Dry Hill

Proposed Trust Exchange

Grays Harbor and Clallam Counties
Dry Hill Exchange

Introduction

- Anderson & Middleton Company proposed an exchange of their Clallam property for trust property in Grays Harbor.

- A&M property is main entrance point to the Dry Hill block in Olympic Region.

- Public hearing held November 1, 2018. No testimony was received.
Dry Hill Exchange

Exchanger Parcel located in Clallam County

Dry Hill Exchange, 86-097444
Board of Natural Resources; July 2, 2019
Dry Hills Exchange

State Parcel located in Grays Harbor County
Dry Hill Exchange

Exchanger Property

- 60.94 acres
- Access from Hwy 101
- Adjacent to DNR-managed Dry Hill Block
- 53 acres of 25-yr reproduction timber, primarily Douglas-Fir
- Road is gated at property entrance

Section 13, Township 30 N, Range 7 W, Clallam County
Dry Hill Exchange

State Property

- 311.31 acres
- Access from county road
- Isolated from other DNR-managed areas
- 184 ac reproduction timber, age 11-17 yr
- 127 ac riparian & non-forest

Section 16, Township 19 N, Range 9 W, Grays Harbor
RCW 79.17.010 Exchange of state lands-Purposes-Conditions.

(1) The DNR may exchange state lands to:
   ▪ (a) Facilitate the marketing of forest products of state lands;
   ▪ (b) Consolidate and block-up state lands;
   ▪ (c) Acquire lands having commercial recreational leasing potential;

(2) Land exchanged shall not be used to reduce publicly owned forestland base

▪ Records since 1980 show that DNR’s land exchange program has produced a net gain of 101,875 forestland acres.
Dry Hill Exchange

Benefits

- The Clallam parcel captures additional value offsetting the acreage imbalance:
  
  - Secures all-purpose access to the 3000+ acre Dry Hill block.

  - Protects DNR from likely operational restrictions if developed for housing.

  - Avoids potential investment necessary for developing alternative access to the Dry Hill block.

- Greater rate of return expected for the future land value of the Clallam parcel over the Grays Harbor parcel.
### Dry Hill Exchange

#### Exchange Balance

<table>
<thead>
<tr>
<th>Asset</th>
<th>Acres</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Parcel</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and reproduction timber</td>
<td>311.31</td>
<td>$575,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$575,000</strong></td>
</tr>
<tr>
<td><strong>A &amp; M Parcel</strong></td>
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<tr>
<td>Land and reproduction timber</td>
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<tr>
<td>Cash</td>
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<td>$85,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
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<td><strong>$575,000</strong></td>
</tr>
</tbody>
</table>

Both properties appraised to market value, based on Forest Practices rules
Dry Hill Exchange

Resolution 1545