Pasco Project

Purchase 08-092641
   Pasco Kahlotus Road

Land Bank Sales
02-092580 through 02-092588 (9)
   Pasco 16

Inter-Trust Exchange 86-092675
   Pasco Kahlotus Road – Pasco 16
Pasco Project

Property Locations

Pasco 16 Sale
Within Section 16, Township 9 N, Range 29 E, WM

Pasco Kahlotus Road Purchase
Within Sections 22, 23, 25, 26, 27, 34, 35, Township 9 N, Range 30 E, WM
Pasco Project

Benefits

• Common School trust acquires productive agriculture property that will produce revenue immediately

• Common School trust disposes of property that the legislature intends for residential use and is no longer appropriate for DNR to manage

• Water rights from both properties may be transferred to other properties to improve productivity and trust revenue
Pasco Project
Pasco Kahlotus Road Purchase

• 1246 acres of irrigated agriculture property

• Highly productive soils

• Location-specific warm climate allows long growing season

• Currently growing potatoes, onions, asparagus; suitable for many crop types

• Water rights can be transferred to improve productivity on other trust property
Pasco Project

Property Value

Purchase price: $25,000,000
Funded by Real Property Replacement Account and Land Bank

Existing leases will be acquired; current revenue is $727,000 per year (about 3% return)

Water rights are key value:
- Certificate provides about 5 acre feet of water annually; 3 acre feet of water is sufficient to irrigate property
- Remaining water can be transferred to other trust properties
- Improving productivity of additional trust properties increases rate of return
Pasco Project

Pasco 16 Land Bank Sale

- 230 acres of Common School trust land
- Residential-zoned lots proposed for sale at auction
- Water rights will remain with DNR for future transfer to other trust property
- Proposed sale portion will be exchanged into Land Bank
- Commercial-zoned lots will be retained by DNR for leasing
• Property has been surveyed into 11 lots; 9 lots proposed for sale
• Each parcel will be auctioned separately and sold to highest bidder
• Minimum bid is appraised value
• Sale proposal contingent on completion of purchase
### Pasco 16 Land Bank Sale

**Parcel Values**

<table>
<thead>
<tr>
<th>Parcel</th>
<th>Acres</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot 1</td>
<td>37.86</td>
<td>$2,660,000</td>
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<tr>
<td>Lot 2</td>
<td>22.28</td>
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<tr>
<td>Lot 3</td>
<td>25.15</td>
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<td>Lot 4</td>
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<td>Lot 5</td>
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<td>Lot 6</td>
<td>27.09</td>
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<td>Lot 7</td>
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<td>Lot 8</td>
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<td>Lot 9</td>
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<td><strong>Total</strong></td>
<td><strong>230.21</strong></td>
<td><strong>$9,266,000</strong></td>
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</table>
Pasco Project

Land Bank Exchange Process

Pasco Kahlotus Road Purchase

Inter-Trust Exchange – Land Bank

Pasco 16 Land Bank Sale
Pasco Project

Inter-Trust Exchange

Exchange Hearing

• Held May 28 in Pasco

• Testimony - One member of the public attended. No testimony was offered; they had general questions.
Pasco Project

Resolutions

The Department recommends adoption of Resolutions 1456 through 1466