease on it, which encumbrance is estimated at 80-90% of fair market value. A purchase of the underlying fee interest (i.e. the difference between the lease encumbrance and the fair market value, or 10-20%) would convey full property ownership to Spokane County as the lease would immediately merge into the county's underlying land ownership. Because the property will be used for public recreation and wildlife, the lease and purchase opportunity is a perfect fit with the operation and maintenance of Knight's Lake as a Conservation Futures property. In addition to these considerations, neighbors who would like to remain anonymous have pledged a \$100,000 endowment for the long-term care and maintenance of the property (see attached letter).

- Please see attached 2010 Conservation Futures process flowchart.
- Please see attached table showing the 2010 Prioritized Acquisition List as recommended by the Parks Advisory Committee and Conservatin Futures Land Evaluation Committee.
- Please see attached corresponding map of the 2010 nominations.
- Please see attached letter regarding the Knight's Lake \$100,000 endowment.
- Please see attached letter regarding DHNAA's offer to pay 50% of the purchase price for the Dishman Hills property.

FISCAL IMPACT:

Funds needed to purchase Prioritized Acquisition List properties were approved by the Board of County Commissioners as a result of a very favorable advisory vote held on November 6th, 2007. Specifically, the Commissioners have put in place the collection of "up to" 6-cents per \$1,000 of assessed valuation against all taxable property with Spokane County (2011 rate is 4.24-cents per \$1,000). Of this annual revenue, 15% is dedicated to the maintenance and operations (M&O) of acquired properties.

SIGNATURES:



Doug Chase, Director
Spokane County Parks Recreation & Golf

2010 Conservation Futures

Process for evaluating, ranking, and acquiring properties nominated to the Conservation Futures Program.

Nomination Submittal

May 1st-July 31st

Parks Staff **Pre-Evaluation** of all Nominations & **Staff Recommendation** to the Conservation Futures Land Evaluation Committee (**Committee**)

Committee Property Tour, Quantitative Evaluation, & Scoring

Public Meeting
Overview and public input

Committee formulates and recommends final **Prioritized Acquisition List (List)**

Staff Presentation of List to the Spokane County Parks Advisory Committee (**PAC**)

The PAC may choose to forward their own recommendations to the Board of County Commissioners in the event they are not in agreement with the Land Evaluation Committee's recommendation.

Board of Spokane County Commissioners may approve, revise, or reject recommended List

Properties Ranked **Below "Top 10"**

Property Owners and Nominators Notified of Rank on List and encouraged to re-apply in the next nomination round.

"Top 10" Ranked Properties

Property Owners and Nominators **Notified of Rank on List.**

Appraisal – Beginning with the top ranked property, Parks Staff contacts owner(s) and agrees on the selection of two (2) MAI Appraisers to conduct independent appraisals of property(s) being pursued. According to rank, nominated property owners will be contacted & pursued as available funds permit.

Purchase and Sale Agreement - 180 days to reach agreement on the terms of potential sale(s).

Acquisition – Phase I Environmental Assessment, Boundary Survey, & resolving other outstanding issues prior to closing.

Nomination & Selection

Acquisition



Spokane County Conservation Futures 2010 Prioritized Acquisition List



Rank	Project #	Location	Map Index #	Size (Acres)	Public Support	Sampling of Public Comments Received
1	NW-03-10 <i>*To Be Owned By Spokane County</i>	Knights Lake	8	590	1 Letter	This would be a great addition to our recreation opportunities within a close distance to Spokane.
2	SE-02-10 <i>*To Be Owned By Spokane County</i>	Dishman Hills	24	160	21 Letters	This parcel is important to connect Dishman Hills Natural Area, Rocks of Sharon, and Iller Creek. Close proximity to urban area and excellent recreation opportunities.
3	NE-01-10 <i>*To Be Owned By Spokane County</i>	Antoine Peak	18	240	0 Letters	Would make an excellent addition to Antoine Peak Conservation Area.
4	SE-06-10 <i>*To Be Owned By Spokane County</i>	Mica Peak	22	920	5 Letters	This property is within the Liberty Lake watershed and would benefit water quality. This looks like a wonderful property! Could connect with other County properties in the eastern part of the County.
5	SE-03-10 <i>*To Be Owned By Spokane County</i>	Saltese	21	555	2 Letters	This is an amazing site with great preservation and recreation potential. Great value for sight seeing, birding, mountain biking, hiking. This is a wonderful hiking area and the wildflowers are beautiful.
6	SW-01-10 <i>*To Be Owned By Spokane County</i>	Williams Lake	2	15	3 Letters	This is a view one has to experience to believe! It's affordable to save. Can be used as recreational and educational site.
7	NE-05-10 <i>*To Be Owned By Spokane County</i>	Peone Prairie	16	20	17 Letters	This site could further protect the Peone Prairie wetland and would be an excellent addition to Feryn Conservation Area. Great educational site with nice view of wetlands.
8	NW-05-10 <i>*To Be Owned By Spokane County</i>	Indian Bluff	7	204	8 Letters	A beautiful site that benefits the community, wildlife, and all of nature. Spectacular City views and easy to walk. There are ponds and an amazing variety of wildflowers.
9	CITY-04-10 <i>*To Be Owned By City of Spokane</i>	Beacon Hill	26	30	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
10	CITY-02-10 <i>*To Be Owned By City of Spokane</i>	Beacon Hill	27	30	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.

Spokane County Conservation Futures 2010 Prioritized Acquisition List



Rank	Project #	Location	Map Index #	Size (Acres)	Public Support	Sampling of Public Comments Received
11	CITY-03-10	Beacon Hill	28	40	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
12	SE-01-10	Dishman Hills	25	136	21 Letters	This parcel is important to connection Dishman Hills Natural Area, Rocks of Sharon, and Iller Creek. Close proximity to urban and area and excellent recreation opportunities.
13	SE-07-10	Moran Prairie	23	122	2 Letters	This large section of property situated in an urban setting. No beautiful tracts this close to the City. Wildlife abounds.
14	NE-02-10	Little Deep Creek	14	218	20 Letters	In area that is rapidly being subdivided. Property well taken care of by current owner. Wildlife abounds.
15	NW-02-10	Deer Park	13	400	4 Letters	This area presents a wonderful opportunity to protect the wildlife that use the area for all seasons and preserve established non-motorized multi use trails. This area has potential to connect the city of Deer Park and surrounding areas to the proposed trail north/south along the Little Spokane River.
16	NE-03-10	Fancher	36	74.3	13 Letters	This parcel is important as part of the wildlife corridor and should be preserved. Used by many people who walk the many trails and enjoy the wildlife. We have seen elk, moose, deer, turkey, etc.
17	NW-04-10	Little Deep Creek	12	57	0 Letters	Would make an excellent addition to the Little Spokane River trail system. Close to schools.
18	CITY-09-10	Beacon Hill	35	40	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
19	CITY-01-10	Beacon Hill	34	76.75	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.

Spokane County Conservation Futures 2010 Prioritized Acquisition List



Rank	Project #	Location	Map Index #	Size (Acres)	Public Support	Sampling of Public Comments Received
20	SE-05-10	Liberty Lake	19	138	0 Letters	The nomination plays an important role in maintaining water quality because of its location within the contributing headwaters of Liberty Lake. In addition, the nomination would be removing the 138 acres from disturbance from its native condition (logging, development, etc.) which could negatively impact the watershed of Liberty Lake.
21	NE-04-10	Forker Road	17	170	3 Letters	Property would be good for hiking, cross country skiing, and other activities. It has a small creek, which attracts a variety of wildlife.
22	NW-01-10	Crab Creek	1	249.7	4 Letters	This property is located near the headwater of Crab Creek, which, if protected would benefit the watershed. There are several year-round ponds that attract elk and other wildlife.
23	CITY-05-10	Beacon Hill	31	15	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
24	CITY-08-10	Beacon Hill	32	15	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
25	NE-06-10	Peone Prairie	15	10	2 Letters	This property would preserve wetlands and being an excellent educational and bird watching site.
26	CITY-10-10	Beacon Hill	30	16	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
27	CITY-07-10	Beacon Hill	33	5	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.

Spokane County Conservation Futures 2010 Prioritized Acquisition List



Rank	Project #	Location	Map Index #	Size (Acres)	Public Support	Sampling of Public Comments Received
28	CITY-06-10	Beacon Hill	29	12.62	9 Letters	This parcel of land must be preserved for future generations. There is already a trail network being used by hundreds of people each year. Volunteers already maintain the trail system. Proximity to existing parks and the City.
29	SE-04-10	Liberty Lake	20	22.1	19 Letters	This fragile hillside is home to wild life, esthetically beautiful and the only natural open space within the city of Liberty Lake boundaries.
30	CITY-13-10	Indian Trail	9	14	6 Letters	This site is also a vital link to preserving a wildlife corridor that currently exists here. Because of the small spring on this parcel, wildlife and especially birds, are attracted. This is a beautiful area. It is an excellent hiking area with the likelihood of seeing wildlife. You feel like you are miles away from the city, yet it is barely 10 minutes away.
31	CITY-15-10	Trolley Trail	4	10.1	3 Letters	What more beautiful of a place could you offer a park improvement and restore a part of Spokane County History. The trolley trail is a beautiful walking trail and the park area in the middle makes it a amazing place to enjoy nature at its finest with friends and family.
32	CITY-14-10	Latah Valley	5	14	6 Letters	I believe this site is a particularly important area to protect for future use by people and for critical habitat for animals
33	CITY-16-10	Trolley Trail	3	1	3 Letters	What more beautiful of a place could you offer a park improvement and restore a part of Spokane County History. The trolley trail is a beautiful walking trail and the park area in the middle makes it a amazing place to enjoy nature at its finest with friends and family.
34	CITY-12-10	Five Mile	10	0.5	1 Letter	It is absolutely beautiful, and the view is fantastic. I would love to have it preserved as a public view point that I can continue to visit.

Spokane County Conservation Futures 2010 Prioritized Acquisition List



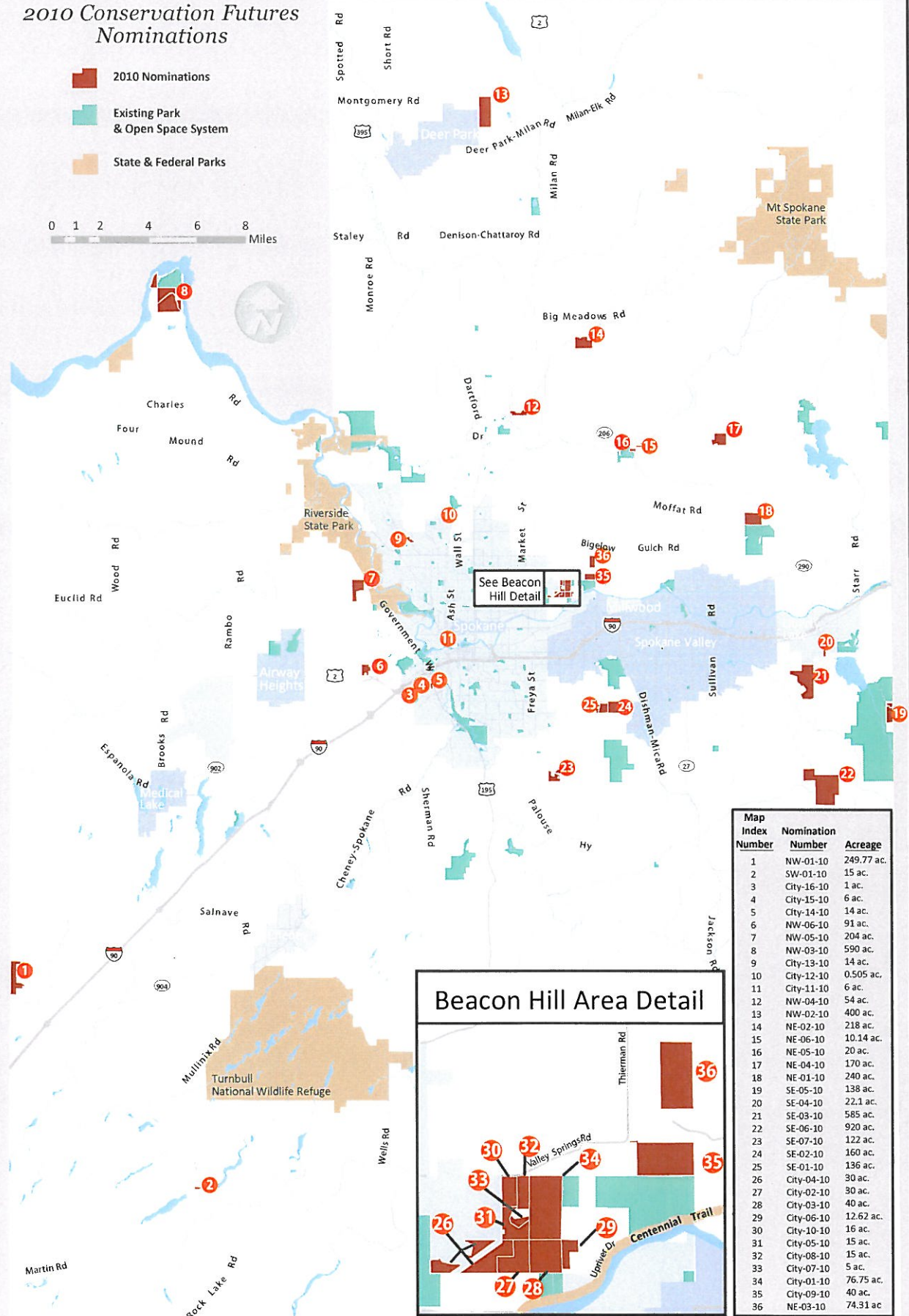
Rank	Project #	Location	Map Index #	Size (Acres)	Public Support	Sampling of Public Comments Received
35	NW-06-10	Sunset Highway	6	91	0 Letters	This land off of HWY 2 and Sunset HWY is a great choice for the Spokane County Parks. Its year round access to the public is great, there is a great mix of wildlife, it is a rare piece of property in that it is a large tract of land so close to downtown in an area that is and will be the fastest developing for the next 20 years.
36	CITY-11-10	Centennial Trail	11	6	2 Letters	I would love to see a nice continuation of the Centennial Trail throughout its entire length. This area will also provide great river and city views as well as be a great feature for the people who will live/work in the new Kendall Yard development. Have the conditions of approval for the Kendall Yards project been closely reviewed? I thought they were required to put that part of the trail in as part of the project.

SPOKANE COUNTY

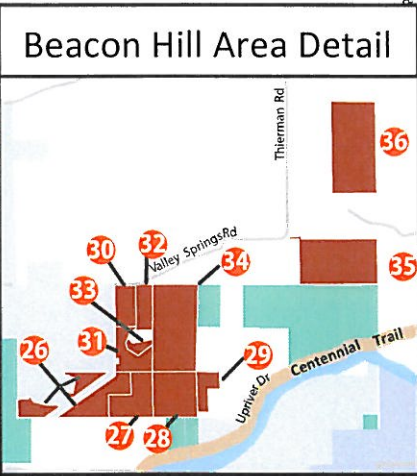
2010 Conservation Futures Nominations

- 2010 Nominations
- Existing Park & Open Space System
- State & Federal Parks

0 1 2 4 6 8 Miles



See Beacon Hill Detail



Map Index Number	Nomination Number	Acreage
1	NW-01-10	249.77 ac.
2	SW-01-10	15 ac.
3	City-16-10	1 ac.
4	City-15-10	6 ac.
5	City-14-10	14 ac.
6	NW-06-10	91 ac.
7	NW-05-10	204 ac.
8	NW-03-10	590 ac.
9	City-13-10	14 ac.
10	City-12-10	0.505 ac.
11	City-11-10	6 ac.
12	NW-04-10	54 ac.
13	NW-02-10	400 ac.
14	NE-02-10	218 ac.
15	NE-06-10	10.14 ac.
16	NE-05-10	20 ac.
17	NE-04-10	170 ac.
18	NE-01-10	240 ac.
19	SE-05-10	138 ac.
20	SE-04-10	22.1 ac.
21	SE-03-10	585 ac.
22	SE-06-10	920 ac.
23	SE-07-10	122 ac.
24	SE-02-10	160 ac.
25	SE-01-10	136 ac.
26	City-04-10	30 ac.
27	City-02-10	30 ac.
28	City-03-10	40 ac.
29	City-06-10	12.62 ac.
30	City-10-10	16 ac.
31	City-05-10	15 ac.
32	City-08-10	15 ac.
33	City-07-10	5 ac.
34	City-01-10	76.75 ac.
35	City-09-10	40 ac.
36	NE-03-10	74.31 ac.



WITHERSPOON•KELLEY

Attorneys & Counselors

SPOKANE | SEATTLE | COEUR D'ALENE | PORTLAND

NOV 18 2010

November 17, 2010

Via U.S. Mail

Via Fax: 509-477-2454

Via Email: jbottelli@spokanecounty.org

John Bottelli
404 North Havana
Spokane, WA 99202

Re: *Purchase of Night Lake Property*

Dear Mr. Bottelli:

We understand that Spokane County is considering purchasing approximately 500 acres from the Department of Natural Resources for part of its Conservation Futures Program. The property is commonly known as the Night Lake property.

We represent a number of interested parties who would like to see this purchase take place. One or more of the interested parties are willing to commit \$100,000 to an endowment fund for the care of the Night Lake property should Spokane County elect to purchase such property from the Department of Natural Resources. The donor or donors wish to remain anonymous. But again, we have been authorized, on behalf of our clients to commit \$100,000 to an endowment fund for care of the Night Lake property, if, and only if, said property is purchased by Spokane County pursuant to its Conservation Futures Program.

Should you have any questions, please don't hesitate to call.

Very truly yours,

WITHERSPOON•KELLEY



DAVID M. KNUTSON

DMK:bmj



DISHMAN HILLS NATURAL AREA ASSOCIATION

3415 S. LINCOLN DRIVE

• SPOKANE, WA 99203

• 509 747-8147

November 16, 2010

John Bottelli
Spokane County Parks and Recreation
404 N. Havana
Spokane, WA 99202-4663

RE: Commitment to Pay 50% of Stone Property Acquisition
Stone Property Estate Conservation Futures Nomination

Dear Mr. Bottelli:

The Stone Estate property has been nominated by the Dishman Hills Natural Area Assn is part of an overall goal to connect the Dishman Hills Natural Area to the Iller Creek Conservation Area. This project is known as the Dream Trail project.

The Stone Estate property is part of the Jerry Stone estate. Mr. Stone passed away three years ago and the heirs want the property sold as soon as possible.

The Conservation Futures Program takes considerable time to conduct the necessary due diligence prior to acquisition of the small group of highly-ranked properties. The Stone Estate property is one of several very nice conservation properties nominated. We hope to increase the score for the Stone Estate property to increase the probability the property will be a priority for acquisition.

The scoring criteria states up to six additional points are given for significant commitments (six points is given for commitment to provide 50% of the purchase price).

DHNAA hired an Appraiser to complete a valuation of the Stone property (DHNAA Appraisal). The appraisal is included with this letter and will be assigned to Spokane County if the Stone Estate property is selected for further due diligence by the Board of County Commissioners.

"What We Save In The Next Few Years Is All That Will Ever Be Saved" A. Morgan

The Board of the Dishman Hills Natural Area Association makes a commitment to assist with the purchase in hopes the Stone property will be acquired and saved from development. The Dishman Hills Natural Area Association commits to fund 50% of the acquisition of the Stone Estate property price by the Spokane County Conservation Futures Program subject to the following conditions:

1. The acquisition occurs in 2011. As a practical matter, the property is unlikely to be available for much longer since it is a prime building site.
2. The Board has approved up to 50% of the purchase price if within the range of the DHNAA Appraisal without further consideration. Note the DHNAA Appraisal indicates a range of values along with an appraised value. If, in the unlikely event, the purchase price rises above the upper range in the appraisal, the Board of the DHNAA will consider increasing their commitment to 50% of the purchase price.

Monies may be taken from the sale of the Big Rock property to the Conservation Futures program or will come from other private sources. In any case, the selection committee can depend on this commitment to assist with funding.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Hamilton".

Michael Hamilton
President