



San Juan County Land Bank
Amended 2017 Expenditure and Acquisition Plan

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1.A Conservation Area Fund 1021					
Revenue & Expenditure 2015 - 2016 and			Approved	Proposed	Proposed
Proposed Amended 2017 Budget			2017	Amendments	2017
	2015 Actual	2016 Actual	Budget	2017 Budget	Budget
Revenue					
Beginning Cash	3,826,054	4,217,261	3,874,302	924,140	4,798,442
Property Tax Revenue	298,197	303,471	361,590		361,590
1% RE Excise Tax (gross)	2,668,695	3,008,125	2,600,000		2,600,000
Federal Grants	-	0	1,000,000		1,000,000
State Grants	-	778,900	2,100,000		2,100,000
Payment In-Lieu of Property Tax (DNR)	166	178	200		200
Investment Interest	6,045	18,857	12,000		12,000
Donations from Private Sources	16,490	12,805	2,000		2,000
Miscellaneous revenue & refunds	4,292	0			
Sale of Land	47,500	0	550,000	60,000	610,000
Total Revenue	6,867,439	8,339,597	10,500,092	984,140	11,484,232
Revenue net of Reserves	3,041,385	4,122,336	6,625,790		6,685,790
Expenditures					
Restricted Acquisition Reserves	4,217,261	4,798,442	7,465,702	-1,144,060	6,321,642
Administrative Expenses	220,457	257,599	250,040	45,000	295,040
IT Services	1,756	6,566	7,820		7,820
GIS Services	6,206	-	0		-
Acquisition Costs	867,104	1,594,692	1,107,519	2,083,200	3,190,719
Land Bank 1% REET to General Fund	26,687	30,081	26,000		26,000
Bond Repayment	676,919	674,016	624,402		624,402
Transfers to Stewardship	851,050	978,201	1,018,609		1,018,609
Total Expenditures	6,867,439	8,339,597	10,500,092	984,140	11,484,233
Expenditures net of Reserves	2,650,179	3,541,155	3,034,390		5,162,590
Admin percentage of net revenue					4.41%
Amendments to Revenue reflect:	Beginning Cash - adjusted to actual				
	Sale of Land - the increase in appraised value of the Argyle Lots for resale				
Amendments to Expenditures reflect:	Restricted Acquisition Reserves adjusted to accommodate amendments				
	Administrative - the cost of the visitor assessment study in partnership with SJC Parks				
	Acquisition - increases in acquisition projects, detail on next page				

I B. Conservation Area Fund Detail of Acquisition Projects		Approved in 2017 Budget	Proposed Amendments	Proposed Amended 2017 Budget
District One				
Mount Grant Preserve (Lawson Ridge Acquisition)				
(approved 2015 Budget)				
Purchase Price, Closing & Other Costs (3 year contract)	500,000		500,000	
Zylstra Lake Acquisition				
(approved 2015 Amended Budget)				
Purchase Price, Closing & Other Costs (3 year contract)	250,000	1,981,000	2,231,000	
District Two				
District Three				
Double R Bar Ranch (Ritchie) CE				
(approved 2016 Budget)				
Purchase Price, Closing & Other Costs (3 year contract)	150,000	100,000	250,000	
Fisherman's Bay Tombolo Addition				
(approved 2016 Budget)				
Purchase Price, Closing & Other Costs	-	2,200	2,200	
Clure Shoreline parcels				
Purchase Price & Closing Costs	140,000		140,000	
Sub-total Acquisition Costs		1,040,000	2,083,200	3,123,200
Other Acquisition Costs		67,519		67,519
Total Acquisition Costs		1,107,519	2,083,200	3,190,719
Zylstra Lake Acquisition amendment made to use grant revenue to pay contract in full.				
Double R Bar Ranch CE amendment to bring forward amount budgeted in prior budget for 2017 closing.				
Fisherman's Bay Tombolo addition amendment to bring forward amount budgeted in prior budget for 2017 closing.				

				Proposed	Proposed
II.A. Stewardship & Management Fund 1031			Approved	Amended	Amended
Revenue and Expenditures 2015 - 2016 and	2015	2016	2017	2017	2017
Proposed 2017 Budget	Actual	Actual	Budget	Budget	Budget
Revenue		-		-	
Beginning Operating Cash	3,063,409	3,363,821	1,032,218	36,793	1,069,011
Beginning Endowment Funds			2,600,000	-	2,600,000
Grant Revenue	25,900	43,520		-	
Sale of Plant Materials		2,005	708	-	708
Investment Interest	30,188	39,469	33,750	3,900	37,650
Discounts on Investments				-	
Lease Income	2,193	3,385	4,116	-	4,116
Refund Prior Year Expenditures		863		-	
Private Gifts, Bequests	2,453	25,000	1,120	-	1,120
Preservation Trust Turtleback Stewardship			45,000	-	45,000
Judgments & Settlements	45,000			-	
Transfers from Conservation Area Fund	851,050	978,201	1,018,609	-	1,018,609
Total Revenue	4,020,193	4,456,264	4,735,521	40,693	4,776,214
				-	
Revenue net of reserves	956,784	1,092,443	1,103,303		1,107,203
				-	
Expenditures				-	
Ending Operating Cash	3,363,821	1,069,011	1,000,563	(25,136)	975,427
Ending Endowment Funds		2,600,000	2,900,000	32,650	2,932,650
Land Bank Stewardship & Management	442,051	516,880	619,737	16,267	636,004
Information Technology Services		17,361	20,980		20,980
GIS Services	282	8,364	8,073		8,073
Management & Maintenance	188,321	139,061	86,168	16,912	103,080
Site Enhancement	25,718	105,588	100,000		100,000
Total Expenditures	4,020,193	4,456,264	4,735,521	40,693	4,776,214
Expenditures net of reserves	656,372	787,253	834,958		868,137
Amendments to revenue reflect:	adjustment of beginning cash to actual and investment interest on new bond purchased 2/17				
Amendments to expenditures reflect:	the addition of investment interest to ending endowment funds purchase of a mower for use on Land Bank preserves hiring Salish Seeds intern & work crew funded by 2016 donation expenses for Deer Harbor dock removal				



ZYLSTRA LAKE PRESERVE



INTERIM MANAGEMENT PLAN November 2016

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Approved by Land Bank Commission: December 16, 2016

Approved by San Juan County Council: [Insert date]

Introduction

Zylstra Lake Preserve is a joint project of the San Juan County Land Bank and San Juan Preservation Trust (SJPT). Ownership was transferred to the organizations on December 15, 2015 following a \$350,000 down payment towards the \$3 million purchase price. The project goal is to protect Zylstra Lake's unique ecological, scenic, and agricultural resources and outstanding potential for recreational access. The 284-acre preserve is located at the northwest head of San Juan Valley on San Juan Island. The property borders two previously conserved lands – the Land Bank's 68-acre King Sisters Preserve to the north and the Preservation Trust's 725-acre Red Mill Farm Preserve to the east (Figure 1).

The dominant features of the Zylstra Lake Preserve are the two large water bodies – the roughly 50-acre “Zylstra Lake” and 7-acre “Lower Lake” (Figure 2). These man-made, in-stream lakes are located in the middle of False Bay Creek and the largest watershed in San Juan County (Figure 3). Water level management of the lakes is a key factor in determining downstream hydrology and ecology of False Bay Creek, as well as human uses such as water availability for livestock watering. The lakes were created in 1963 for agricultural irrigation purposes by constructing two earthen dams across False Bay Creek.

The lakes are surrounded by agricultural fields which in recent years have been used primarily for hay production and cattle grazing. Past agricultural endeavors include dairy cows, grain and fruit crops, as well as an ornamental holly farm. Willow and other water tolerant woody species ring the lake and upstream connection. Douglas fir forested areas are found scattered along the western and southern portions of the property. Two rocky balds with native prairie plant species are found at the northern edge of the preserve and a small rocky bald at the SE corner. A pleasant big leaf maple, grand fir, and Douglas-fir forested zone covers approximately 24 acres at the southern part of the property.

Future management will be determined with input from the public once the land has been paid for, probably no sooner than 2018. Potential uses include: recreational (wildlife viewing, swimming, boating, trails); environmental (protection and restoration of habitat for fish, birds, and other wildlife); and agricultural.

Ownership, interest, and future management will be influenced by funding sources. For example, one potential source of grant funding favors a “nature preserve” approach with less emphasis on recreation and farming. Other grants favor recreation or enhancement for native fish. While our goal is to manage the preserve for multiple purposes, it may not be able to do “everything” due to funding limitations and/or use conflicts.

The Land Bank is required to prepare a management plan for any given property in the year after its acquisition. Management plans are adopted by the Land Bank Commission following a public hearing, then ratified by the San Juan County Council, typically as part of the county budgetary process. They are to include a summary of annual, five-year, and

ten-year maintenance activities and improvements in substantive and financial terms (SJCC 2.120.120 Stewardship and management plan).

The Zylstra Lake Preserve Interim Management Plan will satisfy the above requirements. It will guide the care and stewardship of the land into the near future. Following a period of preserve inventory, assessment, and scoping, the Land Bank expects to prepare a more comprehensive and detailed plan, including expanded opportunities for public involvement and comment.

I. General Management

Zylstra Lake Preserve is being acquired from the Charles Tomas family estate, with the transfer of ownership having taken place in December of 2015 following a down payment of \$350,000 by the Land Bank. In August of 2016 a thirty-acre parcel known as “October Farm” (Figure 2) was resold for \$825,000. The Land Bank and the Preservation Trust are collaborating on several federal, state, and private grant opportunities with the goal of raising the remaining \$1.9 million by a deadline of December 15, 2018.

The October Farm parcel included the bulk of the residential and agricultural infrastructure. The original estate also included two hundred additional acres located to the east. While this parcel is also currently on the market and of considerable conservation value, it is not being pursued by the Land Bank and Preservation Trust due to financial constraints. During the fundraising period the two organizations are jointly managing the preserve with the Preservation Trust taking the lead on stewardship costs and managing agricultural activities. Ultimate ownership interests in the property remain uncertain and likely dependent on funding sources.

Historical and Cultural Resources

A historical analysis of the preserve was completed by Boyd Pratt shortly following the transfer of ownership. No cultural resources have been identified on the preserve. Consideration will be given for additional historical and cultural resource assessments.

Access Easements

Two access easements serve the Zylstra Lake Preserve. The primary access is a gated entry off of San Juan Valley Road (Figures 1, 2, & 3). A secondary easement enters via October Farm’s entry off of Valley Farms road. The main roads into the preserve are narrow, single lane, and surfaced with gravel. More primitive roads, primarily used for dam maintenance and agricultural purposes cross the dams and follow the perimeter of the west and north sides of the property. There is no easement on the existing main road which links the Zylstra Lake and Lower Lake parcels.

Power and Utilities Easements

The Town of Friday Harbor’s old waterline parallels the northern property line, but the westernmost portion of this was abandoned following the construction of a new water line buried in Wold and San Juan Valley Roads during summer of 2016. The Land Bank and Trust may pursue formal vacation of this easement. The current waterlines, meters, and associated infrastructure continue along the Zylstra Lake Preserve north boundary from the driveway east to the property corner. The Town, its agents and contractors, should have adequate access for maintenance, repairs, and meters for this section from the county right-of-way along San Juan Valley Road.

Utilities serving the October Farm are overhead electrical lines which cross the northern portion of the October Farm parcel from Valley Farms Road. An overhead line extends to an outbuilding on the Preserve. This will likely be disconnected as it runs off of the October Farm meter and neither organization currently has need for electrical access at the structure. An electrical extension to a separate transformer runs from October Farm to the Lower Lake dam. This was used to power an irrigation pump located in an outbuilding immediately east of the dam. The outbuilding is inaccessible due to encroachment by blackberries and other thorny shrubs. The condition of the pump is not known, but presumed not functional. There is no plans to utilize the pump or other electrical needs at this location and the transformer has been turned off.

Dams

Two earthen dams were constructed circa 1963 to create the upper and lower lakes. The impoundments were created to serve agricultural purposes. The Land Bank manages other properties with smaller earthen dams (Limekiln and Fowler's Pond preserves) and will use this experience in the maintenance and operation of the Zylstra Lake dams. Both dams are in need of assessment and possibly repair and upgrade. This will be evaluated during the interim process, especially in determining if the current designs will be adequate or need adaptations to meet ecological restoration goals. During the interim period we plan to maintain the existing facility and conduct repairs as necessary but otherwise not undertake large scale changes to the existing system. Should acquisition be successful, the Washington State Dam Safety office will be consulted in the development of a dam maintenance and operation manual for existing facility as well as any modifications for habitat, safety, agriculture, recreation, or other water resource management.

Water Rights

The Washington Water Trust contracted with Northwest Land and Water, a private consultant, to produce the 2016 Zylstra Lake Water Rights Management Assessment. According to the report, two water rights were associated with the construction of the lakes. The first was a Reservoir Water Right for 285 acre-feet of water to be used for irrigation of 295 acres. The second was a surface water right of 80 acre-feet for irrigation purposes of 40 acres. Initial inquiries indicate the reservoir water right is still valid and may be transferable to habitat and recreation purposes. The surface water right, however, has been lost due through Washington States "non-use" statute. Further assessment, clarification, and understanding of water rights will be critical to project goals.

In the 1980s a previous owner set about dredging the lake as they believed sediment had reduced its capacity. The work was initiated without permit and subsequently shut down by regulatory agencies. Numerous spoils piles dot the margins of the lake, particularly along the southeast portion.

II. Ecological Resources

The interim management goals for Zylstra Lake Preserve are to assess, maintain, and enhance its ecological resources. The emphasis during this period will be to increase understanding and knowledge of the preserve's natural features. This will be accomplished through regular monitoring as well as assembling an ecological assessment in collaboration with the Preservation Trust, local, state, and federal agencies, non-profits, universities and other special interest groups. Opportunities for restoration and research, in particular for anadromous fish, will be investigated.

The sheer size of Zylstra Lake Preserve provides many ecological benefits, but its long history of agricultural use has also impacted diversity and density of native species. Nonetheless, there are many interesting pockets along the margins of the lakes in addition to the obvious importance of the lakes and streams. A list of the priority habitats and species known or presumed to be on the preserve, as defined by the Washington Department of Fish and Wildlife (WDFW), is found in Appendix A. The lakes and surrounding fields are a particularly important resource for waterfowl, especially during the winter months. Access to the preserve will be limited between November and April to minimize disturbance. Biological surveys using staff, volunteers, contractors, and partner agencies have begun in order to create an inventory of species within the preserve.

Management activities in general will focus on control of invasive species and enhancing native species habitat as opportunities allow. Specific weeds which will be targeted for control include tansy ragwort, Scot's broom, bull thistle, Canada thistle, English hawthorn, English holly, Himalayan blackberry, evergreen blackberry, spurge laurel, common teasel, and white top.

Specific activities related to ecological resource management during the interim period include:

- Control of noxious weeds and invasive species using best management practices.
- Providing access for regular monitoring and ecological inventory by Land Bank, Preservation Trust, approved volunteers, contractors, and outside agencies.
- Mowing, trimming, and vegetation removal on roads and dams.
- Allow limited access for research and educational purposes
- Restrict access to the preserve between November and April in order to minimize disturbance to waterfowl.
- Construction and maintenance of fences, gates, and other agricultural infrastructure.
- Communication and collaboration with neighboring property owners regarding management of noxious weeds, invasive species, and other resource management issues.

III. Agricultural Resources

The interim management goals for Zylstra Lake Preserve agricultural resources are to maintain the existing agricultural uses and infrastructure and evaluate the preserve's agricultural potential. The San Juan Islands Conservation District, San Juan County Agricultural Resources Committee, San Juan Islands Agricultural Guild, and other groups and individuals will be enlisted to help in assessing the preserve's farming and farm lease potential. The Land Bank and the Preservation Trust will continue agricultural uses which were in place at the time the property was acquired. This includes grazing on the southern portion of the property and haying fields on the northern portion. A small portion of the property will also temporarily be used by Island Haven Animal Sanctuary for the rescue and care of large animals.

In addition to agricultural activities on the preserve, the water from the lakes is used for livestock watering by farmers downstream. The Land Bank and Preservation Trust will continue to work with these farmers to cooperatively manage the fresh water resources for agricultural purposes during the interim period.

While existing uses are continued, the Land Bank and Preservation Trust may require lessees to make some modifications in order to protect ecological resources, provide access to researchers, provide access for assessments, and ensure the safety of staff, visitors, lessees, contractors, and volunteers. Permission for short term use does not ensure nor imply long term access, which will be determined during management plan development if the acquisition is successful.

Specific activities related to agricultural resource management during the interim period include:

- Negotiation of leases or license agreements for agricultural activities on the preserve
- Control of noxious weeds and invasive species using best management practices
- Road construction and maintenance
- Operation, maintenance, and repair of dams
- Fence and gate construction and maintenance
- Mowing and trimming access roads
- Providing access for regular monitoring and assessment by Land Bank, Preservation Trust, approved volunteers, contractors, and outside agencies
- Identification and protection of significant conservation features

IV. Scenic and Recreational Resources

The goal for the interim management of Zylstra Lake Preserve's scenic and recreational resources is to maintain and enhance them as opportunities arise. While the long-term goal is to provide public access to the preserve, general open public access is not permitted under this plan. The property has not been used or developed for public access and remains a working farm with numerous hazards. A great deal of uncertainty remains on whether the fundraising efforts to purchase the remainder interest in the property will be successful and many questions remain regarding specific stipulations on public access that might be associated with the grant funding.

The Land Bank and Preservation Trust do not want to set up expectations for public access which may not be able to be met in the long term nor expend resources developing and managing access that is not secure. The Land Bank and Preservation Trust will look for opportunities to host small scale special events for the purposes of sharing research, education, soliciting input on the project and cultivating a shared vision for the future of the preserve. Some neighbors and other nearby residents have enjoyed permissive and non-permissive access to the property from previous owners. During the interim period, general access is prohibited without prior notice and permission from Land Bank or Preservation Trust.

In addition to recreational resources, islanders have long enjoyed the scenic vista of the preserve, especially from San Juan Valley Road. Efforts will be made to preserve and enhance these views.

Specific tasks related to scenic and recreational resources include:

- A recreational assessment will be developed. The analysis will consider trails, access points, fishing, swimming, non-motorized boating, parking, other infrastructure, construction and maintenance costs, collaborative management opportunities, and level of public interest in accessing this preserve.
- Maintain road, gate, and primitive perimeter road.
- Invite input from and communicate with neighbors and the general public.
- Work with WSU Master Gardeners and/or other groups to salvage Lebanon cedars planted along the Preserve's northern border

Annual Expense Totals

<u>Year</u>	<u>Amount</u>
2016	\$9,360
2017	\$9,270
2018	\$9,548
2019	\$9,834
2020	\$10,129

Five-year expenses

One-time expenses that the Land Bank expects to incur within the first five years (or, more likely, within the first year) of this interim management plan include:

Assessments

Recreational Assessment	500
Historical & Cultural Assessment	3,750
Ecological Assessment	1,200
Agricultural Assessment	500
<i>Subtotal:</i>	<i>\$5,950</i>

Planning

Restoration	\$8,000
Recreational	\$4,000
Grant Administration	\$2,500
<i>Subtotal:</i>	<i>\$14,500</i>

Signage

Design and fabrication	1,500
Installation	350
<i>Subtotal:</i>	<i>\$1,850</i>

Fencing

Design, tools, equipment	1,200
Construction (with volunteer contributions)	7,000
Materials	10,500
<i>Subtotal:</i>	<i>\$18,700</i>

TOTAL **\$41,000**

Ten-year expenses

None are anticipated under this interim management plan.

Public Comments

A public hearing on this plan was held on December 16, 2016. No public comments were received.

Public comments and questions are always welcome. The Land Bank can be contacted at:

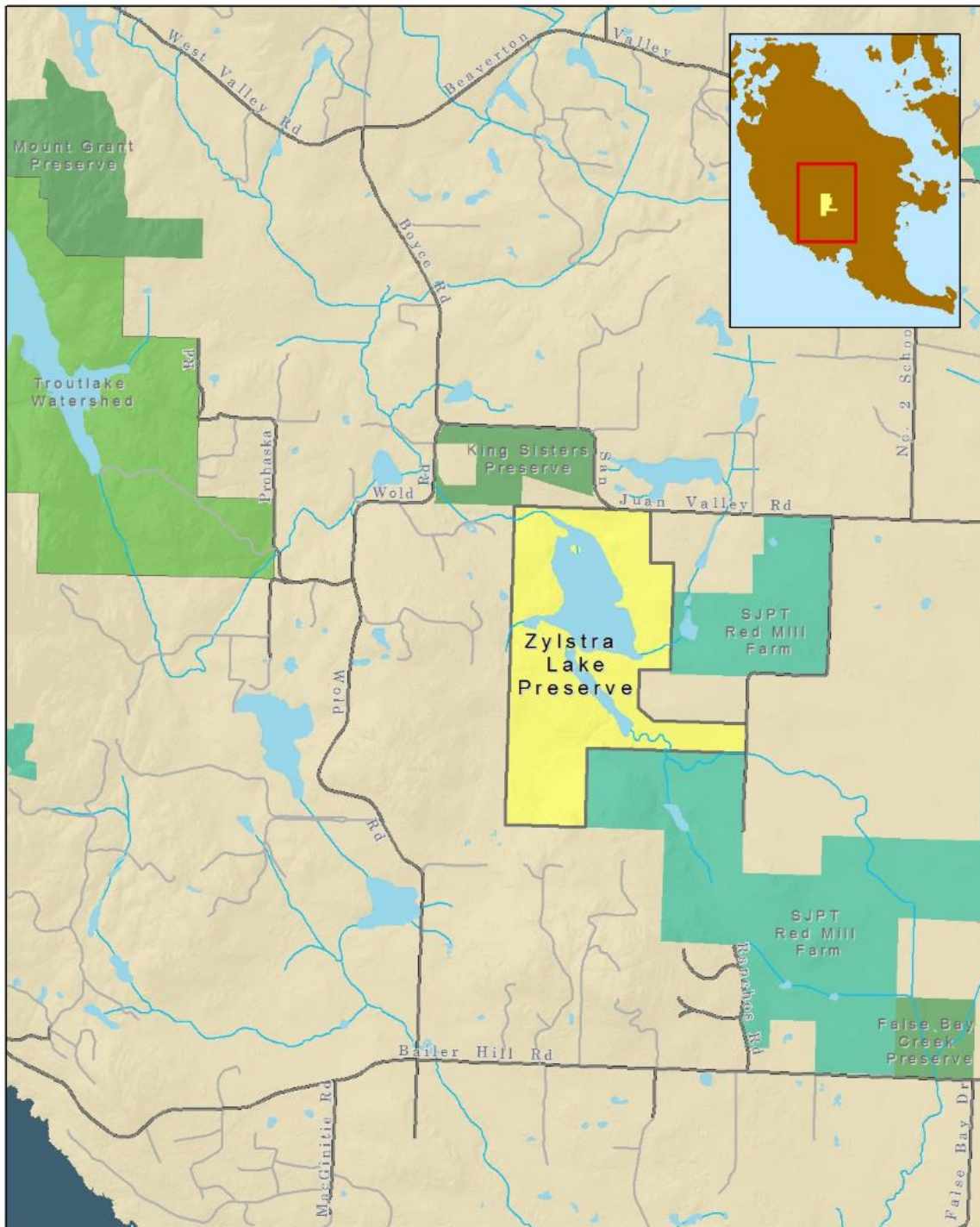
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Figure 1. Zylstra Lake Preserve Context Map



Zylstra Lake Preserve Context

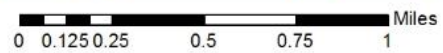
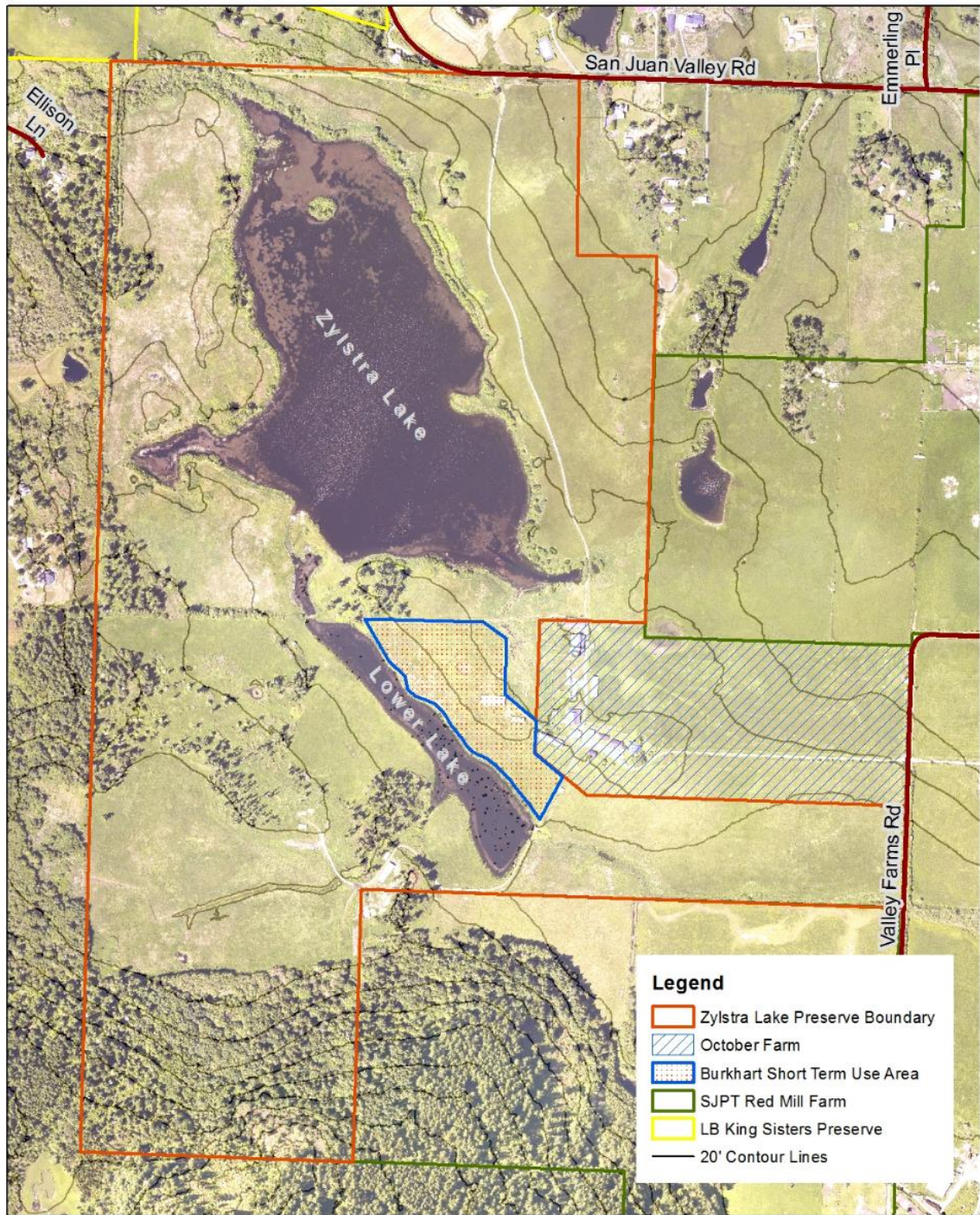


Figure 2. Zylstra Lake Preserve Topographical Map



Zylstra Lake Preserve Topographical Map

0 200 400 800 1,200 1,600 Feet

Figure 3. False Bay Watershed Map



Zylstra Lake Preserve - False Bay Watershed Context

Appendix A. Priority Habitats and Species

The Washington Department of Fish and Wildlife maintains a list of Priority Habitats and Species for each region of the state. Some listings are made based on ecological significance, others because of their importance as game animals. As defined in the current state Priority Habitats and Species List (2008, updated June 2016), three priority habitats, one habitat feature, and fifteen species have been identified or are suspected to be present at Zylstra Lake Preserve:

Habitats

- Fresh Water Wetlands and Fresh Deepwater
- Instream
- Westside Prairie/Herbaceous Balds

Habitat Features

- Snags and logs

Species

Fish

- Chinook Salmon*
- Coho Salmon*
- Chum Salmon*
- Sea-run Cuthroat Trout*

Birds

- Pileated Woodpecker
- Bald eagle
- Band –tailed Pigeon
- Great Blue Heron
- Cavity nesting ducks (Wood Duck, Barrow’s Goldeneye, Common Goldeneye, Bufflehead)
- Trumpeter Swan
- Waterfowl Concentrations
- Peregrine Falcon

Mammals

- Columbian black-tailed deer**

*Surveys by WDFW biologists and other organizations have identified these fish species as juveniles or adults within False Bay Creek system. Presence on the preserve is not known..

**Black-tailed deer are abundant and thriving in the San Juans and are not considered a priority species in the context of Land Bank management of this preserve.