



San Juan County Land Bank
Proposed Second Amended
2016 Expenditure and Acquisition Plan

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| 1.A Conservation Area Fund 1021 | | | | | Proposed |
|--|--------------------|--------------------|--------------------|---------------------|--------------------|
| Revenue & Expenditure 2014 - 2015 and | | | | Proposed 2nd | 2nd Amended |
| Proposed Amended 2016 Budget | | Amended | Amended | Amendments | 2016 |
| | 2014 Actual | 2015 Budget | 2016 Budget | 2016 Budget | Budget |
| Revenue | | | | | |
| Beginning Cash | 3,133,968 | 3,826,054 | 4,217,261 | | 4,217,261 |
| Restricted Acquisition Reserves | -3,826,054 | -3,504,201 | -3,290,782 | -923,407 | -4,214,189 |
| Property Tax Revenue | 290,151 | 298,476 | 307,540 | | 307,540 |
| 1% RE Excise Tax (gross) | 2,239,222 | 2,400,000 | 2,300,000 | 200,000 | 2,500,000 |
| Federal Grants | - | 0 | | | - |
| State Grants | - | 286,400 | 778,000 | -31,973 | 746,027 |
| Payment In-Lieu of Property Tax (DNR) | 163 | 200 | 200 | | 200 |
| Investment Interest | 3,322 | 3,000 | 4,000 | 13,000 | 17,000 |
| Donations from Private Sources | 1,135 | 0 | 1,120 | | 1,120 |
| Miscellaneous revenue & refunds | 72 | 0 | | | - |
| Sale of Land | | 47,500 | | 550,000 | 550,000 |
| Total Revenue | 1,841,979 | 3,357,429 | 4,317,339 | -192,380 | 4,124,959 |
| Revenue net of Cash Reserves | 2,534,065 | 3,035,576 | | | 4,121,887 |
| Expenditures | | | | | |
| Administrative Expenses | 199,191 | 238,965 | 254,243 | | 254,243 |
| IT Services | 4,860 | 941 | 6,402 | | 6,402 |
| GIS Services | 14,418 | 6,206 | 0 | | - |
| Acquisition Costs | 70,998 | 1,559,348 | 2,448,025 | -265,000 | 2,183,025 |
| Land Bank 1% REET to General Fund | 22,392 | 24,000 | 23,000 | 2,000 | 25,000 |
| Bond Repayment | 995,119 | 676,919 | 678,087 | | 678,087 |
| Transfers to Stewardship | 535,000 | 851,050 | 907,582 | 70,620 | 978,202 |
| Total Expenditures | 1,841,979 | 3,357,429 | 4,317,339 | -192,380 | 4,124,959 |
| Admin percentage of net revenue | | | | | 6.17% |
| Amendments to Revenue: | | | | | |
| *REET increased to actual based on first 7 months of 2016 | | | | | |
| *State Grants decreased to match lower appraised value of property acquired with funds | | | | | |
| *Investment interest increased based on first 7 months of 2016 | | | | | |
| *Sale of Land will close in 2016 | | | | | |
| Amendments to Expenditures: | | | | | |
| *one acquisition deleted; one added | | | | | |
| *1% REET collection fee increased | | | | | |
| *transfers to Stewardship increased to cover projects to be completed in 2016 | | | | | |

| | | Amended 2016 Budget | Proposed 2nd Amendment to 2016 Budget | Proposed 2nd Amended 2016 Budget |
|---|--|------------------------|--|--|
| I B. Conservation Area Fund Detail of Acquisition Projects | | | | |
| District One | | | | |
| Lawson Ridge Acquisition (Mount Grant Preserve) (approved 2015 Budget) | | | | |
| Purchase Price, Closing & Other Costs (3 year contract) | | 520,000 | 0 | 520,000 |
| Amaro Property (Lawson Farm) Conservation Easement (approved 2016 & 2015 Amended Budget) | | | | |
| Purchase Price, Closing & Other Costs | | 425,000 | (425,000) | 0 |
| * Zylstra Lake Acquisition (approved 2015 Amended Budget) | | | | |
| Purchase Price, Closing & Other Costs (3 year contract) | | 250,000 | - | 250,000 |
| District Two | | | | |
| Huntley Conservation Easement/Waldron Island (approved 2016 Budget) | | | | |
| Purchase Price, Closing & Other Costs | | 370,000 | - | 370,000 |
| Cascade Creek (Dickinson) Property (approved 2016 Budget) | | | | |
| Purchase Price, Closing & Other Costs | | 545,000 | | 545,000 |
| District Three | | | | |
| Double R Bar Ranch (Ritchie) CE (approved 2016 Budget) | | | | |
| Purchase Price, Closing & Other Costs (3 year contract) | | 250,000 | | 250,000 |
| Fisherman's Bay tomboolo Addition (approved 2016 Budget) | | | | |
| Purchase Price, Closing & Other Costs | | 2,000 | | 2,000 |
| Clure Property Acquisition new project | | | | |
| Purchase Price, Closing & Other Costs | | | 160,000 | 160,000 |
| Sub-total Acquisition Costs | | 2,362,000 | (265,000) | 2,097,000 |
| Other Acquisition Costs | | 86,025 | | 86,025 |

| II.A. Stewardship & Management Fund 1031 | | Adjusted | Approved | Proposed | Proposed |
|--|----------------|----------------|----------------|---------------|----------------|
| Revenue and Expenditures 2013 - 2015 and | | 2015 | 2016 | Amendments | Amended |
| Proposed 2016 Budget | 2014 Actual | Budget | Budget | 2016 Budget | 2016 Budget |
| Revenue | | | | | 0 |
| Beginning Cash | 3,001,202 | 3,063,409 | 3,328,996 | | 3,363,821 |
| Less Working Reserves | -3,063,409 | -3,389,718 | -3,647,095 | | -3,681,919 |
| Grant Revenue | 21,944 | 19,569 | 62,875 | | 62,875 |
| Investment Interest | 16,078 | 22,100 | 30,100 | 14,776 | 44,876 |
| Discounts on Investments | 25,748 | | | | - |
| Lease Income | 8,307 | 8,178 | 4,116 | | 4,116 |
| Refund Prior Year Expenditures | | | | | - |
| Private Gifts, Bequests | | | 1,120 | | 1,120 |
| SJ Preservation Trust Turtleback Stewardship | | | 45,000 | | 45,000 |
| Judgments & Settlements | | | 35,000 | | 35,000 |
| Transfers from Conservation Area Fund | 535,000 | 851,050 | 907,582 | 70,619 | 978,201 |
| Total Revenue | 544,870 | 574,588 | 767,694 | 85,395 | 853,090 |
| | | | | | - |
| Revenue net of reserves | 607,077 | 900,897 | 1,085,793 | | 1,085,793 |
| | | | | | - |
| Expenditures | | | | | - |
| Land Bank Stewardship & Management | 414,686 | 449,328 | 561,379 | | 561,379 |
| Information Technology Services | | | 17,361 | | 17,361 |
| GIS Services | | | 8,364 | | 8,364 |
| Management & Maintenance | 112,186 | 65,260 | 80,590 | 65,395 | 145,985 |
| Site Enhancement | 17,998 | 60,000 | 100,000 | 20,000 | 120,000 |
| Total Expenditures | 544,870 | 574,588 | 767,694 | 85,395 | 853,089 |
| Amendments to Revenue: | | | | | |
| Investment interest increased to projection based on first 7 months of 2016 | | | | | |
| Transfers in from the Conservation Area Fund have been increased to cover | | | | | |
| increased expenditures | | | | | |
| Amendments to Expenditures: | | | | | |
| Management & maintenance increased due to: | | | | | |
| *Fisherman Bay spit Dock removal | | | | | |
| *Coho Preserve site assessment | | | | | |
| *Fowlers Pond dam repair | | | | | |
| *False Bay Creek Preserve permits to allow for grant funded improvements | | | | | |
| and continued agricultural use while improving the water quality of the creek | | | | | |
| Capital Improvements increased due to: | | | | | |
| *False Bay Creek Preserve pond & fencing improvements beyond those provided by grant | | | | | |

PROJECT PROPOSAL

PROJECT TITLE: CLURE PROPERTY
PROPOSED ACQUISITION: ACQUISITION OF FEE TITLE
OWNER: CLURE FAMILY

PROJECT SUMMARY

PROPERTY DESCRIPTION:

Location: The Clure property is just southwest of the Lopez Island Airport directly on San Juan Channel. Access is via Shark Reef County Road and Eagles Roost Lane which is privately owned.

General Description: The property consists of approximately 10 acres, subdivided into two parcels.

CONSERVATION VALUE OF THE PROPERTY:

The Clure property descends gradually to the shoreline of San Juan Channel offering the public the opportunity to reach nearly two miles of secluded beach. The high bluffs of adjacent properties create a pristine quality for visitors. There is no other potential access point to this portion of the shoreline.

The Clure parcels are largely forested with second growth Douglas-fir, big leaf maple and a well-developed understory. There is an existing cleared utility easement that runs much of the distance to the water. It should be relatively easy to provide access for people with limited mobility along that easement as well as siting a more rustic trail to provide a different experience for visitors.

The acquisition is adjacent to Port of Lopez property around the airport which would allow provision of public access, and potentially parking off Shark Reef Road.

ACQUISITION PLAN

While acquisition of the northern parcel (Parcel A) alone would allow public access to the shoreline, the Clure family requires some level of commitment for acquisition of both parcel A and the southern parcel (Parcel B), because of their concern that creation public access would devalue the remaining parcel.

In order to move this project forward, the Land Bank Commission is recommending moving forward with the purchase of Parcel A; closing on the property by the end of the year encumbered with a deed of trust to be paid in two annual increments ending in 2018.

The Commission is also recommending that the Land Bank purchase Parcel B, but not outlay a deposit for this acquisition. Rather, the purchase and sale agreement will specify that the Lopez community will raise \$50,000 toward this end. This commitment would be non-refundable. This property would also be subject to a deed of trust with an additional payment not required until December of 2018.

The Land Bank would seek grant funding for this purchase through the Washington Wildlife and Recreation Program Water Access Account and through the state Aquatic Land Enhancement Account in the next biennium starting in 2018. Should either or both of these grant applications succeed, the Land Bank would move to satisfy the deeds of trust on both parcels. However, should these efforts fail, and the community prove unable to raise additional funds, the Land Bank would only pay off the note on Parcel A. The contract on Parcel B could be assigned to another party or the Commission could decide to default on the purchase without having committed any public funds toward its acquisition.

COSTS:

A. Acquisition Costs

The purchase price for Parcel A of the property is anticipated to be \$410,000. However, this price will be substantiated by an appraisal. The purchase and sale agreement specifies that \$140,000 would be paid at closing in December 2016. Two additional annual payments would be made, \$140,000 in December 2017, and \$146,400 in December 2018, including 4% simple interest.

The purchase price for Parcel B is anticipated to be \$380,000, again, if substantiated by an appraisal. A \$50,000 down payment, derived from private donations, would be made at closing in December 2016. Provided grant or community funding is made available, additional payments would be made beginning in December, 2018 over a four-year period. Four percent simple interest would also accrue.

The Land Bank will incur appraisal costs of roughly \$4,000 and will incur closing costs, including title insurance not to exceed an additional \$5,000.

Total maximum Land Bank REET contribution anticipated: \$425,400.

B. Ownership Costs

Land Bank staff estimate that site enhancement costs for the property might total \$30,000 – 50,000 for signage and public visitation infrastructure. Annual maintenance and monitoring costs are estimated at \$5,000.

EXHIBIT A
CONTEXT MAP OF THE CLURE PROPERTY

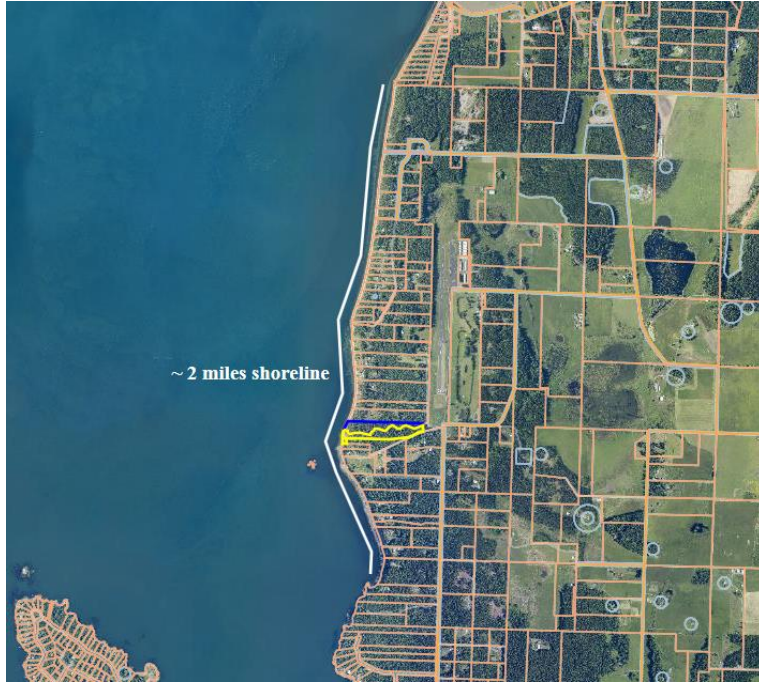


EXHIBIT B
MAP OF THE CLURE PROPERTY

