



San Juan County Conservation Land Bank
PROPOSED
Third Amended 2022 Expenditure and Acquisition Plan
Second Amended 2023 Expenditure and Acquisition Plan

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|--|---|--------------------|--------------------|--------------------|-------------------|--------------------|
| I.A. Conservation Area Fund 1021 | | | | | | |
| 2021 Actuals and | | 12/7/2021 | 6/28/2022 | 9/13/2022 | | Proposed |
| Proposed Amended 2022 Budget | | Adopted | 1st Amended | 2nd Amended | Proposed | 3rd Amended |
| | 2021 Actual | 2022 Budget | 2022 Budget | 2022 Budget | Amendments | 2022 Budget |
| Revenue | | | | | | |
| | | | | | | - |
| Beginning Operating Cash | 5,321,935 | 2,542,316 | 7,550,200 | 7,550,200 | | 7,550,200 |
| Property Tax Revenue | 338,540 | 336,540 | 336,540 | 336,540 | | 336,540 |
| 1% RE Excise Tax (gross) | 6,725,012 | 4,000,000 | 4,000,000 | 4,000,000 | | 4,000,000 |
| Land Bank 1% REET to General Fund | (67,249) | (40,000) | (40,000) | (40,000) | | (40,000) |
| Federal Grants | | | | | | - |
| State Grants | 740,525 | 250,000 | 250,000 | 250,000 | | 250,000 |
| Payment In-Lieu of Property Tax (DNR) | 163 | 200 | 200 | 200 | | 200 |
| Investment Interest | 4,059 | 4,000 | 4,000 | 4,000 | | 4,000 |
| Donations from Private Sources | 722,516 | 2,500 | 1,502,500 | 1,502,500 | | 1,502,500 |
| Miscellaneous revenue & refunds | | | | | | - |
| Sale of Land | 847,977 | 356,250 | 356,250 | 356,250 | | 356,250 |
| Interfund Loan from Stewardship Fund | | | 3,000,000 | 3,000,000 | | 3,000,000 |
| Total Revenue | 14,700,728 | 7,451,807 | 16,959,691 | 16,959,690 | - | 16,959,690 |
| Revenue net of Reserves | 9,311,543 | 4,909,490 | 9,409,490 | 9,409,490 | | 9,409,490 |
| | | | | | | - |
| Expenditures | | | | | | |
| | | | | | | - |
| Restricted Acquisition Reserves | 7,550,200 | 2,309,121 | 2,300,079 | 2,450,079 | 992,120 | 3,442,199 |
| Administrative Expenses | 264,304 | 279,431 | 279,431 | 279,431 | 1,491 | 280,922 |
| IT Services | 14,144 | 26,707 | 26,707 | 26,707 | | 26,707 |
| GIS Services | 6,935 | 6,669 | 6,669 | 6,669 | | 6,669 |
| Acquisition Costs | 3,441,630 | 594,995 | 10,139,421 | 9,989,421 | | 9,989,421 |
| Stew Loan & Bond Repayment | 1,302,201 | 1,648,358 | 1,648,358 | 1,648,358 | (1,000,000) | 648,358 |
| Interest on Interfund Loans fr LB Stew | 6,450 | 37,500 | - | - | | - |
| Transfers to Stewardship | 2,114,863 | 2,549,025 | 2,559,025 | 2,559,025 | 6,389 | 2,565,414 |
| Total Expenditures | 14,700,728 | 7,451,807 | 16,959,691 | 16,959,690 | - | 16,959,690 |
| Expenditures net of Reserves | 7,150,527 | 5,142,685 | 14,659,611 | 14,509,611 | | 13,517,491 |
| Admin percentage of net revenue | 3.06% | 6.37% | 3.32% | 3.32% | | 3.34% |
| | | | | | | |
| Amendments to Revenue reflect: | 1st Amendment Beginning Cash adjustment | | | | | |
| | Donations from Private Sources to reflect SJPT Glenwood CE | | | | | |
| | Loan from Stewardship Endowment Fund for Glenwood purchase | | | | | |
| | 2nd Amendment None | | | | | |
| | 3rd Amendment None | | | | | |
| | | | | | | |
| Amendments to Expenditures reflect: | 1st Amendment Ending Cash adjustment | | | | | |
| | Acquisition Cost increase, removal of the interest payment from CAF for 2022 | | | | | |
| | 2nd Amendment adjusted acquisition cost to actuals, ending cash balance | | | | | |
| | 3rd Amendment payroll adjustment, interfund loan principal deferred to 2023, | | | | | |
| | Stewardship Site Enhancement adjustment, Ending Cash balance | | | | | |

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| | 12/7/2021 Adopted 2022 Budget | 6/28/2022 1st Amended 2022 Budget | 9/13/2022 2nd Amended 2022 Budget | Proposed Amendments | Proposed Amended 2022 Budget |
|--|-------------------------------------|---|--|------------------------|------------------------------------|
| I. B. Conservation Area Fund Detail of Acquisition Projects | | | | | |
| District One | | | | | |
| Hauschka Cady Mountain | | 200,000 | 200,000 | | 200,000 |
| \$800,000 over 4 years | | | | | |
| Hauschka Prohaska | | 200,000 | 200,000 | | 200,000 |
| \$800,000 over 4 years | | | | | |
| District Two | | | | | |
| Coho Preserve acquisition of water right | | | | | |
| purchase price | 250,000 | 250,000 | 250,000 | | 250,000 |
| Glenwood Inn | | | | | |
| Purchase price | | 6,580,000 | 6,430,000 | | 6,430,000 |
| District Three | | | | | |
| RR Bar Ranch Conservation Easement | | | | | |
| Final payment on Note | 150,000 | 150,000 | 150,000 | | 150,000 |
| Robinson (Hunter Bay) Conservation Easement | | | | | |
| Purchase Price | 125,000 | 125,000 | 125,000 | | 125,000 |
| Higgins (Watmough Bay) | | | | | |
| Purchase Price & Closing costs | | 2,564,426 | 2,564,426 | | 2,564,426 |
| Sub-total Acquisition Costs | 525,000 | 10,069,426 | 9,919,426 | - | 9,919,426 |
| Other Acquisition Costs | 69,995 | 69,995 | 69,995 | | 69,995 |
| Total Acquisition Costs | 594,995 | 10,139,421 | 9,989,421 | - | 9,989,421 |
| 1st Amendment: | | | | | |
| Glenwood Inn amended purchase, Hauschka budgeted | | | | | |
| Higgins actual purchase price | | | | | |
| 2nd Amendment: Glenwood Adjusted | | | | | |
| 3rd Amendment: None | | | | | |

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|---|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|
| II.A. Stewardship and Management Fund 1031 | | | | | | |
| 2021 Actuals and | | 12/7/2021 | 6/28/2022 | 9/13/2022 | | Proposed |
| Proposed Amended 2022 Budget | | Adopted | 1st Amended | 2nd Amended | Proposed | Amended |
| | 2021 Actual | 2022 budget | 2022 Budget | 2022 Budget | Amendments | 2022 Budget |
| Beginning Operating Cash | 858,526 | 1,275,664 | 1,668,344 | 1,668,344 | | 1,668,344 |
| Beginning Endowment Funds | 4,624,055 | 2,135,005 | 5,135,161 | 5,135,161 | | 5,135,161 |
| Grant Revenue | 34,941 | 170,641 | 170,641 | 170,641 | | 170,641 |
| Sale of Plant Materials | 17,573 | 12,000 | 12,000 | 12,000 | | 12,000 |
| Judgments & Settlements | | - | | | | - |
| Investment Interest | 4,656 | 2,000 | 2,000 | 2,000 | | 2,000 |
| Interest on Interfund Loan to CAF | 6,450 | 37,500 | - | | | - |
| Lease Income | 32,043 | 27,400 | 27,400 | 27,400 | | 27,400 |
| Sale of Surplus | 637 | - | | | | - |
| Private Gifts, Bequests | 2,915 | 2,500 | 2,500 | 2,500 | | 2,500 |
| Sales Tax Remittances | 1,363 | 600 | 600 | 600 | | 600 |
| Interfund Loan Principal from CAF | 565,000 | 1,000,000 | 1,000,000 | 1,000,000 | (1,000,000) | - |
| Endowment transfer Conservation Area Fund | 500,000 | 500,000 | 500,000 | 500,000 | | 500,000 |
| Operations transfers Conservation Area Fund | 1,614,863 | 2,049,025 | 2,059,025 | 2,059,025 | 6,389 | 2,065,414 |
| Total Revenue | 8,263,024 | 7,212,335 | 10,577,671 | 10,577,671 | (993,611) | 9,584,060 |
| Operating Revenue net of reserves | 2,780,441 | 3,801,666 | 3,774,166 | 3,774,166 | (993,611) | 2,780,555 |
| Expenditures | | | | | | |
| Ending Operating Cash | 1,668,344 | 1,275,664 | 1,668,344 | 1,668,344 | | 1,668,344 |
| Ending Endowment Funds | 5,135,161 | 3,674,505 | 3,637,161 | 3,637,161 | (1,000,000) | 2,637,161 |
| Administrative & Stewardship Management | 979,647 | 1,092,391 | 4,102,391 | 4,102,391 | 6,389 | 4,108,780 |
| Information Technology Services | 55,042 | 52,533 | 52,533 | 52,533 | | 52,533 |
| GIS Services | 6,934 | 6,668 | 6,668 | 6,668 | | 6,668 |
| Management & Maintenance | 345,742 | 637,574 | 637,574 | 637,574 | | 637,574 |
| Site Enhancement | 72,154 | 473,000 | 473,000 | 473,000 | | 473,000 |
| Total Expenditures | 8,263,024 | 7,212,335 | 10,577,671 | 10,577,671 | -993,611 | 9,584,060 |
| Operating Expenditures net of reserves | 1,459,519 | 2,262,166 | 5,272,166 | 5,272,166 | 6,389 | 5,278,555 |
| Revenue in excess of expenditures | 1,320,922 | 1,539,500 | (1,498,000) | (1,498,000) | (1,000,000) | (2,498,000) |
| Amendments to Revenue reflect: | | | | | | |
| 1st Amendment to adjust Beginning Cash and Endowment Funds, remove interest from the CAF loan for 2022 | | | | | | |
| 2nd Amendment None | | | | | | |
| 3rd Amendment reduce interfund loan principal, administrative adjustment | | | | | | |
| Amendments to Expenditures reflect: | | | | | | |
| 1st Amendment to adjust Restricted Reserves and Endowment Funds, increase the Administrative & Stewardship Management to include the loan to CAF | | | | | | |
| 2nd Amendment None | | | | | | |
| 3rd Amendment reduce Ending Endowment Funds, increase administrative expenses | | | | | | |

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|--|---|--------------------|--------------------|-------------------|--------------------|
| III.A. Conservation Area Fund 1021 | | | | | |
| Proposed Amended 2023 Budget | Proposed | 12/7/2021 | 9/13/2022 | | Proposed |
| | 3rd Amended | Adopted | 1st Amended | Proposed | 2nd Amended |
| | 2022 Budget | 2023 Budget | 2023 Budget | Amendments | 2023 Budget |
| Revenue | | | | | |
| Beginning Operating Cash | 7,550,200 | 2,309,121 | 2,309,121 | 1,000,000 | 3,309,121 |
| Property Tax Revenue | 336,540 | 336,540 | 336,540 | | 336,540 |
| 1% RE Excise Tax (gross) | 4,000,000 | 4,120,000 | 4,120,000 | (120,000) | 4,000,000 |
| Land Bank 1% REET to General Fund | (40,000) | (41,200) | (41,200) | 1,200 | (40,000) |
| Federal Grants | - | | | | - |
| State Grants | 250,000 | | | 1,750,000 | 1,750,000 |
| Payment In-Lieu of Property Tax (DNR) | 200 | 200 | 200 | | 200 |
| Investment Interest | 4,000 | 4,000 | 4,000 | | 4,000 |
| Donations from Private Sources | 1,502,500 | 2,500 | 2,500 | | 2,500 |
| Miscellaneous revenue & refunds | - | | | | - |
| Sale of Land | 356,250 | 428,820 | 428,820 | | 428,820 |
| Interfund Loan from Stewardship Fund | 3,000,000 | | | | - |
| Total Revenue | 16,959,690 | 7,159,981 | 7,159,981 | 2,631,200 | 9,791,181 |
| Revenue net of Reserves | 9,409,490 | 4,850,860 | 4,850,860 | | 6,482,060 |
| | - | | | | |
| Expenditures | | | | | |
| | - | | | | |
| Restricted Acquisition Reserves | 3,442,199 | 1,847,477 | 1,764,146 | 2,228,609 | 3,992,755 |
| Administrative Expenses | 280,922 | 281,831 | 289,280 | 100,000 | 389,280 |
| IT Services | 26,707 | 26,744 | 24,524 | | 24,524 |
| GIS Services | 6,669 | 6,912 | 14,117 | | 14,117 |
| Acquisition Costs | 9,989,421 | 72,362 | 74,094 | 650,000 | 724,094 |
| Stew Loan & Bond Repayment | 648,358 | 1,640,364 | 1,640,364 | | 1,640,364 |
| Interest on Interfund Loans fr LB Stew | - | 25,000 | 25,000 | 12,500 | 37,500 |
| Transfers to Stewardship | 2,565,414 | 3,259,291 | 3,328,456 | (359,909) | 2,968,547 |
| Total Expenditures | 16,959,690 | 7,159,981 | 7,159,981 | 2,631,200 | 9,791,181 |
| Expenditures net of Reserves | 13,517,491 | 5,312,504 | 5,395,835 | | 5,798,426 |
| Admin percentage of net revenue | 3.34% | 6.50% | 6.76% | | 6.60% |
| | | | | | |
| Amendments to Revenue reflect: | 1st Amendment: None | | | | |
| | 2nd Amendment: Beginning Cash increase, REET reduction, | | | | |
| | State Grants: | 1,000,000 | RCO ALEA | | |
| | | 500,000 | RCO SRFB | | |
| | | 250,000 | DOE Cascade Creek | | |
| | | 1,750,000 | | | |
| | | | | | |
| Amendments to Expenditures reflect: | 1st Amendment: Ending Cash adjustment, payroll adjustment, | | | | |
| | Acquisition Cost increase, Interfund Loan Interest increase, | | | | |
| | Transfer to Stewardship increase | | | | |

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| III. B. Conservation Area Fund Detail of Acquisition Projects | | 12/7/2021 Adopted 2023 Budget | 9/13/2022 1st Amended 2023 Budget | Proposed Amendments | Proposed Amended 2023 Budget |
|---|---|---|---|------------------------|------------------------------------|
| District One | | | | | |
| | Hauschka Cady Mountain | | | 200,000 | 200,000 |
| | First payment on note | | | | |
| | Hauschka Prohaska | | | 200,000 | 200,000 |
| | Down payment | | | | |
| District Two | | | | | |
| | Coho Preserve acquisition of water right | | | | |
| | purchase price | | | 250,000 | 250,000 |
| District Three | | | | | |
| | | | | | |
| Sub-total Acquisition Costs | | - | | 650,000 | 650,000 |
| | Other Acquisition Costs | 74,094 | 74,094 | | 74,094 |
| Total Acquisition Costs | | 74,094 | 74,094 | 650,000 | 724,094 |
| 1st Amendment: | | None | | | |
| 2nd Amendment: | | Hauschka Cady first note, Prohaska initial payment, Cascade Creek water rights purchase | | | |

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| IV.A. Stewardship and Management Fund 1031 | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| Proposed Amended 2023 Budget | Proposed | 12/7/2021 | 9/13/2022 | | Proposed |
| | 3rd Amended | Adopted | 1st Amended | Proposed | Amended |
| | 2022 Budget | 2023 Budget | 2023 Budget | Amendments | 2023 Budget |
| Beginning Operating Cash | 1,668,344 | 1,275,664 | 1,275,664 | 392,680 | 1,668,344 |
| Beginning Endowment Funds | 5,135,161 | 3,674,505 | 3,674,505 | (1,000,000) | 2,674,505 |
| Grant Revenue | 170,641 | 66,732 | 66,732 | 133,909 | 200,641 |
| Sale of Plant Materials | 12,000 | 12,000 | 12,000 | | 12,000 |
| Judgments & Settlements | | | | | - |
| Investment Interest | 2,000 | 2,500 | 2,500 | | 2,500 |
| Interest on Interfund Loan to CAF | | | | | - |
| Lease Income | 27,400 | 27,400 | 27,400 | | 27,400 |
| Interfund Loan Interest | - | 25,000 | 25,000 | 12,500 | 37,500 |
| Private Gifts, Bequests | 2,500 | 2,500 | 2,500 | | 2,500 |
| Sales Tax Remittances | 600 | 600 | 600 | | 600 |
| Interfund Loan Principal from CAF | - | 1,000,000 | 1,000,000 | | 1,000,000 |
| Endowment transfer Conservation Area Fund | 500,000 | 500,000 | 500,000 | | 500,000 |
| Operations transfers Conservation Area Fund | 2,065,414 | 2,759,291 | 2,828,456 | (359,909) | 2,468,547 |
| Total Revenue | 9,584,060 | 9,346,192 | 9,415,357 | (820,820) | 8,594,537 |
| Operating Revenue net of reserves | 2,780,555 | 4,396,023 | 4,465,188 | | 4,251,688 |
| Expenditures | | | | | |
| Ending Operating Cash | 1,668,344 | 1,275,664 | 1,275,664 | 392,680 | 1,668,344 |
| Ending Endowment Funds | 2,637,161 | 5,202,005 | 5,202,005 | (987,500) | 4,214,505 |
| Administrative & Stewardship Management | 4,108,780 | 1,182,709 | 1,256,366 | | 1,256,366 |
| Information Technology Services | 52,533 | 52,588 | 48,096 | | 48,096 |
| GIS Services | 6,668 | 6,911 | 6,911 | | 6,911 |
| Management & Maintenance | 637,574 | 809,315 | 809,315 | 37,000 | 846,315 |
| Site Enhancement | 473,000 | 817,000 | 817,000 | (263,000) | 554,000 |
| Total Expenditures | 9,584,060 | 9,346,192 | 9,415,357 | -820,820 | 8,594,537 |
| Operating Expenditures net of reserves | 5,278,555 | 2,868,523 | 2,937,688 | | 2,711,688 |
| Revenue in excess of expenditures | (2,498,000) | 1,527,500 | 1,527,500 | | 1,540,000 |
| Amendments to Revenue reflect: | | | | | |
| 1st Amendment to adjust Beginning Cash and Endowment Funds, remove interest from the CAF loan for 2022 | | | | | |
| Amendments to Expenditures reflect: | | | | | |
| 1st Amendment to adjust Restricted Reserves and Endowment Funds, increase the Administrative & Stewardship Management to include the loan to CAF | | | | | |

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PROJECT SUMMARY

PROJECT TITLE: HAUSCHKA PARCELS
PROPOSED ACQUISITION: ACQUISITION OF FEE TITLE INTEREST
OWNER: STEPHEN AND SARAH HAUSCHKA

PROPERTY DESCRIPTION

Location: San Juan Island; 1) Prohaska Road parcel, south of Mt. Grant; 2) Cady Mountain parcel, the summit of the mountain.

General Description: 1) The 40-acre Prohaska Road parcel is bounded on its north side by Mt. Grant Preserve, and on its west and south sides by the Town of Friday Harbor Trout Lake property; 2) The 40-acre parcel at the summit of Cady Mountain adjoins the Land Bank Preserve to the east and a 10-acre parcel of the Preserve to the south, currently only connected by a corner.

BACKGROUND

The Land Bank has worked toward this acquisition for over a decade, with on-going conversations with the seller, site visits, and ultimately negotiations. These efforts preceded the original 2015 Mt. Grant acquisition. Once Mt. Grant was established, the Hauschka Prohaska Road parcel became even more important, particularly as a buffer to development.

The Cady Mountain parcel has been of keen interest to the Land Bank since the establishment of Cady Mountain Preserve in 2002, and the beginning of our Garry oak savannah restoration work. The parcel is hugely significant to that work, and perhaps equally as a key destination point for visitors to the Preserve.

CONSERVATION VALUES OF THE PROPERTY

Prohaska Road Parcel

This 40-acre parcel features 80 to 100-year-old Douglas fir-dominated forest and slopes gently upward toward Mt. Grant Preserve. There is also a seasonal creek stretching from its northwest to southeast corners. If developed, up to eight homesites could be created bound on Mt. Grant and the Town's Trout Lake property.

The property has a small cabin and two Texmo buildings which may be utilized as caretaker or conservation corps crew housing options. It connects directly to the public Prohaska Road at its southeastern corner. The current owners have allowed public access to the property for some time, and it does provide an alternate access to Mt. Grant. However, there are complications with the connection to the existing preserve due to restrictions in the easement for the main entrance road from West Valley Road.

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Cady Mountain Parcel

This 40-acre parcel contains significant Garry oaks and savannah as well as old growth Douglas-firs. Also, a wetland area at its north west corner adjoins the existing Land Bank Cady Mountain Preserve. Acquisition of this property would be a key addition to the Land Bank's ongoing Garry oak restoration efforts.

The open areas at the summit afford spectacular views to the south and east and create a natural destination point from the Land Bank's proposed trailhead along Three Corner Lake Road.

If left unprotected, property could be subdivided into four lots.

ACQUISITION DETAIL

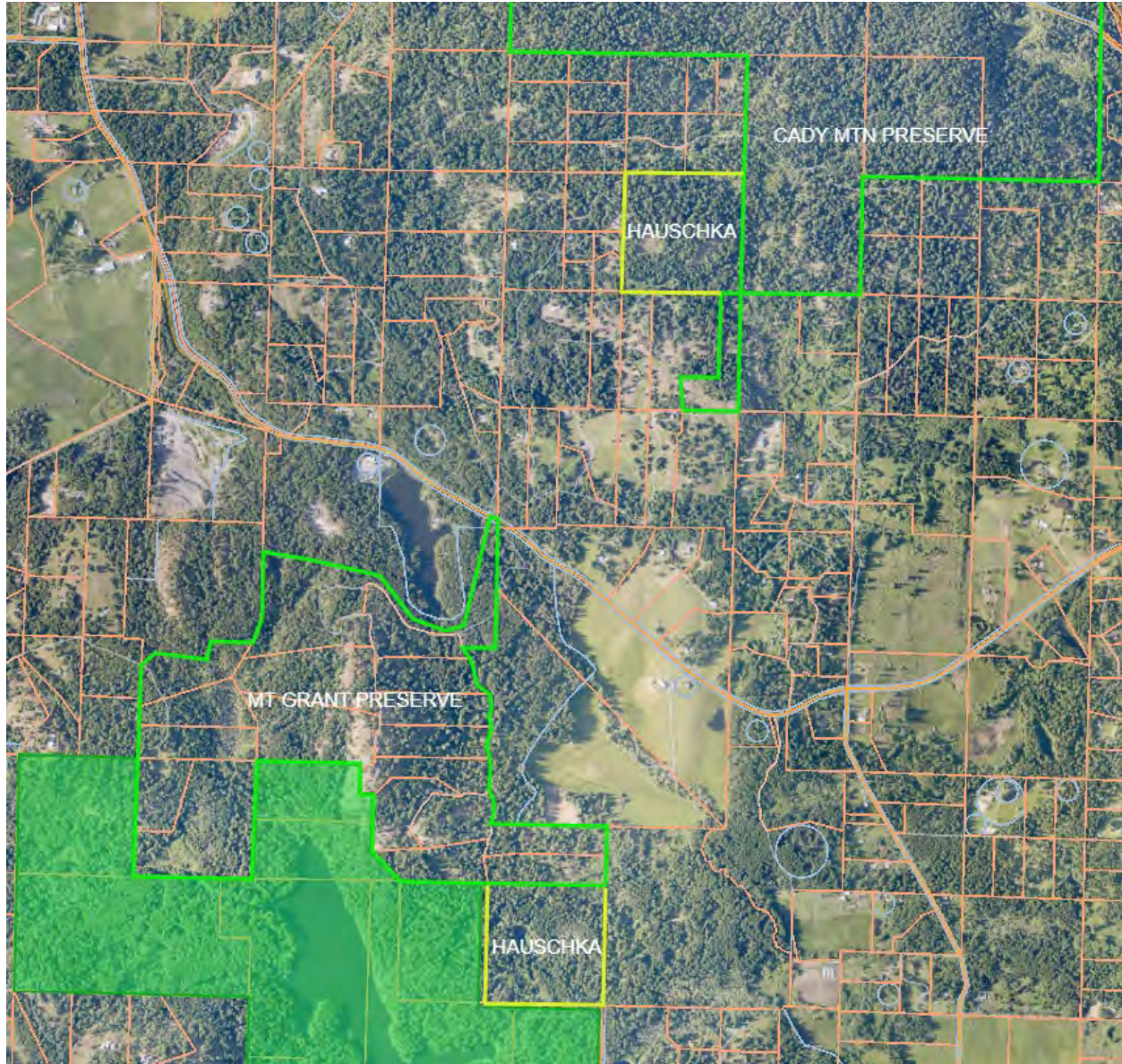
The Land Bank intends to partner with the San Juan Preservation Trust (SJPT) on both parcels, with SJPT contributing up to 50% of the purchase price for conservation easements. Staff are currently working on this agreement with the Preservation Trust. At present, the Land Bank Commission is recommending proceeding with the acquisitions regardless of the outcome of the partnership arrangement with SJPT.

- A. Acquisition Costs: The purchase price for each parcel is \$800,000 (\$1.6M total) which is anticipated to be at or below appraised value. The Hauschka's have offered to seller-finance the sale at 5% interest and the Land Bank is recommending an initial down payment of \$200,000 (\$400,000 total) on each parcel with the remainder to be paid off in three years. Should the Preservation Trust purchase conservation easements, these time periods would be condensed accordingly.
- B. Management Costs: Initial site stabilization costs would be relatively low for both parcels. Cady Mountain would be accessed by trail only from the existing preserve. A driveway, trails and limited parking already exist on the Prohaska parcel. Maintaining the infrastructure on this latter parcel will likely cost \$10,000 annually. Land management and restoration costs for both parcels are estimated at \$5,000 annually combined.

MANAGEMENT PLAN

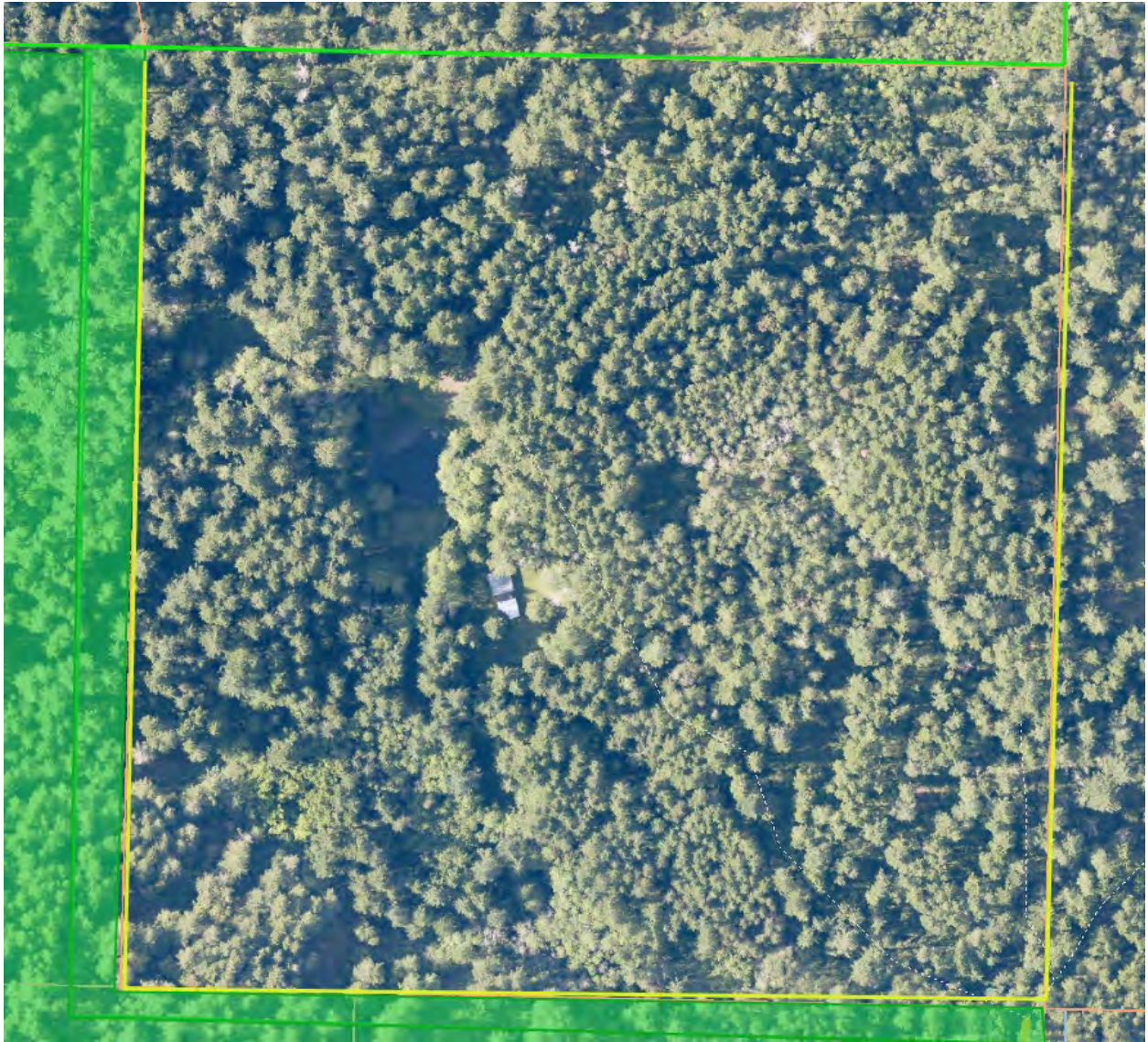
The Land Bank will incorporate both parcels into the management plans for Mt. Grant and Cady Mountain Preserves.

CONTEXT MAP FOR BOTH HAUSCHKA PARCELS



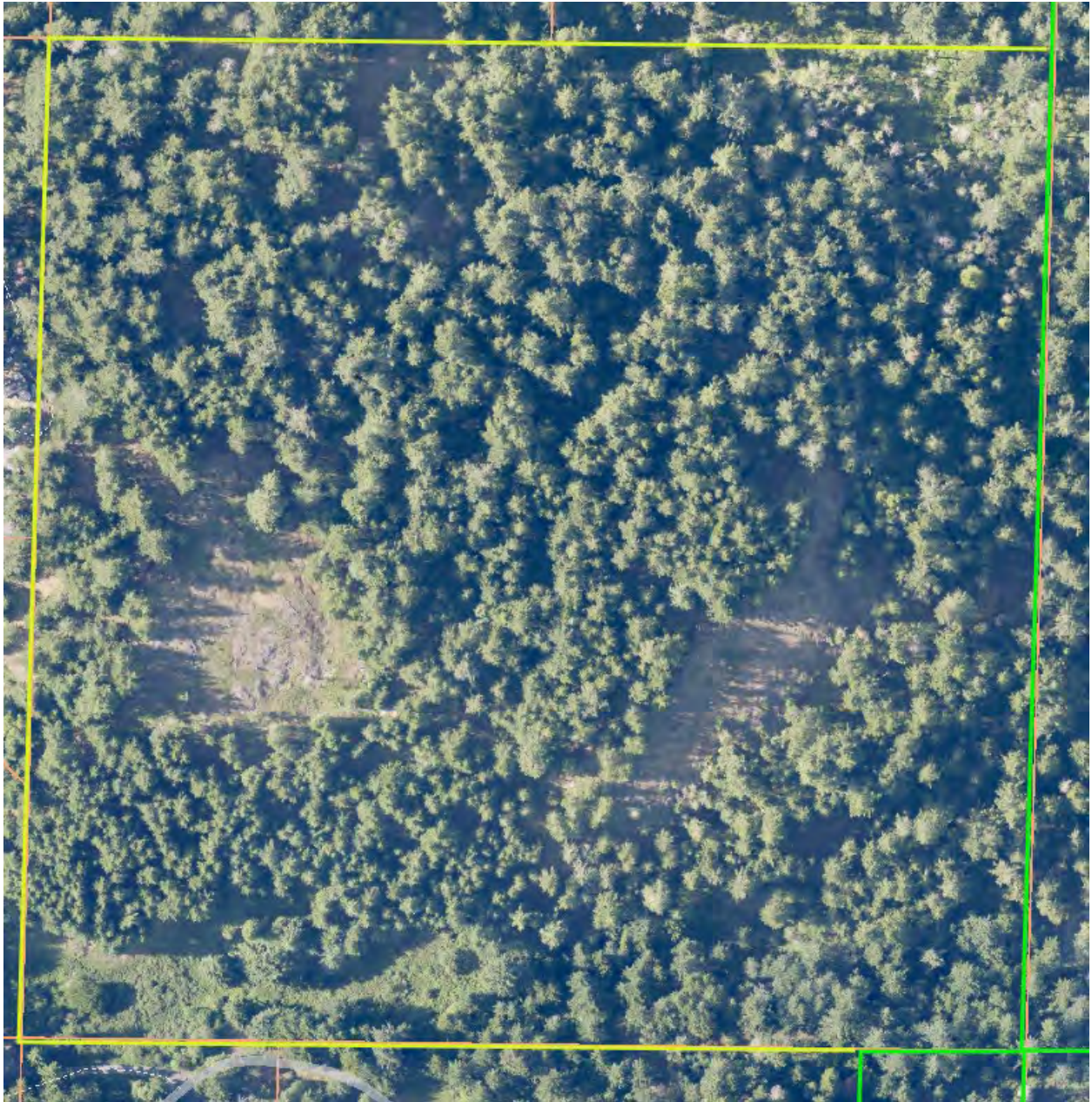
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AERIAL MAP OF THE HAUSCHKA PROHASKA ROAD PARCEL



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AERIAL MAP OF THE HAUSCHKA CADY MOUNTAIN PARCEL



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PROJECT SUMMARY

PROJECT TITLE: MCPEAKE (GLENWOOD INN)
PROPOSED ACQUISITION: ACQUISITION OF FEE TITLE INTEREST
OWNER: ESTATE OF DAVID AND LINA MCPEAKE

PROPERTY DESCRIPTION

Location: North Shore, Orcas Island

General Description: This roughly 58-acre property on the north shore has extensive high bluff and beach with an access road. The upland is largely forested with approximately six acres cleared. There are also a number of older structures formerly utilized for accommodating guests at the Inn.

CONSERVATION VALUES OF THE PROPERTY

The Glenwood Inn parcel features roughly 1/3 mile of shoreline, largely backed by high bluffs. This shoreform and location are high protection priorities for salmon recovery.

Aesthetically, the site offers unparalleled views of Patos, Sucia, and Matia Islands, with the Canadian Gulf islands to the northwest. Mount Baker is visible as well to the far east southeast. Directly east are the cliffs of Point Doughty.

This is the largest parcel remaining in the immediate Eastsound area with the exception of Camp Orkila which is just to the south. Left unprotected, the site could be developed into as many as 11 homesites along the shoreline.

The upland area has significant cultural resources, being close to the approximate location of the historic Coast Salish village of T'qwá:leqs.

The site offers tremendous potential for access to one of the most dramatic beaches in the archipelago. In addition to the 1/3 mile on the property, there is tideland access to the Point Doughty Natural Area Preserve, managed by the Washington Department of Natural Resources. This area is currently only accessible from the water. Together, these properties would roughly double the amount of shore available for public access on the island. A County road connects directly to the south property line.

In addition, the site offers the possibility of serving as a base for kayakers overnighiting to the outer islands.

PARTNERS

The Land Bank would partner with the San Juan Preservation Trust (SJPT) on the proposed purchase, with each paying 50% and the Trust retaining a conservation easement on the property. The Preservation Trust would also work to secure stewardship funding for the project.

COSTS

- A. Acquisition Costs: The purchase price for this acquisition is anticipated to be roughly \$6,350,000.

The Land Bank would make the initial purchase with the Preservation Trust purchasing a conservation easement within 3 years under a contractual agreement.

- B. Management Costs: There would be significant cost associated with removal of the derelict structures on site, potentially in the \$250,000 range. Further site stabilization to allow public access (parking, trail enhancement, etc.), might approach an additional \$85,000. With this in mind, the Preservation Trust is applying for a Puget Sound Action and Recovery Fund grant which will include money for demolition and removal of structures on the shoreline.

MANAGEMENT PLAN

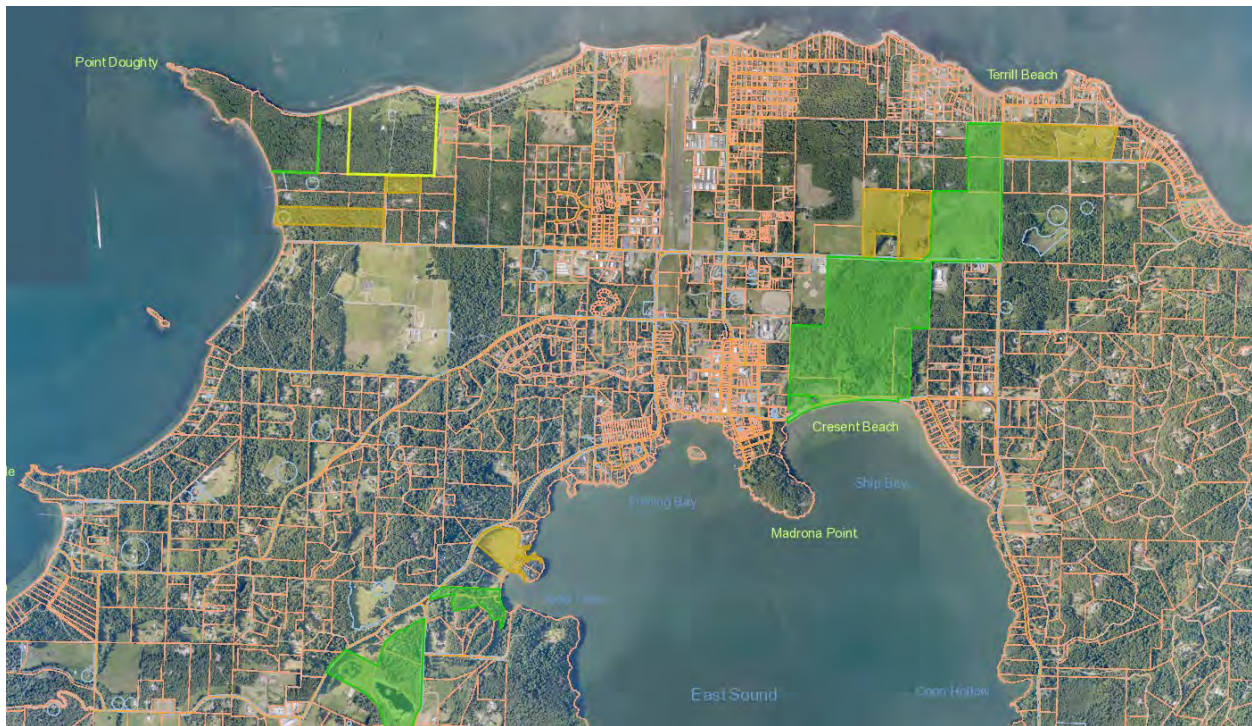
The Land Bank will initiate a management plan process in the first year of ownership. Given the level of interest in public access, an interim plan may be the best course, to allow some limited use while working through the details of the full plan.

AERIAL MAP OF THE MCKPEAKE (GLENWOOD) PROPERTY



Approved by SJC Land Bank Commission 11xx/2022
Approved by SJC Council by Ordinance No. xx/xx/2022

CONTEXT MAPS OF THE MCKPEAKE (GLENWOOD) INN PROPERTY



Approved by SJC Land Bank Commission 11xx/2022
Approved by SJC Council by Ordinance No. xx/xx/2022

AERIAL PHOTO OF THE MCKPEAKE (GLENWOOD) INN PROPERTY



Approved by SJC Land Bank Commission 11xx/2022
Approved by SJC Council by Ordinance No. xx/xx/2022

PROJECT SUMMARY

PROJECT TITLE: HIGGINS PROPERTY (WATMOUGH BAY)

PROPOSED ACQUISITION: ACQUISITION OF FEE TITLE INTEREST

OWNER: ESTATE OF GENE AND CAROL HIGGINS

PROPERTY DESCRIPTION:

Location: Watmough Bay, Lopez Island

General Description: This roughly 11.5-acre property is at the mouth of Watmough Bay with shoreline extending to the Rosario Strait. It is directly across from Boulder Island, part of the San Juan Islands National Wildlife Refuge.

CONSERVATION VALUES OF THE PROPERTY

The Higgins tract features roughly 1/3 mile of shoreline, including two pocket beaches. It is adjacent to conservation easement-protected property on both sides and connected to the Land Bank's existing Watmough Bay (Meng parcel). This is the last remaining unprotected property on the shore of Watmough Bay.

The shoreline is within a high priority area for salmon recovery, and it is the last remaining link of a 1.67-mile protected shoreline stretching from the north side of Watmough Bay to the Rosario Strait.

The upland area has significant cultural resources, including aboriginal shell midden and one of the first homesteads of European Americans. The existing house is the oldest on Lopez, constructed in the early 1870s, and a portion of the original orchard and other feature are still intact.

The property is also accessible from the Watmough Bay trailhead within the San Juan Islands National Monument. This proximity to conserved land, low bank waterfront, and sensational views of the Bay to the west and Mt. Baker and the mainland to the east make this property extremely attractive for public access.

PARTNERS

The Land Bank will purchase the property with the intent of reselling to the Bureau of Land Management (BLM) for inclusion in the San Juan Islands National Monument. Staff have confirmed that the property meets the prerequisites for acquisition by BLM, but the agency will not have funding for 3-5 years. It may be that the non-profit The Conservation Fund would step in as an intermediary buyer. It is also possible that BLM might decline purchasing the property,

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in which case the Land Bank would pursue sale of a conservation easement to the San Juan Preservation Trust.

COSTS

A. Acquisition Costs: The purchase price for this acquisition will be \$2,540,000 as supported by appraisal. The Land Bank has agreed to pay \$1.5 million at closing with SJPT reimbursing the County in 2022. An additional \$30,000 in transaction, appraisal and escrow fees is also likely to be incurred at closing.

B. Ownership Costs: Roughly \$15,000 for site enhancement to allow public access and annual maintenance costs of \$10,000 - \$15,000, depending on the condition of the structure and potential uses.

MANAGEMENT PLAN

The Land Bank will initiate a management plan process in the first year of ownership. Given the level of interest in public access, an interim plan may be the best course, to allow some limited use while working through the details of the full plan.

AERIAL MAP OF THE HIGGINS PROPERTY



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CONTEXT MAP OF THE HIGGINS PROPERTY



AERIAL PHOTO OF THE HIGGINS PROPERTY

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