

January 23, 2017

Department of State Lands

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State Land Board

Kate Brown Governor

Dennis Richardson Secretary of State

> Tobias Read State Treasurer

The Honorable Nancy Nathanson, Co-Chair Joint Committee on Ways and Means 900 Court Street NE H-178 State Capitol Salem, OR 97301-4048

The Honorable Richard Devlin, Co-Chair

Dear Co-Chairpersons:

Notification of Intent to Apply for a Federal Grant

The purpose of this letter is to provide notification to the Joint Committee on Ways and Means that the Department of State Lands (Department) and the South Slough National Estuarine Research Reserve (Reserve) intend to apply to the National Oceanic and Atmospheric Administration (NOAA) Federal Grant: National Estuarine Research Reserve System (NERRS) Land Acquisition and Construction Program for Fiscal Year 2017. The amount of the grant request is \$800,000. This amount will include purchase price, appraisal (land and timber), environmental survey, and escrow and title fees.

Agency Action

The application timeline for this funding opportunity does not allow the agency to seek prospective approval to apply for the grant. The call for proposals was issued on November 21, 2016. The Reserve has an acquisition proposal planned and next steps are pending this funding opportunity. The deadline for the grant application is February 3, 2017 and, if awarded, funds will be available July, 1, 2017.

Background

The South Slough NERR (Reserve) is requesting an \$800,000 grant from NOAA for the permanent acquisition of 80 acres of upland habitat in the South Slough watershed surrounding Winchester Creek, the primary freshwater source into the Reserve. There has been a longstanding effort to conserve the coastal wetlands and watersheds in the South Slough. The Reserve Management Plan identifies this area as a high priority acquisition area. The acquisition will allow the parcel to be managed in accordance of the Reserve's administrative rules, while compensating the Common School Fund for its potential loss of revenue. NOAA funds will be used to acquire fee simple title to these forested lands.

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The required match of \$400,000 will be supported by indirect administrative costs and in-kind contributions by SSNERR personnel and by the forgone value of timber on the acquired parcel.

Thank you for your interest and assistance. If you have any questions, please contact Cyndi Wickham at 503-986-5227.

Sincerely,

James T. Paul Director

Cc: Jason Miner, Office of the Governor Steve Elzinga, Office of the Secretary of State Chelsea Brossard, Oregon State Treasury Lisa Pearson, DAS Chief Financial Office Matt Stayner, Legislative Fiscal Office Cynthia Wickham, Assistant Director, ODSL