



WASHINGTON STATE DEPARTMENT OF
Natural Resources

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

Klickitat Canyon Trust Land Transfer 2013-2015

PROPOSAL

The Department of Natural Resources proposes to transfer 819.38 acres, more or less, of Common School Trust property located in Klickitat and Yakima counties to Natural Resources Conservation Area status.

Proceeds from the timber value will be deposited into the Common School Construction Account. The land value proceeds will be deposited into 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.
- 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 3 miles northeast of Glenwood and is within Section 36, Township 7 North, Range 12 East, W.M., and Section 1, Township 6 North, Range 12 East, W.M., and Section 6, Township 6 North, Range 13 East, W.M., in Southeast Region.

ENCUMBRANCES Two road easements. Mineral rights in Section 1 were reserved in the past by a prior owner. Road reservations by DNR trust in the BNR Resolution and the Commissioner's Order.

IMPROVEMENTS None.

PRESENT INCOME None. The Blue Jay timber sale which concluded in October 2014 provided revenue to the trust beneficiaries.

MARKET VALUE	Timber (8,527 Mbf)	\$1,420,000
	Land & Reprod.	<u>\$ 685,000</u>
	TOTAL	\$2,105,000

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 Section 3231, Chapter 19, Laws of 2013 and RCW 79.17.200.

COMMENTS

Transfer will be by Commissioner's Order. The property was positioned for transfer and designated Common School Trust in Intergrant Exchange No. 86-091402. Mineral rights are not included in the transfer due to prior reservation by trust beneficiaries or prior landowners. 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

Jack P. O'Hanrahan 3/2/15

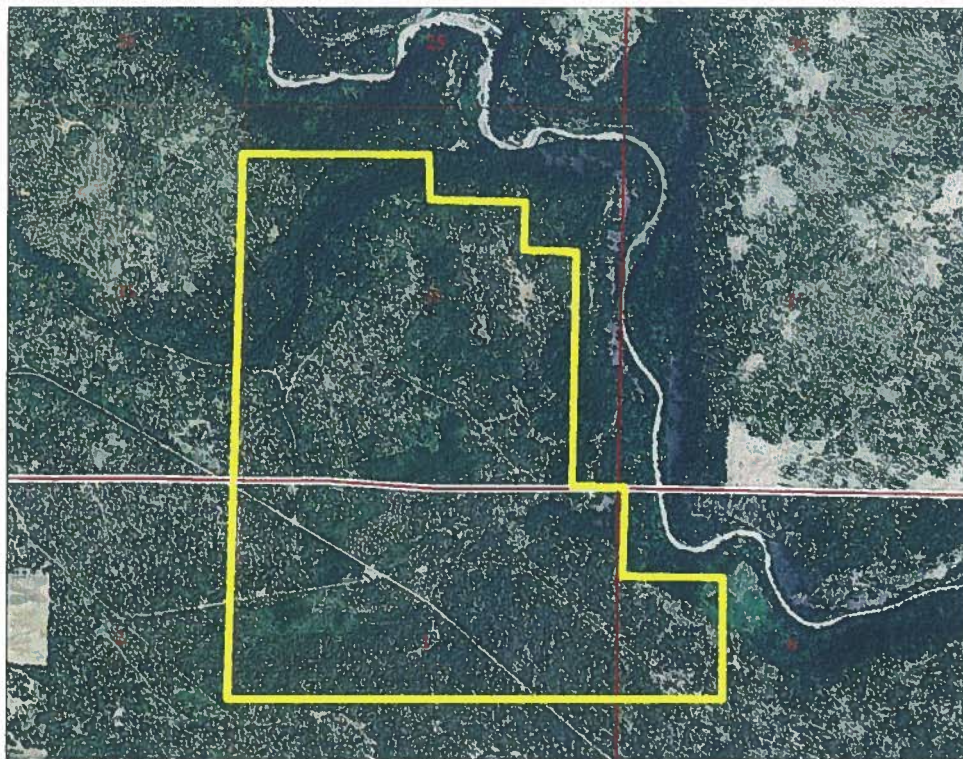
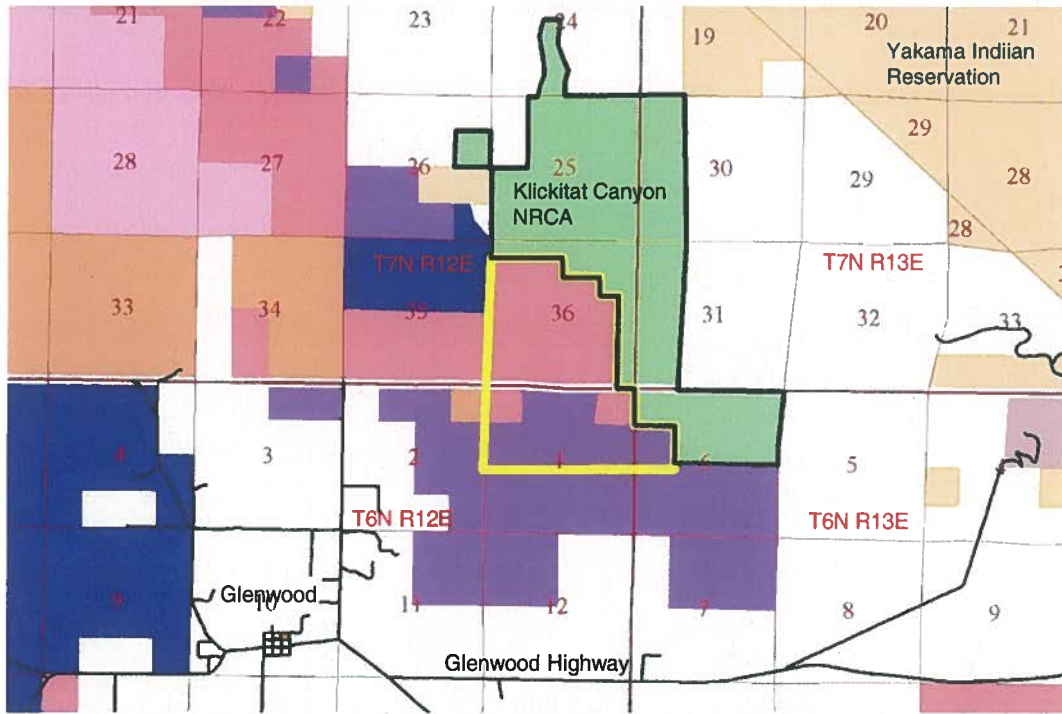
Deputy Supervisor for
State Uplands

Myle Blum

Date of Board Approval _____

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BOARD OF NATURAL RESOURCES

KLICKITAT CANYON TRUST LAND TRANSFER 02-090360



Within Portions of Sections 1, 6, 36, Townships 6, 7 North, Ranges 12, 13 East,
W.M., Yakima and Klickitat Counties

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

RESOLUTION NO. _____

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. 02-090360.

**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 Klickitat Canyon 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, subject to the trust management reservation shown in Exhibit C.

SECTION 4. The Board of Natural Resources finds the appraised market value of the real property described in Exhibit A to be \$2,105,000, 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 Klickitat Canyon Trust Land Transfer as a Natural Resources Conservation Area and Management Commitment, attached hereto as Exhibits B-1 (Yakima County recording) and B-2 (Klickitat County recording) 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 Klickitat Canyon 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 in the Inter-Trust Exchange No. 86-091402, and will be reserved in their existing trust ownerships as provided under RCW 79.11.210. A perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the Department of Natural Resources, and successor and assigns, is reserved as described in the attached Exhibit C. Easement rights will be reserved as provided under RCW 79.36.370. The term of the Natural Resources Conservation Area status shall be perpetual.

- B. Disburse the proceeds as a result of the transfer to Natural Resources Conservation Area status as follows:
1. Deposit the timber value of \$1,420,000 into the Common School Construction Account; and
 2. Deposit the land value of \$685,000 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 _____, 2015.

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 February, 2015.

Adrienne Smith
Assistant Attorney General

EXHIBIT A

LEGAL DESCRIPTION

The South Half of the North Half of the Northwest Quarter and the South Half of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter and the Southwest Quarter of the Southeast Quarter of the Northeast Quarter and the West Half of the East Half of the Southeast Quarter and the West Half of the Southeast Quarter and the Southwest Quarter all within Section 36, Township 7 North, Range 12 East, W.M., Yakima County, Washington. According to the U.S. subdivision procedures.

AND

Government Lot 1 and 4 of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

AND

Government Lot 2 and 3 and the South Half of the Northeast Quarter and the South Half of the Northwest Quarter of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

AND

Government Lot 5 of Section 6, Township 6 North, Range 13 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

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

Dated 4/2/2014

EXHIBIT B-1

AFTER RECORDING RETURN TO:
Department of Natural Resources
Conservation, Recreation and Transactions Division
ATTN: Trust Land Transfer Program
PO Box 47014
Olympia, WA 98504-7014

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

Yakima 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: S36, T7N, R12E, SW4SE4NE4, SW4NE4, S2N2NW4, S2NW4, SW4, W2SE4,
W2E2SE4;

Tax Parcel #: 12073699993

THIS DECLARATION is made this ____ day of _____, 2015, 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 shown on Exhibit B 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, this instrument is intended to be consistent with the purposes and requirements of Section 3231, Ch. 19, Washington Laws of 2013; 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 prior reservations and to further restrictions of use as set forth herein.

Section 1. Restriction on Use of Property. The Klickitat Canyon Natural Resources Conservation Area was established for the Property because of scenic and ecological values. Subject to prior to prior reservations, 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 Klickitat Canyon 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 Klickitat Canyon 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 Yakima 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 _____, 2015.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

PETER GOLDMARK
Commissioner of Public Lands

Approved as to form this _____ day
of _____, 2015.

Assistant Attorney General

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
PETER GOLDMARK, Commissioner of Public Lands

EXHIBIT A

LEGAL DESCRIPTION – YAKIMA COUNTY

The South Half of the North Half of the Northwest Quarter and the South Half of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter and the Southwest Quarter of the Southeast Quarter of the Northeast Quarter and the West Half of the East Half of the Southeast Quarter and the West Half of the Southeast Quarter and the Southwest Quarter all within Section 36, Township 7 North, Range 12 East, W.M., Yakima County, Washington. According to the U.S. subdivision procedures.

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

Dated 4/2/2014

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
PETER GOLDMARK, Commissioner of Public Lands

EXHIBIT B

[NOTE: MAP TO BE INSERTED ON ORIGINAL

AFTER RECORDING RETURN TO:
Department of Natural Resources
Conservation, Recreation and Transactions Division
ATTN: Trust Land Transfer Program
PO Box 47014
Olympia, WA 98504-7014

EXHIBIT B-2

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

Klickitat 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 S01, T06N, R12E, GL 1 & 2, GL3 & 4, S2NE4, S2NW4;

Legal Desc: S06, T06N, R13E, GL 5;

Tax Parcel #: Portions of 0612010000000 and 0613060000300

THIS DECLARATION is made this ____ day of _____, 2015, 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 shown on Exhibit B 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, this instrument is intended to be consistent with the purposes and requirements of Section 3231, Ch. 19, Washington Laws of 2013; 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 prior reservations and to further restrictions of use as set forth herein.

Section 1. Restriction on Use of Property. The Klickitat Canyon Natural Resources Conservation Area was established for the Property because of scenic and ecological values. Subject to prior reservations, 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 Klickitat Canyon 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 Klickitat Canyon 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 Klickitat 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 _____, 2015.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

PETER GOLDMARK
Commissioner of Public Lands

Approved as to form this _____ day
of _____, 2015.

Assistant Attorney General

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
PETER GOLDMARK, Commissioner of Public Lands

EXHIBIT A

LEGAL DESCRIPTION – KLICKITAT COUNTY

Government Lot 1 and 4 of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

AND

Government Lot 2 and 3 and the South Half of the Northeast Quarter and the South Half of the Northwest Quarter of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

AND

Government Lot 5 of Section 6, Township 6 North, Range 13 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

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

Dated 4/2/2014

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
PETER GOLDMARK, Commissioner of Public Lands

EXHIBIT B

[NOTE: MAP TO BE INSERTED ON ORIGINAL

AFTER RECORDING RETURN TO:
Department of Natural Resources
Conservation, Recreation and Transactions Division
ATTN: Trust Land Transfer Program
PO Box 47014
Olympia, WA 98504-7014

EXHIBIT C

TRUST EASEMENT RESERVATION

The State of Washington, acting by and through the Department of Natural Resources (State), and successor and assigns, reserves a perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the State, over a strip of land thirty (30) feet in width each side of the centerline of an existing road located within Government Lot 3 and Government Lot 4 and the South Half of the Northeast Quarter and the South Half of the Northwest Quarter of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington, the centerline more particularly described as follows: Beginning at the intersection of said existing centerline and the east line of said Section 1, said intersection being South 167.2 feet from the Northwest Corner of said Section 1 as measured along the east line thereof; thence southeasterly along said centerline 4630 feet more or less to the south line of said South half of the Northeast Quarter of Section 1 and the terminus of said existing centerline description. (Also referred to as K1000 road.) Sidelines to be extended and/or shortened so as to terminate at their respective boundary lines.

According to the U.S. subdivision procedures.

AND

The State of Washington, acting by and through the Department of Natural Resources (State), and successor and assigns, reserves a perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the State, over a strip of land thirty (30) feet in width each side of the centerline of an existing road located within Government Lot 4 of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington, the centerline more particularly described as follows: Beginning at the intersection of said existing centerline and the north line of said Section 1, said intersection being East 710 feet more or less from the Northwest Corner of Section 1 as measured along the north line thereof; thence southerly 600 feet more or less to an existing centerline running northwesterly and southeasterly and the terminus of said centerline description. Sidelines to be extended and/or shortened so as to terminate at their respective boundary lines. (Also referred to as K1210 road)

According to the U.S. subdivision procedures.

AND

The State of Washington, acting by and through the Department of Natural Resources (State), and successor and assigns, reserves a perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the State, over a strip of land thirty (30) feet in width each side of the centerline of an existing road located within the West Half of the Southwest Quarter all within Section 36, Township 7 North, Range 12 East, W.M., Yakima County, Washington, the centerline more particularly described as follows: Beginning at the

intersection of said existing centerline and the south line of said Section 36, being East 710 feet more or less from the Southwest corner of said Section 36 as measured along the south line thereof; thence northerly and westerly 2080 feet more or less to the west line of said Section 36 and the terminus of said centerline description. Sidelines to be extended and/or shortened so as to terminate at their respective boundary lines.

(Also referred to as K1210 road.)

According to the U.S. subdivision procedures.

AND

The State of Washington, acting by and through the Department of Natural Resources (State), and successor and assigns, reserves a perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the State, over a strip of land thirty (30) feet in width each side of the centerline of an existing road located within the Southwest Quarter of Section 36, Township 7 North, Range 12 East, W.M., Yakima County, Washington the centerline more particularly described as follows:

Commencing at the intersection of said existing centerline and the south line of said Section 36, being East 710 feet more or less from the Southwest corner of said Section 36 as measured along the south line thereof; thence northerly and westerly 1010 feet more or less to the intersection of an existing centerline roadway running northwesterly and northeasterly and the True Point of Beginning; thence northeasterly along said centerline 4400 feet more or less to the east line of the Southwest Quarter of the Northeast Quarter of said Section 36 and the terminus of said centerline. Sidelines to be extended and/or shortened so as to terminate at their respective boundary lines. (Also referred to as K1200 road.)

According to the U.S. subdivision procedures.

AND

The State of Washington, acting by and through the Department of Natural Resources (State), and successor and assigns, reserves a perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the State, over a strip of land thirty (30) feet in width on each side of the centerline of an existing road located within the North Half of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington, the centerline more particularly described as follows: Beginning at the intersection of said existing centerline and the east line of said Section 1, being South 1700 feet more or less from the Northeast corner of said Section 1 as measured along the east line thereof; thence easterly along said centerline 5660 feet more or less to the west line of Section 1 and the terminus of said existing centerline description. Sidelines to be extended and/or shortened so as to terminate at their respective boundary lines.

(Also referred to as K1100 road.)

According to the U.S. subdivision procedures.

AND

The State of Washington, acting by and through the Department of Natural Resources (State), and successor and assigns, reserves a perpetual easement for any and all purposes appurtenant to all lands now owned or hereafter acquired by the State, over a strip of land thirty (30) feet in width on each side of the centerline of an existing road located within Government Lot 5 of Section 6, Township 6 North, Range 13 East, W.M., Klickitat County, Washington, the centerline more particularly described as follows: Beginning at the intersection of said existing centerline and the west line of said Section 6, being South 2100 feet more or less from the Northwest corner of said Section 6 as measured along said west line thereof; thence Southeasterly along said centerline 720 feet more or less to the south line of said Government lot 5 and the terminus of said centerline. Sidelines to be extended and/or shortened so as to terminate at their respective boundary lines. (Also referred to as K1100 road.) According to the U.S. subdivision procedures.

Rynea L Edwards, PLS 45158
Land Survey Unit
Engineering Division
PO Box 47030
Olympia, WA 98504-7030
rynea.edwards@dnr.wa.gov

Date: 12-9-2014