

BACKGROUND

The Port of Everett and Wildlands of Washington LLC are the owners of real property located adjacent to County owned property currently protected from inundation by an agricultural dike located on the adjacent private property.

The Port of Everett and Wildlands have obtained permits for the Blue Heron Slough Restoration Project (Restoration Project) to remove portions of the agricultural dike located on private property for mitigation bank purposes.

The County owns an access easement over a portion of the adjacent private property for the purpose of accessing the County owned Property. The County owned Access Easement crosses a remnant slough rendering the County Property accessible by boat only, and has not been utilized by the County for this reason.

In connection with the development of the Restoration Project, Wildlands intends to construct four (4) dike breaches on private property to connect the restored estuary on the Restoration Site to Steamboat Slough and Union Slough.

The Restoration Site and the County Property were historically part of the Snohomish Estuary. Restoration of diked lands to historic estuary is consistent with salmon recovery goals.

Upon completion of the breaching of the dikes, the County Property and a larger portion of the Access Easement will be inundated and restored to estuarine habitat. Only a portion of the County property is currently protected by the dike, consisting of approximately 4 acres. The remainder of the property is estuarine habitat. The County Property and the Access Easement were originally purchased by the County using Aquatic Land Enhancement Account ("ALEA") funds from the State Recreation and Conservation Office ("RCO"), Project number AL-31, for the purpose of protecting and restoring wetlands.

The purpose of the Restoration Project is estuarine wetland restoration, the Restoration Project and its effect on the County Property and the Access Easement have been determined by RCO, to be consistent with the stated purposes of the original acquisition grant used to purchase the County Property and Access Easement.

RCO Manual 7 Long Terms Obligations prohibits conveyance of a property interest to a third party not eligible to receive grants from the program that funded the original County land acquisition, the Land Use Agreement between the parties is in lieu of the granting of a Flowage Easement. Wildlands and the County desire to enter into this Land Use Agreement for the purpose of setting forth the terms and conditions on which Wildlands will inundate the County Property and Access Easement, and compensate the County for said inundation caused by Wildlands' breaching of the dikes.

The negotiated amount to be paid to the County for the Land Use Agreement is \$4,400.00; and