



WASHINGTON STATE DEPARTMENT OF
Natural Resources
Peter Goldmark - Commissioner of Public Lands
Clay Sprague, Deputy Supervisor of Uplands

MIDDLE FORK SNOQUALMIE TRUST LAND TRANSFER 2009-2011

PROPOSAL

The Department of Natural Resources proposes to transfer 9,000 acres, more or less, of Common School Trust property located in King County 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 to the Real Property Replacement Account and used to purchase replacement property desirable for the Common School Trust.

BENEFITS

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

- Disposing of property that is inefficient to manage for timber harvest income.
- 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 8 miles east of North Bend within Section 36, Township 24 North, Range 9 East, W.M., and Sections 1, 2, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, 34, 35, and 36 in Township 23 North, Range 9 East, W.M., in King County, South Puget Sound Region.

ENCUMBRANCES The property is encumbered by a recreation lease (sec 16), special use lease for noise dissipation (Sec 21), easements for noise, fiber cable, overhead power, buried cable, overhead transmission, and road rights-of-way.

IMPROVEMENTS None.

PRESENT INCOME None.

MARKET VALUE	Timber (162,264 Mbf)	\$24,694,000
	Land & Reprod.	<u>\$ 4,097,000</u>
	TOTAL	\$28,791,000

TERMS OF TRANSFER Cash.

JUSTIFICATION

The property is included in the 2009-2011 Biennium Trust Land Transfer Program. Approval and funding for the transfer is authorized by Washington Laws of 2010, Ch. 36, Section 3037 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 Inter-Trust Exchange No. 86-084803. Mineral rights were not included in the exchange and will be retained in their existing trust ownerships. As specified by legislation, permitted use will be restricted to Natural Resources Conservation Area purposes. Property will be reserved as Permit Lands as defined in the Department’s Habitat Conservation Plan.

Division Manager _____

Deputy Supervisor of
Uplands _____

Date of Board Approval _____

**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 Laws of 2010, Ch. 36, Section 3037 and RCW 79.71.050 under Department of Natural Resources Land Transfer File No. 02-084778.

**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 the Middle Fork Snoqualmie Trust Land Transfer is among the properties identified for transfer in Washington Laws of 2010, Ch. 36, Section 3037.

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

SECTION 4. The Board of Natural Resources finds the appraised market value of the real property described in Exhibit A to be \$28,791,000, consistent with the valuation method used to evaluate 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 the Middle Fork Snoqualmie Trust Land Transfer as a Natural Resources Conservation Area and Management Commitment, attached hereto as Exhibit B and by this reference made a part hereof, as evidence of the transfer of the property described in Exhibit A to Natural Resources Conservation Area status.

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

- A. Upon receiving payment of the value stated in SECTION 4 above, properly authorize and record the Declaration of Covenants, Conditions, and Restrictions related to the Dedication of the Middle Fork Snoqualmie 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. 86-084803, and will be reserved in their existing trust ownerships as provided under RCW 79.11.210. Easement rights will be reserved as provided under RCW 79.36.370. The term of the Natural Resources Conservation Area status shall be perpetual.

- B. Disburse the proceeds as a result of the transfer to Natural Resources Conservation Area status as follows:
 - 1. Deposit the timber value of \$24,694,000 into the Common School Construction Account; and
 - 2. Deposit the land value of \$4,097,000 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 _____, 2011.

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 _____ day
of _____, 2011.

Assistant Attorney General

EXHIBIT A

LEGAL DESCRIPTION

Section 36, Township 24 North, Range 9 East, W.M.

That portion of Parcel 3 described by document recorded July 10, 1997 under Auditor's File No. 9707100871, King County Records, more particularly described as follows;

That portion of the NE1/4 and of the S1/2 of Section 36, Township 24 North, Range 9 East, Willamette Meridian, King County, Washington, lying easterly of the Middle Fork of the Snoqualmie River.

Parcel 4 as described by document recorded July 10, 1997 under Auditor's File No. 9707100871, Records of King County, Washington, being Government Lots 1 and 2, and Government Lots 5 through 20, inclusive, TOGETHER WITH the W1/2 of the SW1/4 of Section 1, Township 23 North, Range 9 East, W.M., in King County, Washington, according to U.S. Government subdivision procedures,

EXCEPTING THEREFROM

That portion of the W1/2 of the SW1/4 of said Section 1, lying northwesterly of the Middle Fork of the Snoqualmie River,

AND TOGETHER WITH

Parcel 5 as described by document recorded June 25, 1991 under Auditor's File No. 9106250242, King County Records, being those portions of Government Lots 3 and 4 lying southeasterly and southerly of the thread of the Middle Fork of the Snoqualmie River, that portion of the SW1/4 of the NW1/4 lying southerly and easterly of the thread of the Middle Fork of the Snoqualmie River, and the SE1/4 of the NW1/4, all in said Section 1.

Section 1, Township 23 North, Range 9 East, W.M.

That portion of the NE1/4 of Section 2, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, lying easterly of the Middle Fork Snoqualmie River.

Section 10, Township 23 North, Range 9 East, W.M.

That portion of the NE1/4 and of the S1/2 of Section 10, Township 23 North, Range 9 East, W.M., in King County, Washington, lying easterly of the Middle Fork of the Snoqualmie River.

Section 11, Township 23 North, Range 9 East, W.M.

Government Lots 1, 2, 3, 4, 5, and 6, the SE1/4 of the NE1/4, the SE1/4 of the SW1/4 and the SE1/4 of Section 11, Township 23 North, Range 9 East, W.M., in King County, Washington, according to U.S. Government subdivision procedures.

Section 12, Township 23 North, Range 9 East, W.M.

All of fractional Section 12, Township 23 North, Range 9 East, W.M., in King County, Washington, EXCEPT Government Lots 1, 2, 7 and 8 thereof, being Parcel No. 8 as described by document recorded June 25, 1991 under Auditor's File No. 9106250242, and Parcel No. 15 as described by document recorded July 10, 1997 under Auditor's File No. 9707100871, together with the SE1/4 of the SW1/4 of said Section 12, according to U.S. Government subdivision procedures.

Section 13, Township 23 North, Range 9 East, W.M.

Government Lots 1 through 12, inclusive, and the W1/2 of Section 13, Township 23 North, Range 9 East, W.M., in King County, Washington, being all of said Section 13 as described by document recorded October 17, 1984 in Vol. 1867 of Deeds at Pages 2365 through 2375, under Auditor's File No. 8410170151, King County Records.

Section 14, Township 23 North, Range 9 East, W.M.

Section 14, Township 23 North, Range 9 East, W.M., King County, Washington, according to U.S. Government subdivision procedures.

Section 15, Township 23 North, Range 9 East, W.M.

All of Section 15, Township 23 North, Range 9 East, W.M., King County, Washington, lying southerly of the Middle Fork Snoqualmie River, being Parcel 9 as described by document recorded June 25, 1991 under Auditor's File No. 9106250242, King County Records, and Parcel 17 as described by document recorded July 10, 1997 under Auditor's File No. 9707100871, Records of King County, Washington,

Section 16, Township 23 North, Range 9 East, W.M.

That portion of the W1/2 of the NE1/4 and of the NW1/4, and of the S1/2 of Section 16, Township 23 North, Range 9 East, W.M., King County, Washington, lying easterly and southerly of the Middle Fork Snoqualmie River, being Parcel 10 as described by document recorded June 25, 1991 under Auditor's File No. 9106250242, King County Records, and a portion of said Section 16 as described by United States Bureau of Land Management Patent Number 46-70-0070, dated April 3, 1970, and recorded in Vol. 354 at Pages 317 through 319, under Auditor's File No. 6648432, King County Records.

Section 21, Township 23 North, Range 9 East, W.M.

Government Lot 3 and the NE1/4 of the SE1/4 of Section 21, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, being identified as the Fractional North Half of Southeast Quarter of said Section 21, by document recorded June 25, 1991 under King County Auditors' File No. 9106250242, and that portion of the W1/2 of said Section 21 more particularly described as follows;

Beginning at the NE corner of the SE1/4 of the SW1/4 of said Section 21; Thence westerly along the north line of the SE1/4 of the SW1/4 of said Section 21 a distance of 200 feet, more or less, to the thread of an unnamed stream; Thence northwesterly along and with said thread to the west line of said Section 21; Thence northerly along said west line to the NW corner of said

Section 21; Thence easterly along the north line of the NW1/4 of said Section 21 to the NE corner of said NW1/4; Thence southerly along the east line of the W1/2 of said Section 21 to the Point of Beginning.

AND

Parcel 18 as described by that document recorded under Auditor's File number 9707100871, Records of King County, Washington, being Government Lots 1 and 2 and the E1/2 of the NE1/4 of Section 21, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures.

Section 22, Township 23 North, Range 9 East, W.M.

The SW1/4 of Section 22, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures, Together with Parcel No. 19 as described by document recorded under Auditor's File No. 9707100871, King County Records, said Parcel 19 being described as the NE1/4 of said Section 22.

AND

The NW1/4 of Section 22, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures, as described by document recorded April 7, 1938 in Vol. 1782 of Deeds at page 361, under Auditor's File No. 2991507, King County Records.

Section 23, Township 23 North, Range 9 East, W.M.

Section 23, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures, as described by document recorded October 17, 1984 in Vol. 1867 of Deeds at Pages 2365 through 2375, under Auditor's File No. 8410170151, King County Records.

Section 24, Township 23 North, Range 9 East, W.M.

Government Lots 3 and 4, and the W1/2 of the SE1/4 of Section 24, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures, as described by document recorded April 7, 1938 in Vol. 1782 of Deeds at Page 361, under Auditor's File No. 2991507, King County Records, being the SE1/4 of said Section 24.

Section 25, Township 23 North, Range 9 East, W.M.

All of Section 25, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, being Parcel No. 12 as described by document recorded June 25, 1991 under Auditor's File No. 9106250242, King County Records, together with Government Lot 1 of said Section 25.

Section 26, Township 23 North, Range 9 East, W.M.

Government Lots 1, 2, 3 and 4, the E1/2 of the NW1/4, the NE1/4 of the SW1/4 and the NW1/4

of the SE1/4 of Section 26, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures.

Section 27, Township 23 North, Range 9 East, W.M.

Government Lots 1, 6, 7, 8, 9 and 10 and the SW1/4 of the NE1/4 of Section 27, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, according to U.S. Government subdivision procedures, being a portion of Parcel 13 as described by that document recorded June 6, 2001, under Auditor's File No. 9106250242, King County Records.

Government Lots 2 and 3 of Section 27, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, being a portion of Parcel 13 as described by that document recorded June 6, 2001, under Auditor's File No. 9106250242, King County Records.

Government Lot 5, the SE1/4 of the NW1/4, the N1/2 of the SW1/4, the SE1/4 of the SW1/4 and the SW1/4 of the SW1/4 LESS AND EXCEPT that portion of said SW1/4 of the SW1/4 contained in the warranty deed dated October 1, 1974 to the State of Washington, recorded as Fee No. 7501200029, all in Section 27, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, being a portion of Parcel 13 as described by that document recorded June 6, 2001, under Auditor's File No. 9106250242, King County Records.

Section 34, Township 23 North, Range 9 East, W.M.

That portion of the W1/2 of Section 34, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, lying northerly of the northerly margin of right of way for SR 90.

That portion of the E1/2 of Section 34, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, lying northerly of the northerly margin of right of way for SR 90, EXCEPT that portion thereof lying southerly of the South Fork Snoqualmie River.

Section 35, Township 23 North, Range 9 East, W.M.

That portion of Section 35, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington, lying northerly of the northerly margin of right of way for SR 90, EXCEPT that portion thereof lying southerly and westerly of the South Fork Snoqualmie River.

Section 36, Township 23 North, Range 9 East, W.M.

Section 36, Township 23 North, Range 9 East, Willamette Meridian, King County, Washington.

Dennis J. Gelvin, PLS 21674
Land Description & R/W Specialist
State Land Survey Unit
Engineering Division
PO Box 47060
Olympia, WA 98504-7060

Dated _____

EXHIBIT B

*****NOTE: The following is a COPY of the Declaration that will be recorded and attached to the Commissioner's Order*****

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

King County

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

Grantee: Department of Natural Resources, Natural Areas Program

Abbreviated Legal Desc: Portions of Section 36, Township 24 North, Range 9 East, W.M. and Sections 1, 2, 10-16, 21-27, and 34-36 in Township 23 North, Range 9 East, W.M.

Tax Parcel #: 3624099001, 0123099002, 0123099005, 223099001, 1023099001, 1023099002, 1123099001, 1223099001, 1223099007, 1223099014, 1323099001, 1423099001, 1423099002, 1423099005, 1423099006, 1523099005, 1623099003, 1623099010, 2123099001, 2123099009, 2223099001, 2223099005, 2223099009, 2323099001, 2423099013, 2523099001, 2523099002, 2623099005, 2723099001, 3423099001, 3523099004, 3623099001

THIS DECLARATION is made this ____ day of _____, 20____, by the State of Washington, Department of Natural Resources (DNR).

RECITALS

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

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

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

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

Section 1. Restriction on Use of Property. The Middle Fork Snoqualmie Natural Resources Conservation Area was established for the Property to protect for public benefit an area that is important for scenic and ecological values, including habitat for northern spotted owls, marbled murrelets, old growth forests and sub-alpine lakes and parkland. 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 Middle Fork Snoqualmie 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 Middle Fork Snoqualmie 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 King 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 _____, 2011.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

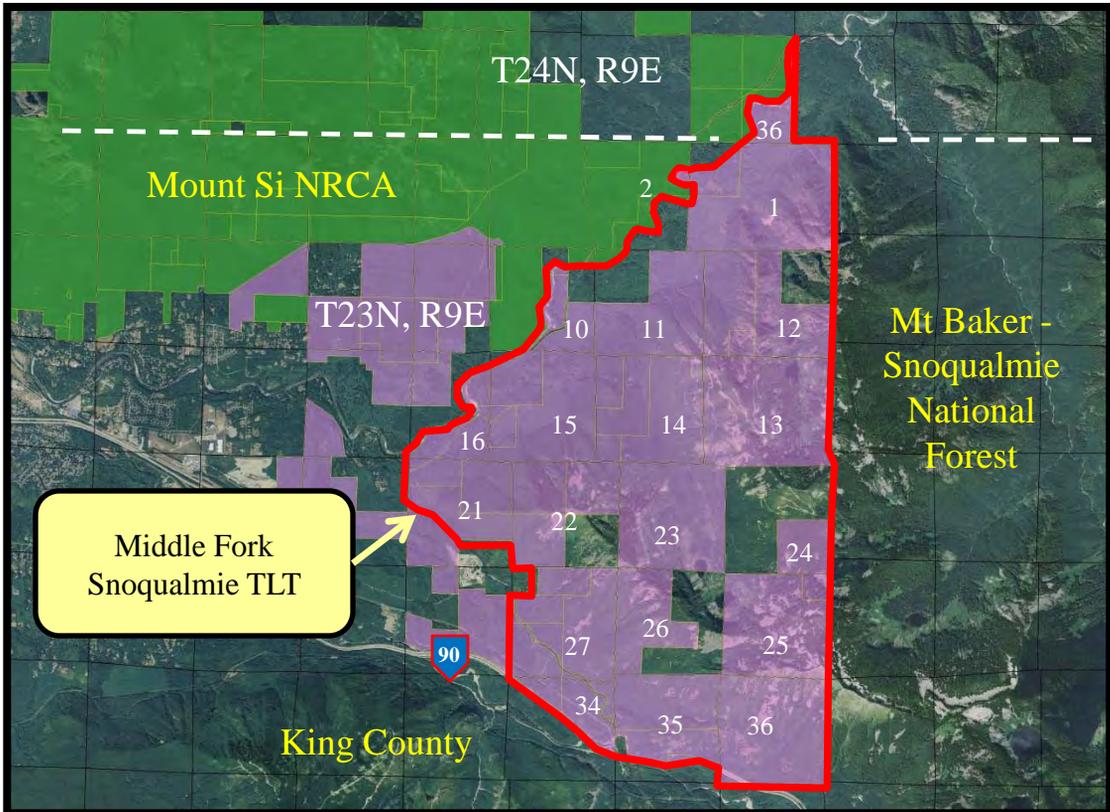
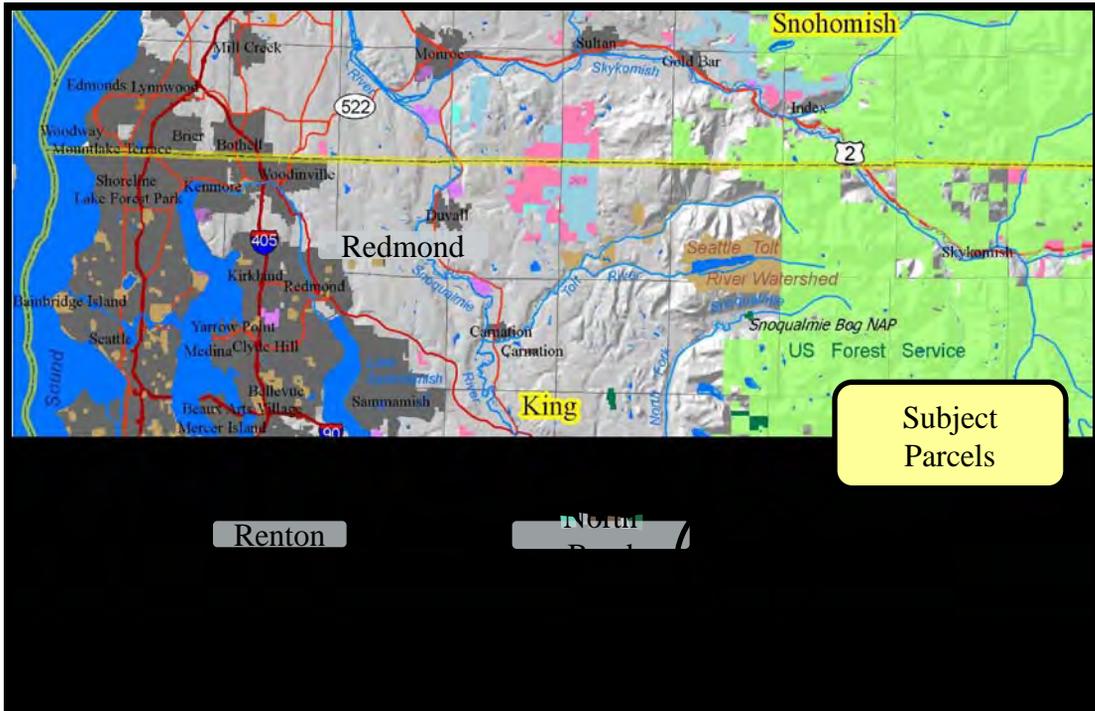
PETER GOLDMARK
Commissioner of Public Lands

Approved as to form this _____ day
of _____, 2011.

Assistant Attorney General

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

MIDDLE FORK SNOQUALMIE TRUST LAND TRANSFER



Within Section 36, Township 24 North, Range 9 East, W.M., and Sections 1, 2, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, 34, 35, and 36, in Township 23 North, Range 9 East, W.M., King County