Analysis

Department of Fish and Wildlife

Disaster Peak Ranch Property Acquisition

Analyst: John Terpening

Request: Approve the submission of a federal grant application by the Department of Fish and Wildlife to the U.S. Fish and Wildlife Service, in the amount of \$2.7 million for the acquisition of the Disaster Peak Ranch property.

Analysis: The Department of Fish and Wildlife (ODFW) is requesting approval to apply for a federal grant in the amount of \$2.7 million for the acquisition of the Disaster Peak Ranch property, also sometimes referred to as the McDermitt Creek property because it includes 15 miles of the creek and its tributaries.

This is an opportunity through the U.S. Fish and Wildlife Service (USFWS), Cooperative Endangered Species Conservation Fund: Recovery Land Acquisitions Grant program. These grant funds are part of the Endangered Species Act Section 6(c) grants, which provides Federal financial assistance to eligible State agencies to support the development and implementation of conservation programs for the benefit of resident listed species. This particular property is in southeastern Oregon and crosses into Nevada and has been identified as both a sage grouse stronghold and a Priority Area of Conservation by the USFWS and supports numerous fish and wildlife species.

Oregon and Nevada are jointly applying for these grant funds in order to purchase this property from the Western Rivers Conservancy, which purchased the property from private landowners in September 2020. Section 6 grants come with a 25% match requirement, however, joint state applications, such as this one with Nevada, reduce the matching requirement down to 10%. For the matching funds, ODFW can utilize the balance of its Ruby Pipeline Mitigation funds, which are funds stipulated to be used for the purchase of real property in the High Desert Region to restore priority wildlife and fish habitats. The Department has \$800,000 in remaining Ruby Pipeline Funds to provide as match. While this is more than the match requirement, grant applications that have greater than the minimum non-Federal cost share are prioritized, so this will increase ODFW's chances of being approved. The property totals 2,690 acres in Oregon and 655 in Nevada.

While ODFW is eligible to apply for the funds, the actual land ownership will go the Department of State Lands (DSL), as they currently own land near this property and the nearest ODFW office is 150 miles away. The property has active cattle grazing and would be managed similarly to how DSL manages other land in the area. DSL and ODFW will jointly work on formalizing responsibilities for each agency around this property and its management plan, which is required by the USFWS.

The original request of \$2.7 million represents the appraised value at the time Western Rivers purchased the property. The amount has since increased to \$2,750,000. The grant application is due April 9th, with anticipated awards notice by July 1, 2021. As a result, the federal funds and other funds limitation associated with this grant request would be included in the agency's 2021-23 budget if the grant is approved.

Legislative Fiscal Office Rec Service for a modified amou	commendation: Apprount of \$2,750,000, for t	ove the request to ap the acquisition of the	ply to the U.S. Fish Disaster Peak Ran	and Wildlife ch property.

Oregon Department of Fish and Wildlife Wittekind

Request: The Oregon Department of Fish and Wildlife requests authorization to apply for a \$2,750,000 federal grant from the U.S. Fish and Wildlife Service.

Recommendation: Approve the request.

Discussion: The Oregon Department of Fish and Wildlife (ODFW) requests authorization to apply for a grant from the Cooperative Endangered Species Conservation Fund through the U.S. Fish and Wildlife Service.

The purpose of the Cooperative Endangered Species Conservation Fund is to fund the Land Acquisitions Grant Program. If awarded, ODFW would use the funding for the acquisition of the Disaster Peak Ranch/McDermitt Creek property. The Oregon Department of State Lands would hold ownership of the property while ODFW would be involved in the creation of the property Management Plan.

The Management Plan would focus on support, enhancement, and recovery of habitats for Lahontan cutthroat trout, greater sage grouse, and other northern basin Oregon Conservation Strategy Species.

The grant opportunity opened on January 8, 2021 and applications are due April 9, 2021. ODFW plans to meet the matching requirement using \$800,000 in existing Other Funds within the Department's Major Construction/Acquisitions budget.



February 9, 2021

Department of Fish and Wildlife

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The Honorable Senator Betsy Johnson, Co-Chair The Honorable Senator Elizabeth Steiner Hayward, Co-Chair The Honorable Representative Dan Rayfield, Co-Chair Joint Committee on Ways and Means 900 Court Street NE H-178 State Capitol Salem, OR 97301-4048



Dear Co-Chairpersons:

Nature of the Request

The Oregon Department of Fish and Wildlife (ODFW) requests to submit a federal grant application to the U.S. Fish and Wildlife Service in the amount of \$2.7 million for acquisition of the Disaster Peak Ranch/McDermitt Creek property.

Background

On January 8, 2021, the U.S. Fish and Wildlife Services opened the Cooperative Endangered Species Conservation Fund: Recovery Land Acquisitions Grants program. The application period closes on April 9, 2021.

ODFW is working with Western Rivers Conservancy on the acquisition of Disaster Peak Ranch. The Oregon Department of State Lands would hold ownership of the property pending approval by their Board. ODFW would be involved in the creation of a Management Plan for the property, with the overall objective to support, enhance and recover the habitats that Lahontan cutthroat trout, greater sage grouse, and other northern basin Oregon Conservation Strategy Species depend on.

The Great Basin ecoregion of southeastern Oregon and northern Nevada sustains some of the best remaining sagebrush habitat in the West. The iconic sagebrush-steppe once covered 165 million acres across the western United States and Canada. Today, less than 10 percent of that habitat remains as suitable sage grouse habitat. As a result, more than 350 plant and animal species are at risk of local or regional extirpation, including the greater sage grouse, a charismatic bird that represents healthy sagebrush grasslands.

Disaster Peak Ranch boasts nearly 15 miles of McDermitt Creek and several key tributaries. The ranch and its surrounding landscape support numerous fish and wildlife species, including

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Lahontan cutthroat trout, greater sage grouse, Columbia spotted frog, pygmy rabbit, mule deer, California bighorn sheep, elk, bobcat, great horned owl, coyote, cougar, raccoon, muskrat, beaver, golden eagle and sandhill cranes. McDermitt Creek and the Trout Creek Mountains have been identified as both a sage grouse stronghold and Priority Area of Conservation by the U.S. Fish and Wildlife Service, the highest level of protection the bird is currently afforded. McDermitt Creek also offers the best opportunity to restore one of the West's most threatened fish species, Lahontan cutthroat trout. This acquisition would allow for restoration and reintroduction efforts that have the potential to connect 55 stream miles of Lahontan cutthroat trout habitat, while also improving the riparian habitat sage grouse depend upon.

Funding for this project will come from the U.S. Fish and Wildlife Services Cooperative Endangered Species Conservation Fund: Recovery Land Acquisition Grants program, along with the remainder of ODFW's Ruby Pipeline Mitigation funds, \$800,000. The purpose of the Ruby Pipeline funding is to mitigate impacts to fish and wildlife and their habitats by the construction of the Ruby Pipeline across part of Oregon. No ODFW license funds will be used towards the purchase of this property.

Agency Action

ODFW intends to submit a federal grant application for \$2.7 million from the U.S. Fish and Wildlife Service. If this grant application is approved, ODFW requests \$2.7 million Federal Funds expenditure limitation and \$800,000 Other Funds expenditure limitation in the agency's 2021-23 biennium budget within Major Construction/Acquisitions.

Action Requested

ODFW requests approval to submit a federal grant application to the U.S. Fish and Wildlife Service, through the Cooperative Endangered Species Conservation Fund: Recovery Land Acquisitions Grants program in the amount of \$2.7 million for acquisition of the Disaster Peak Ranch/McDermitt Creek property.

Sincerely,

Curtis E. Melcher

Curtis & Milus

Director