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November 8, 2011

Marc Duboiski, Grants Manager State of Washington Recreation and Conservation Office P. O. Box 40917 Olympia, WA 98504-0917

RE: Wilson Property – 165.65 acres; Township 36 N Range 27E Ptn. of Section 16 Request for Preapproval – Legal Access Requirement McLoughlin Falls 2010 – RCO # 10-1861A

Dear Mr. Duboiski:

The Department of Fish and Wildlife (WDFW) is prepared to acquire the Wilson Property. After review of the title commitment and in communications with the landowners, it has been determined that the property does not have legal access. Historically, the property was accessed via a county road from the south (Keystone Road) but the County vacated the road. Currently the landowners access the property from the north, on South Janis Road, a County Road, until the road crosses onto lands owned by BNSF Railway. Access continues on this private property, including four railroad crossings, until it reaches the Wilson Property.

Pursuant to RCO Acquisition Manual 3, Section 2, "Other Eligibility Requirements," because the property does not meet Legal Access Requirement Number 1, that being the property has "legal access," and because the property does not meet Legal Access Requirement Number 2, that being the property has "informal access," either across adjacent property owned by WDFW or access through existing (adjacent) public land, WDFW is requesting pre-approval by RCO to acquire the property under Legal Access Requirement Number 3, that being with "no access."

In compliance with this Legal Access Requirement Number 3, WDFW confirms -

- A. All reasonable alternatives have been exhausted:
  - 1) All recorded documents regarding access to the property have been researched;
  - 2) The landowners were requested to pursue securing legal access and were unable to obtain it;
  - 3) The County has been communicated with regarding the ability to re-obtain legal access from the south on the former county road (Keystone Road) and they have concluded that with the vacation action, they relinquished ownership of the former road lands; and,

- 4) Due to the steep and hilly terrain surrounding the property, numerous private properties, and with the Okanogan River on the west, there are no reasonable alternate access routes.
- B. The Wilson Property is critical to implementation of the project agreement
  - 1) It has approximately 6,000 feet of river frontage that are critical to salmon habitat protection and restoration and almost 100 acres of floodplain that benefit salmon and other wildlife;
  - 2) It has a historical use of agricultural practices, including irrigation and orchards, that are non-compatible with salmon habitat;
  - 3) It has the potential to be developed into uses non-compatible with salmon habitat; and,
  - 4) To date, it is the only property available for acquisition under this project agreement.
- C. The appraised value reflects a lack of legal access to the Wilson Property -
  - 1) It does more than just reflect a lack of legal access; after appraisal review, the appraised value has been adjusted lower to deduct the cost a buyer of the property could reasonably anticipate to occur over 50 years for paying for access to the property over the private lands, specifically compensating the BNSF Railway for rail road crossing permits. WDFW is currently communicating with BNSF Railway for such permits and access and does anticipate acquiring such, and although this still would not provide public access because of BNSF Railway liability concerns, it would allow RCO access and satisfy Section 16 of the "Standard Terms and Conditions" of the project agreement, "Sponsor shall provide right of access to the project to RCO to monitor and evaluate performance, compliance, and quality assurance."

In consideration of the above information, and pursuant to RCO Acquisition Manual 3, Section 2, WDFW respectfully requests RCO pre-approval to acquire the Wilson Property without legal access. Should you have any questions, please don't hesitate to call me at (360) 902-8149.

Sincerely,

Dan Budd, Manager Real Estate Services

DB:TW:JLS

cc: Jennifer Quan
Thomas Woodruff
June Skye
Terry Preston
Lisa Nelson
Susie Rathke



