

**Southern Nevada Public Land Management Act
And/Or
Federal Land Transaction and Facilitation Act
Nomination for Acquisition of Environmentally Sensitive Land
Round 9**

RANCH NO. 1 CONSERVATION EASEMENT

1. NARRATIVE STATEMENT

a. Executive Summary: The proposed acquisition is for an agricultural conservation easement over approximately 350 acres of open farmland utilized by the landowner for livestock grazing and irrigated hay farming. These uses provide agricultural, local and migratory bird habitat and other wildlife habitat, floodplain functions such as groundwater recharge and flood dissipation, wetlands, riparian, open space, and scenic values that are of great importance to the people of Nevada and Douglas County. As the first cattle ranch and homestead in Nevada, Ranch No. 1 provides rich historical context for The Town of Genoa and the region. The first permanent structure built in Nevada is still visible from the main ranch yard, as well as the neighboring “Mormon Station,” both constructed by Col. John Reese in 1851. Acquisition of the conservation easement will yield significant public benefit by protecting these values in perpetuity and preventing development of the property for any purpose or in any manner that would conflict with such values.

b. Name of Property: Ranch No. 1 Conservation Easement

c. Nominating Entity: Terra Firma Associates, LLC
Mr. Jacques Etchegoyhen, Principal
P.O. Box 2469 or
1590 Fourth Street, Suite 204
Minden, Nevada 89423
(775) 782-9494
jacques@terrafirmallc.us

Owner’s statement includes authorization for Terra Firma Associates, LLC, to represent the Owner in the nomination process.

d. Property Owner: Ranch No. 1 Limited Partnership
P.O. Box 72
Genoa, NV 89411 or
1514 Douglas Avenue
Gardnerville, Nevada 89410
(775) 782-4505

e. Authorized Agent: Terra Firma Associates, LLC

f. Date Property Was Acquired: 1909

g. APNs: 1319-10-401-001
1319-10-701-001
1219-11-002-001

h. Legal Description:

Order No.: 060700244

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of DOUGLAS, described as follows:

Parcel 1:

"Centerville Lane Property"

All that certain lot, piece, parcel or portion of land situate, lying and being within the west 1/2 of Section 11, Township 12 North, Range 19 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

Commencing at the south 1/4 corner of aforesaid Section 11; thence along the south line of said section South 89°52'00" West a distance of 1321.31 feet to the southwest corner of the southeast 1/4 of the southwest 1/4 said Section 11; thence along the west line thereof North 00°10'30" West a distance of 30.00 feet to a point on the north right-of-way line of Centerville Lane which point is the TRUE POINT OF BEGINNING; thence continuing along said west line North 00°10'30" West a distance of 1,293.75 feet to the northwest corner of said southeast 1/4 of the southwest 1/4; thence along the north line thereof North 89°52'00" East a distance of 1,321.29 feet to the northeast corner of said southeast 1/4 of the southwest 1/4; thence along the east line of the west 1/2 of said Section 11 North 00°10'34" West a distance of 1,709.94 feet to a point of intersection with the extension of the southerly line of that parcel described in deed filed for record in Book 48, at Page 100, Official Records of Douglas County, Nevada; thence along said line South 70°59'47" West a distance of 1,664.32 feet to a fence corner as described in deed filed for record in Book 41, at Page 140, Official Records of Douglas County, Nevada; thence along the fence line as described in said deed South 01°18'08" West a distance of 1,169.94 feet; thence along said fence line South 89°34'45" West a distance of 814.31 feet; thence along said fence line South 03°28'01" West a distance of 1,294.30 feet to a point on the northerly right-of-way line of Centerville Lane; thence along said line North 89°52'00" East a distance of 1,180.70 feet to the TRUE POINT OF BEGINNING.

The Basis of Bearing for this description is the south line of the southwest 1/4 of Section 11, Township 12 North,
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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

Order No. 060700244

Range 19 East, M.D.M., Douglas County, Nevada which bears North 89°52'00" East as shown on the Record of Survey for Joy Whippie filed for record in Book 792, at Page 4440, as Document No. 284275, Official Records of Douglas County, Nevada.

Assessor's Parcel No. 1219-11-002-001

Parcel 2:

"Wasson Ranch East"

All that certain lot, piece, parcel or portion of land situate, lying and being within the southwest 1/4 and the southwest 1/4 of the southeast 1/4 of Section 10 and the north 1/2 of the northwest 1/4 and the west 1/2 of the northwest 1/4 of the northeast 1/4 of Section 15 all in Township 13 North, Range 19 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

Commencing at the section corner common to Sections 9, 10, 15 and 16, Township 13 North, Range 19 East, M.D.M. thence along the line between said Sections 15 and 16 South 00°09'11" East a distance of 1,315.69 feet to the southwest corner of the north 1/2 of the northwest 1/4 of said Section 15; thence along the south line thereof North 89°35'37" East a distance of 1,134.27 feet to a point on the centerline of Foothill Road as described in deed filed for record September 19, 1950, in Book Z of Deeds, at Page 282, Official Records of Douglas County, Nevada which point is the TRUE POINT OF BEGINNING; thence continuing along said south line North 89°35'37" East a distance of 2,156.47 feet to the southeast corner of the west 1/2 of the northwest 1/4 of the northeast 1/4 of said Section 15; thence along the east line of said west 1/2 North 00°19'09" West a distance of 1,318.61 feet to the northeast corner of said west 1/2; thence along the east line of the west 1/2 of the southwest 1/4 of the southeast 1/4 of aforesaid Section 10 North 00°03'42" West a distance of 932.97 feet to a point on the southerly right-of-way line of Genoa Lane; thence along said right-of-way line North 71°30'07" West a distance of 2,747.74 feet to an angle point; thence continuing along said right-of-way line North 71°38'33" West a distance of 464.76 feet to the beginning of a tangent curve to the right; thence continuing along said

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right-of-way line and curve which has a central angle of $01^{\circ}28'12''$, a tangent length of 128.68 feet and an arc length of 257.35 feet and whose chord bears North $70^{\circ}54'27''$ West a distance of 257.34 feet to a point on the west line of aforesaid Section 10; thence leaving said right-of-way line and along said Section line South $00^{\circ}07'55''$ East a distance of 291.69 feet to the northeast corner of Lot 45, in Block 14 of Townsite of Genoa and as described in deed filed for record April 4, 1975, in Book 475, at Page 165, as Document No. 79259, Official Records of Douglas County, Nevada; thence along the boundary of the parcel described in said deed South $73^{\circ}24'50''$ East a distance of 296.60 feet; thence continuing along said boundary South $00^{\circ}10'10''$ East a distance of 225.70 feet; thence continuing along said boundary North $87^{\circ}20'24''$ West a distance of 284.68 feet to a point on the west line of aforesaid Section 10; thence leaving said boundary line and along said section line South $00^{\circ}07'10''$ East a distance of 148.18 feet to the south 1/16 corner common to aforesaid Sections 9 and 10; thence continuing along the line between said sections South $00^{\circ}07'32''$ East a distance of 540.73 feet to a point on the centerline of Foothill Road as described in aforesaid deed (Z/282); thence along said centerline South $28^{\circ}34'43''$ East a distance of 2,381.61 feet to the TRUE POINT OF BEGINNING.

Subject to a right-of-way for Public Highway purposes as described in deed filed for record September 19, 1950 in Book Z of Deeds, at Page 282, Official Records of Douglas County, Nevada. (Foothill Road)

The Basis of Bearing for this description is the south line of the southwest 1/4 of Section 10, Township 13 North, Range 19 East, M.D.M., Douglas County, Nevada which bears North $89^{\circ}32'33''$ East as shown on the Record of Survey filed for record September 28, 1989, in Book 0989, at Page 3944, as Document No. 211937, Official Records of Douglas County, Nevada.

Assessor's Parcel No. 1319-10-401-001

Parcel 3:

"Slaughter House Ranch"

Continued on next page

Order No. 060700244

All that certain lot, piece, parcel or portion of land situate, lying and being within the east 1/2 and the southwest 1/4 of Section 10, Township 13 North, Range 19 East, M.D.M., Douglas County, Nevada and more particularly described as follows:

Commencing at the section corner common to Sections 9, 10, 15 and 16, Township 13 North, Range 19 East, M.D.M.; thence North $60^{\circ}47'07''$ East a distance of 2,732.33 feet to the southeast corner of Lot 34 of Pioneer Trail Subdivision as shown on the official map thereof filed for record in Book 45, at Page 739, as Document No. 34628, Official Records of Douglas County, Nevada; thence along the southeasterly line thereof North $36^{\circ}13'21''$ East a distance of 1,786.81 feet to an angle point; thence along the northeasterly line of said subdivision North $01^{\circ}38'03''$ East a distance of 959.48 feet to the northeast corner of Lot 26 of said Pioneer Trail Subdivision which point is on the southerly line of Genoa Lakes Subdivision filed for record in Book 393, at Page 3260, as Document No. 302137, Official Records of Douglas County, Nevada; thence along said southerly line South $70^{\circ}47'41''$ East a distance of 1,894.95 feet to a point on the east line of the northeast 1/4 of said Section 10; thence along said section line South $00^{\circ}01'09''$ East a distance of 426.01 feet to the east 1/4 corner of said Section 10; thence leaving said line South $89^{\circ}35'03''$ West a distance of 152.22 feet; thence South $18^{\circ}16'20''$ West a distance of 2,137.23 feet to a point on a fence line and the northerly right-of-way line of Genoa Lane; thence along said line North $71^{\circ}45'38''$ West a distance of 517.91 feet to a point on the west line of the southwest 1/4 of the southeast 1/4 of aforesaid Section 10; thence along said line North $00^{\circ}02'55''$ West a distance of 537.32 feet to the northeast corner of said southwest 1/4 of the southeast 1/4; thence along the northline thereof South $89^{\circ}34'34''$ West a distance of 657.61 feet to the northwest corner of the northeast 1/4 of the southwest 1/4 of the southeast 1/4 of said Section 10; thence along the west line thereof South $00^{\circ}03'42''$ East a distance of 314.82 to a point on a fence line and the northerly right-of-way line of Genoa Lane; thence along said line North $71^{\circ}36'17''$ West a distance of 949.48 feet to the TRUE POINT OF BEGINNING.

The Basis of Bearing for this description is the south line of the southwest 1/4 of Section 10, Township 13 North,
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Range 19 East, M.D.M., Douglas County, Nevada which bears North 89°32'33" East as shown on the Record of Survey filed for record September 28, 1989, in Book 989, at Page 3944, as Document No. 211937, Official Records of Douglas County, Nevada.

Assessor's Parcel No. 1319-10-701-001

IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED SEPTEMBER 7, 2000, BOOK 0900, PAGE 718, AS FILE NO. 498933, RECORDED IN THE OFFICIAL RECORDS OF Douglas COUNTY, STATE OF NEVADA.

i. **GPS Coordinates:** 39.0075’N, 119.8347’W; 39.0063’N, 119.8259’W; 38.9991’N, 119.8435’W; and 38.9951’N, 119.8320’W.

j. **County:** Douglas

k. **Congressional District:** District 2

l. **Acres:** +/- 370

m. **Acquiring Agency:** Bureau of Land Management, Carson City Field Office

n. Property Rights Offered for Purchase:

- Fee Acquisition of Land**
- Water Rights**
- Conservation Easement** (retirement of development rights, tie water rights to the land, protect agricultural and conservation values in perpetuity, etc): See Section 2, Conservation Easement Summary.
- Mineral Rights**
- Access Easement**
- Patented Mining Claims**
- Other**

o. Rights to Be Reserved:

- Access Rights**
- Water Rights**
- Mineral Interests**
- Development Rights**
- Other:** This is not a fee acquisition. Owners will reserve certain rights subject to the conservation easement.

p. Occupancy or Use Rights Held by Others: The property is being acquired as an agricultural conservation easement, and will continue to be used for agricultural purposes. It is envisioned, however, that the proposed conservation easement area will not include residences or developed areas. Therefore, there are no occupancy or use rights held by others.

- Are there caretakers living on the property? If yes, who owns the home in which the caretakers live?** No.
- Do any relatives, friends, associates, or other persons live on the property, with or without permission of the owner? If yes, indicate relationship and how long they’ve resided on the property, the type of dwelling, and who owns the dwelling.** No.
- Does anyone or any company use any part of the property for agricultural or other commercial purposes either full-time or part-time? How long have these**

activities been taking place? Yes. The Owners have used the property for agricultural purposes, full-time, since 1868.

- Does any person, company, or other entity regularly use any part of the property for any reason whatsoever (e.g., temporary storage of personal or business property, hold annual or periodic events of any kind, etc.)?** No.

q. Does any Other Person, Company, or Other Entity Own Rights to Surface Water on the Property, or have Wells, Piping, or Other Works for Diversion and/or Distribution of Ground or Surface Water from or over the Property? Yes. The Town of Genoa has a municipal water line that runs across a portion of the property.

r. Asking Price: \$9,000,000 (Note, however, that the owner is genuinely interested in making a substantial charitable contribution that would significantly reduce the asking price to below \$9,000,000. On August 17, President George W. Bush signed into law the Pension Protection Act of 2006, which, among other things, expanded the federal conservation tax incentive for conservation easement donations. Unfortunately, as presently drafted, the law expires on December 31, 2007, and it is unclear whether Congress will make the tax incentives permanent.)

First Comparable Recent Land Sale: Eagle Ridge

- 1) **Location of the Comparable Property:** Eagle Ridge, northern edge of Genoa, about one mile from the subject property.
- 2) **Number of Acres:** +/- 315
- 3) **Date of Sale:** 2/12/2004
- 4) **Sale Price:** \$7,500,000
- 5) **Seller and Buyer Names:** Michael Gilbert, seller, to Eagle Ridge, LLC, buyer.
- 6) **Fee or Partial Interest:** Fee sale, including development entitlements. There were no water rights.
- 7) **Nature of the Comparable Property:** Nearly identical to the subject property. Adjacent to town infrastructure, medium density residential, but in a slightly less desirable location. The comparable property has 15 dwelling units less than the subject property.
- 8) **Buyer's Proposed/Intended Use for the Comparable Property:** Subdivision of 55 medium density residential dwelling units, whereas subject has 60.
- 9) **Calculations:** The comparable property should be adjusted upward by 20% to account for the appreciation in land values that occurred since its sale in February, 2004. The adjusted lot entitlement value here approaches \$180,000, though this comparable has outstanding views.

Second Comparable Recent Land Sale: Genoa Lakes

- 1) **Location of the Comparable Property:** Genoa Lakes, northeastern edge of Genoa, about one mile from the subject property.
- 2) **Number of Acres:** +/- 177 acres
- 3) **Date of Sale:** 11/17/2005
- 4) **Sale Price:** \$23,000,000

- 5) **Seller and Buyer Names:** MDA Enterprises, seller, to Four Creeks Visalia, LP, buyer.
- 6) **Fee or Partial Interest:** Fee sale, including enough water to serve the entitled development.
- 7) **Nature of the Comparable Property:** Similar to the subject property. Adjacent to town infrastructure, medium density residential, significantly more dwelling units allowed, though indicating a solid paper lot value comparable to the subject property.
- 8) **Buyer's Proposed/Intended Use for the Comparable Property:** Subdivision of 153 medium density residential dwelling units, whereas subject has 60.
- 9) **Calculations:** No appreciation since this sale, but another indicator of each lot entitlement having a market value very close to \$150,000.

Third Comparable Recent Land Sale: Montaña

- 1) **Location of Comparable Property:** Montaña at Sierra Nevada Gold Ranch, about three miles from the subject property.
- 2) **Number of Acres:** +/- 89 acres
- 3) **Date of Sale:** 10/12/2004
- 4) **Sale Price:** \$10,176,000
- 5) **Seller and Buyer Names:** Little Mondeaux Limousin Corp., seller, to Monterey Development Group, buyer.
- 6) **Fee or Partial Interest:** Fee sale, including enough water to serve the entitled development.
- 7) **Nature of the Comparable Property:** Like the subject property. Adjacent to infrastructure, medium density residential, a few more dwelling units allowed than the subject property.
- 8) **Buyer's Proposed/Intended Use for the Comparable Property:** 82 medium density residential dwelling units, whereas the subject property has 60.
- 9) **Calculations:** The comparable property should be adjusted upward by 20% to account for appreciation in land values that has occurred since this sale in October, 2004. This is another clear indication that each lot entitlement has a value very close to \$150,000 in this area.

s. General Description of the Property: Located in the heart of The Town of Genoa, Ranch No. 1 is the oldest ranch and homestead in Nevada. Colonel John Reese, owner of the adjacent Mormon Station, founded Ranch No. 1 in 1852, more than a decade before Nevada achieved statehood. Ranch No. 1 encompasses 370 acres of open farmland utilized for livestock grazing and irrigated field crop farming. The main portion of Ranch No. 1 encompasses approximately 328 acres and provides strong continuity with The Nature Conservancy's adjacent River Fork Ranch, upon which the BLM has acquired a conservation easement. Also, approximately one mile to the northeast of Ranch No. 1 is the 700 acre Galeppi-Byington Ranch conservation easement. Thus, a conservation easement on Ranch No. 1 will preserve a significant portion of an active wildlife corridor and complement nearby, similarly protected lands. Ranch No. 1 also has 1,665 acre-feet of water rights, of which some are the oldest water rights in the oldest irrigated valley in Nevada, dating back to 1852.

t. Brief Summary of Resource Values: Ranch No. 1 is part of a prime ecotone along the foothills of the Carson Range where 50 inches of precipitation might fall in a year. The transitional area between the Jeffery Pine forest in the nearby Sierra and the lush low-lands of the Carson Valley provides a critical wildlife corridor for species migrating between the lower and higher elevations. Ranch No. 1 is important for species that overlap into the fringe zones, including Goshawk, Cooper's hawk, Sharp-shinned hawk, Woodpecker, and Forest Passerines. Ranch No. 1 is located in an Audubon Society designated "Important Bird Area," attracting numerous raptors and waterfowl during the winter, and nesting songbirds in the spring and summer. Raptors flourish on Ranch No. 1, especially during the winter months. The open pastures and abundance of rodents provides a healthy habitat for birds of prey such as Red-Tailed Hawk, Swainson's Hawk, Cooper's Hawk, Sharp-Skinned Hawk, and Great Horned and Long-Eared Owl. Each year, Bald Eagles flock to the Carson Valley to feed on afterbirth during the winter calving season, and there have been numerous documented sightings of Bald Eagles on Ranch No. 1. The property's open range, irrigated pastures, and riparian areas provide a flourishing habitat for a variety of aquatically dependent bird species. Periodic surface irrigation provides critical aquifer recharge and provides habitat for waterfowl and inland shorebirds such as the Long Billed Curlew, White Faced Ibis, Willet, Killdeer, Black-neck Stilt, Snowy and Common Egret, and American Avocet. Other species that frequent Ranch No. 1 include Mule deer, Coyote, Red fox, Mink, River otter, Mountain Lion, Bobcat, Black Bear, and others. Ranch No. 1 also includes well established Cottonwoods and other upper-story vegetation that provide critical habitat and nesting areas.

u. Federally Approved Land Use Plan: Acquisition of a conservation easement on Ranch No. 1 is consistent with the 2001 BLM Carson City Field Office Consolidated Resource Management Plan/North Douglas Specific Area Plan in force for the area within which Ranch No. 1 is located. The Plan Amendment was prepared in 2001 to address the increased development pressure in the Carson Valley, and, among other things, stresses the importance of acquiring agricultural conservation easements on lands threatened by development. Ranch No. 1 has all of the following attributes, which are the highest priorities for acquisition by the BLM under this plan:

- The property is in active agricultural operation.
- The property is subject to imminent threat from development and its protection is in conformance with the Douglas County Master Plan.
- The property is within the 100 year floodplain.
- The property contains important wetlands and riparian wildlife habitat.
- The agricultural character of the property enhances scenic values.
- The property is of sufficient parcel size to be considered farmland.
- The property contains important cultural and historic values that would be protected by the acquisition.
- The property has other unique values in the public interest that would be protected by the acquisition

v. Federally Designated Area as Defined by FLTFA: The property is located adjacent to the Humboldt-Toiyabe National Forest, a "federally designated area" as that term is defined in the Federal Land Transaction Facilitation Act of 2000.

w. Hazardous Material, Safety, or Liability Issues: None. There are no known hazardous materials, safety, health, or other liability issues associated with the acquisition of a conservation easement on Ranch No. 1. This assessment is based on the owner's knowledge of historical uses of the property over the last 98 years, physical inspection of the property, and owner's knowledge that there are no legal or title issues associated with the property. No remediation is needed since there are no known liabilities.

2. CONSERVATION EASEMENT SUMMARY: Using SNPLMA funding, the BLM has already acquired a conservation easement on the Hussman Ranch, and has negotiated conservation easement language on four other ranch properties in the Carson Valley (White, Henningsen, Scossa, and Stodieck.) Therefore, it is envisioned that the definitive terms and conditions of this conservation easement will parallel that language already used by the BLM in the rest of its Carson Valley conservation easement program. A general summary of the conservation easement concept is as follows:

a. What are the natural resources the conservation easement will protect? The conservation easement will protect agricultural, local and migratory bird habitat, habitat for threatened and endangered species, winter habitat, other wildlife habitat, important flood plain functions of the Carson River such as groundwater recharge and flood dissipation, wetlands, riparian, open space, historic, and scenic view shed values.

b. If threatened and endangered species (T&E species) use the land, how will the conservation easement impact their use of the land, either positively or negatively? The conservation easement will positively impact threatened and endangered species use of the land. Such habitat exists because of the past 150 years of deliberate ranch management practices. This conservation easement will ensure that such management continues and that the attendant conservation values are thereby protected.

c. What are the primary rights to be acquired by the Federal agency? The BLM will acquire sufficient interest in the conservation easement area to ensure that the conservation values are protected in perpetuity, and to prevent incompatible uses. Specifically, the BLM will acquire all non-agricultural commercial, industrial, mining, and residential development rights, will tie the property's water rights to the land, and will have prior approval over modifications to vegetation in riparian areas.

d. What are the geographic boundaries of the proposed easement? The conservation easement will cover almost the entire 370 acres, with a small building envelope excepting the ranch headquarters.

e. How does the size and configuration of the easement facilitate protection of the resources? The size and configuration of this conservation easement appropriately facilitates the protection of resources by preventing any incompatible uses on almost the entire acreage of the property. Therefore, nearly all of the 450 acres remains available as habitat and for critical floodplain functioning.

f. What protective actions are to be granted to the Federal agency? To accomplish the purposes of this conservation easement, the BLM will have the right to make reasonable entry upon the property to inspect, monitor, enforce, and restore the conservation easement values. The BLM will also have the right to require restoration of damage from activities that are not permitted under the conservation easement.

g. What uses will the landowner be likely to want to continue? The landowner would like to continue agricultural uses of the property.

h. Will the conservation easement be likely to exclude a building footprint and the curtilage or area around the current improvements? Yes. It is presently envisioned that a building footprint/curtilage area will be provided around the ranch headquarters area. As discussed with the BLM regarding its ownership of other Carson Valley conservation easements, the BLM is primarily concerned with the resource values and environmental sensitivity of the land; it does not want the burden of managing the color, height, or architectural style of the associated buildings. That said, however, the landowners would be amenable to overlaying a separate historic or cultural conservation easement over the ranch headquarters area, understanding, of course, that such restrictions are burdensome and would necessarily drive up the value of the conservation easement at a time when SNPLMA funding is at an all-time low.

i. What restrictions are expected to be placed on how the property can be used? This conservation easement will prohibit the division, subdivision, or de facto subdivision of the property. It will prohibit the construction, relocation, or placement of structures or improvements that are not provided for. It will prohibit manufacturing, industrial, mining, or drilling operations and the exploration, development, extraction, severance or removal of natural resources found on the property. It will also prohibit any other uses that are incompatible with the conservation values of the easement.

j. Will the conservation easement allow regular public use of the land or access to other public land? Yes. While the conservation values of this property are best maintained through the continued operation of ranching practices, and providing the public with open access to the land would negatively impact such conservation values that the agricultural conservation easement intends to protect, the conservation easement would allow the public to regularly visit the property during: the annual Eagles and Agriculture event that is put on by the Carson Valley Chamber of Commerce and Visitors Authority, and the Historic Carson Valley Barn Tour.

k. What are the benefits of acquiring a conservation easement over fee acquisition? If BLM's the purpose is to protect the agricultural, local and migratory bird habitat and other wildlife habitat, floodplain functions such as groundwater recharge and flood dissipation, wetlands, riparian, open space, and scenic values, then acquiring a conservation easement is more beneficial than acquiring fee acquisition. It is cheaper to acquire a conservation easement than to acquire fee. Purchase of a conservation easement rather than fee acquisition will limit the federal footprint by keeping the land in private ownership and on the tax rolls. Also, a conservation easement requires less management resources from the Agency; yet, forever protects the conservation values by providing a mechanism for the long-term monitoring and evaluation of the conservation values, and requiring that the owners continue to manage the

property. Thus, acquisition of a conservation easement makes more practical sense because the Agency does not presently have the resources to manage the property it already owns, much less to acquire and operate an agricultural operation in fee.

3. LAND ACQUISITION NOMINATION ASSESSMENT QUESTIONS

CRITERIA 1. CONTRIBUTES TOWARD PRESERVATION OF A SPECIALLY DESIGNATED SPECIES.

A. Does the acquisition have a significant contribution toward preservation or recovery of one or more specially designated species present on the property? (Include both plant and animal.)

YES. Ranch No. 1 includes one or more specially designated species as defined by the following parameters: threatened under the TESS (Threatened and Endangered Species database System) of the Endangered Species Act, USFWS species of concern, BLM Nevada special species, USFS Region 5 sensitive species, Nevada Natural Heritage Program imperiled and especially vulnerable to extinction or extirpation, and Nevada Natural Heritage Program vulnerable to decline.

For the SNPLMA nomination of Ranch No. 1, the Nevada Natural Heritage Program compiled a data report of “At Risk Taxa” reported on or near Ranch No 1. The following species and their associated habitat were found on or within a 3 kilometer radius of the property:

Invertebrates:

- Carson Valley Wood Nymph (*Cercyonis pegala carsonensis*), *categories a, b, d.
- Northern Sierra Endemic Ant (*Formica microphthalma*), *category e
- Carson Valley Sandhill Skipper (*Polites sabuleti genoa*), *category d
- Carson Valley Silverspot (*Speyeria nokomis carsonensis*), *category a, b, e

Reptiles:

- Northwest pond turtle (*Actinemys marmorata marmorata*), *category a, c, f

* Species classification by agency:

- a. USFWS: former category 2 candidate, now species of concern
- b. Bureau of Land Management: Nevada special species status
- c. USFS: Region 5 sensitive species
- d. Nevada Natural Heritage Program: critically imperiled and especially vulnerable to extinction or extirpation due to extreme rarity
- e. Nevada Natural Heritage Program: imperiled due to rarity
- f. Nevada Natural Heritage Program: vulnerable to decline because rare and local through its range

Terra Firma also contracted with resource biologist Steve Walker of Walker & Associates to conduct a resource assessment of the subject property. In February 2006 Walker & Associates produced a report documenting natural resource values on Ranch No. 1 and in August 2006 an addendum to that report was issued. The findings of Walker & Associates indicate that the property adjacent to Ranch No. 1 contains some of the last remaining habitats that support Northern Leopard Frogs and Northwestern Pond Turtles in the State of Nevada. According to Walker & Associates, the water associated with Ranch No. 1 is extremely important to protecting habitat for specially designated species on the adjacent River Fork Ranch, which is held in conservation easement by the BLM and The Nature Conservancy. Pondered water habitat on the River Fork Ranch is directly impacted by the water usage associated with agricultural practices on Ranch No. 1. Through sloughs, water control systems, and the slant of the Ranch No. 1 property, ongoing irrigation practices effectively back water onto the River Fork Ranch and its ponded habitat.

Ranch No. 1 also contains habitat for Northern Leopard Frogs and Northwestern Pond Turtles. Laura Crane of the Nature Conservancy and other staff have sighted both Leopard Frogs and Northwestern Pond Turtles along the border of the two ranches. Additionally official surveys for the two species conducted as part of the BLM's "*Assessment and Recommendations of the Middle Carson River for the Purpose of Recovering and Sustaining The Riverine Ecosystem*, Otis Bay Consulting, 2004, pages 150 – 155" documented occurrence of these species at the River Fork Ranch.

Securing a conservation easement on Ranch No. 1 will prevent future development and tie water rights to the land. If the property were not protected, future development would drain a critical ecosystem and cause a significant loss of the remaining Northern Leopard Frog and Northwestern Pond Turtle habitat in the State.

Walker & Associates also confirms that habitat for three of the butterfly species listed by the Nevada Natural Heritage Program does occur on Ranch No. 1. All three species of butterflies are associated with watered environments including herbaceous/riparian wetlands, saline/alkali wetlands and seepage areas in desert landscapes. Ranch No. 1 contains these habitats due to irrigation of both the droughty alluvial fans and the high water table valley bottom land. Additionally the ranch is immediately adjacent to a native shrub/forest transitional area enhancing large scale plant diversity. Habitat for specially designated butterfly species on Ranch No. 1 includes:

- Carson Valley Wood Nymph, *Cercyonis pegala carsonensis*, is associated with open, flowery meadows, adjacent to drier uplands and weedy roadsides. Ranch No. 1 is dominated by open meadows that occur on a dry to wet meadow continuum. The drier meadows, mostly associated with this butterfly species, occur adjacent to sagebrush/bitterbrush dominated upland which occurs all along the south-western boundary of the property and also contains bull thistles that can be associated with this species.
- Carson Valley Sandhill Skipper, *Polities sabuleti genoa*, is associated with saline/alkali meadows, salt grass, Kentucky Blue grass and salt marshes. Areas of the Ranch No. 1, particularly the Centerville Lane property, contain this habitat

type. The sub-species scientific name, *genoa*, and latitude/longitude of the sightings both imply a strong possibility that Ranch 1 contains habitat for this butterfly.

- Carson Valley Silverspot, *Speyeria nokomis carsonensis*, habitats include herbaceous wetlands, riparian area and seepages/springs surrounded by desert landscape. Thistles are associated with this species. Ranch No. 1 has both herbaceous and woody wetland habitat important to this species. Additionally the west side of the ranch is adjacent to transitional shrub and pine forest habitat containing many flowering shrubs including bitterbrush, elder berry, manzanita, little leaf mahogany and curl-leaf ceanothus, providing addition butterfly food sources. Thistles, particularly Bull thistle, occur throughout disturbed areas on drier sites.

Habitat for each of the butterfly species listed above is vulnerable to development and changes in hydrology. Securing a conservation easement on Ranch No. 1 will prevent future development, thus protecting habitat in perpetuity.

In addition, Walker & Associates confirms that the northern Sierra endemic ant, *Formica microphthalma*, is associated with understory of Jeffery Pines that occur immediately upslope of Ranch No.1.

Terra Firma consulted with the Nevada Department Wildlife to identify “species of conservation concern” on the property. The Department confirmed that Swainson’s hawks, Red-tailed hawks and Bald Eagles are known to frequent the area, and in addition to other activities, may nest in the proximate area. Swainson’s hawks only occur in the summer time to nest, while red-tails can be found year round. All raptors are Protected species. The Bald Eagle is further designated as Endangered by the Nevada Department of Wildlife and as Threatened by the US Fish and Wildlife Service. The Sandhill crane, Northern Leopard frog and River otter are also known to occur in the area and have been sighted in T13NR19E of Section 15. The Sandhill Crane and Northern Leopard Frog are designated as Protected by the Nevada Department of Wildlife and the River otter is a designated Fur-bearer.

In addition, Bald Eagles, listed as threatened under TESS of the Endangered Species Act, have been documented on Ranch No. and in the vicinity of Ranch No.1 during the Carson Valley Chamber of Commerce and Visitors Authority annual “Eagles and Agriculture” tour. The Nevada Department of Wildlife has also verified Bald Eagle sightings on Ranch No. 1.

Leopard Frogs (*Rana pipens*) have been documented in habitats similar to those on Ranch No.1 and are commonly seen on the adjacent BLM and Nature Conservancy River Fork property.

B. Does the acquisition contain habitat which supports one or more special status species?

YES. See above data.

C. Are there one or more species present on the property that are listed as threatened and endangered?

YES. See above data.

D. Does the acquisition contribute to creation, conservation, and/or preservation of biodiversity, wetland/riparian area or watershed?

YES. Ranch No. 1 includes tributaries of the West Fork of the Carson River, providing habitat for numerous species. Along the Ranch No. 1 property, the river consistently maintains water even during Nevada's frequent droughts. The wild rose, willows and other vegetation along the riparian area provide lush habitat for a variety of wildlife. The current owners of the property have maintained corridor fencing along the riparian area, protecting habitat and enhancing riparian resources.

The ranch currently is a cattle, hay, and pasture operation, and nearly all of the property is irrigated. As a result of the irrigation and rotational grazing, many acres of riparian habitat have been created and continue to work synergistically to create a complicated mosaic of wildlife species which extends from the eastern foothills of the Carson Range of the Sierra Nevada to the lush wetlands along the Carson River.

CRITERIA 2. PRESERVES A SIGNIFICANT NATURAL AESTHETIC OR SCIENTIFIC FEATURE.

A. Does the property contain one or more natural, aesthetic, or scientific features?

YES. Acquisition of an agricultural conservation easement on Ranch No. 1 will provide an important opportunity to protect the floodplain from development, protect water resources, and preserve a significant section of open space.

The property is located within the 100 year floodplain, and includes a tributary of the Carson River. The ranch is part of a riparian valley which provides sustenance for wildlife in the region. Securing a conservation easement on the property will redirect development outside of the floodplain, bind water rights to the land and provide much-needed aquifer recharge to the valley.

The Douglas County Master Plan clearly articulates Douglas County residents' desire to retain the open, rural, and agricultural character of the region. The same sentiment is reflected in the BLM North Douglas County Specific Plan Amendment in which the BLM aims to assist Douglas County in its effort to protect agricultural use, associated open space values, wildlife habitat, and other important flood plain functions of the Carson River.

B. Is one or more of the features in A above eligible for special designation? (Do not address plant or animal species.)

YES. The conservation purposes of securing an agricultural conservation easement are recognized by:

- Southern Nevada Public Land Management Act of 1998 (P.L. 105-263, unclassified in part and classified in part to 16 U.S.C. § 460ccc-1(a)(2) and 31 U.S.C. § 6901 and 6901 note), which provides for the acquisition of interests in “environmentally sensitive land” in the State of Nevada for purposes including protection of wildlife habitat, riparian, open space, and watershed values, and encouragement of biological diversity;
- Farmland Protection Policy Act (P.L. 97-98, 7 U.S.C. Section 4201 *et seq.*), whose purpose is to “minimize the extent to which Federal programs and policies contribute to the unnecessary and irreversible conversion of farmland to nonagricultural uses, and to assure that Federal programs are administered in a manner that, to the extent practicable, will be compatible with State, unit of local government and private programs and polices to protect farmland”;
- Executive Order 11988, which directs all federal agencies to reduce the risk of flood loss, minimize the impact of floods on human safety, health and welfare, and restore and preserve the natural and beneficial values served by floodplains in carrying out the agencies for acquiring and managing federal lands.
- Nevada’s “Easements for Conservation” statutes at Nevada Revises Statutes (“NRS”) Sections 111.390 to 111.440, inclusive, which recognize the protection of the natural, scenic or open space values of real property and the assurance of the availability of real property for agricultural use among the conservation purposes of the statutes;
- North Douglas County Specific Plan of the Walker Resource Management Plan (2001), which sets the criteria for the cooperative effort of the BLM and Douglas County to preserve important agricultural lands in the Carson Valley from the imminent threat of development. Specifically, the plan asserts that the BLM will: “Assist Douglas County and other organizations in the effort to protect agricultural use, associated open space values, wildlife habitat and other important flood plain functions of the Carson River located in western Douglas County.”

C. Does the acquisition make a significant contribution to preserving these values?

YES. The Carson Valley has been steadily losing its ranches over the past decade. Several blocks of ranches were nominated for agricultural conservation easements under SNPLMA Round 4. Unfortunately, nearly half of the ranches approved for conservation easement funding have been terminated as ranchers have sold, subdivided or pursued other alternatives to the lengthy SNPLMA process. As property values continue to soar in the region, the current development value of agricultural land has outpaced the current economic value of ranching. Land values in the Carson Valley have surpassed \$30,000 per acre. Agricultural water rights and arable lands are quickly being bought up and converted to non-farm uses, negatively impacting scenic views, open spaces, wildlife habitat, clean air and water, flood control and aquifer recharge.

D. Does a specific management plan(s) exist for these resource values?

YES. Ranch No. 1 has a management plan developed with U.S. Department of Agriculture Natural Resources Conservation Service (NRCS) on file in the district office. Moreover, acquisition of a conservation easement on Ranch No. 1 will memorialize and perpetuate the

management that has created the significant resource values described within this nomination package; thus, executing a permanent adoptive management plan for the ranch. A comprehensive baseline inventory and assessment with photo-point comparisons will be conducted on behalf of the landowner and the BLM, to ensure existing management practices are maintained to protect the ranch's resource values. Development of a robust baseline inventory will enable easement monitoring partners such as Ranch Open Space of Nevada (ROSN), a Nevada ranch and rangeland trust, and/or the BLM to conduct sound conservation easement monitoring over the long term and provide the tools for subsequent landowners to protect this significant public investment in perpetuity.

CRITERIA 3. PRESERVES SIGNIFICANT HISTORIC, PALEONTOLOGICAL, OR CULTURAL VALUES.

A. Does the property contain one or more historic, paleontological, or cultural values?

YES. Ranching and farming are an important part of the heritage of the Carson Valley. Ranch No. 1 is the oldest operating ranch in Nevada, and as such, provides significant historical and cultural context for the region.

Ranch No. 1 has become a symbol of Nevada's rich history and the agricultural lifeblood of the Carson Valley. The property continues to operate as a ranch and provides cultural and aesthetic significance to the community of Genoa and its many visitors.

The property is the oldest ranch and homestead in the State of Nevada. It is part of the first permanent settlement in Nevada, which was established as a trading post by three Mormon settlers in what is now Genoa. Back in the mid 1800s, the area became known as a farming center and served emigrants before they ascended the rugged Sierra Nevada Mountains. The ranch is the gateway to Genoa and provides open space and defines the agricultural character of the town.

The ranch was founded in 1852 by Colonel John Reese and still includes an original structure that was built by the Colonel.

Genoa's historic Hanging Tree is located on Ranch No. 1. In 1897 a drifter named Adam Uber was accused of murdering a popular teamster, Hans Anderson, and was lynched at the hanging tree. Uber was dragged from his jail cell and hanged from the tree on Boyd's Lane (now Genoa Lane).

Ranch No. 1 is adjacent to historical trails, including the Pony Express and the Emigrant Trail.

B. Is one or more sites on the property eligible for special designation (Do not address plant or animal species)?

YES. In 2004 the ranch received two awards from the State of Nevada: the *Centennial Ranch Award* for having remained in the same family for more than 100 years; and the *Historic Structures Award* for four buildings that date back to the 1870s.

C. Does the acquisition make a significant contribution to preserving these resource values?

YES. The preservation of historic resources, such as Ranch No. 1, is important to the character of Douglas County and to the many visitors that frequent the area. If the property is not preserved under an agricultural conservation easement, it is at the property owners' discretion to develop the site to its fullest extent.

Establishing an agricultural conservation easement on Ranch No. 1 is an effective method for protecting open space, the floodplain, riparian resources, and wildlife habitat and corridors, while the property remains a productive ranch. Purchasing a conservation easement allows the ranch to remain in local ownership and the water rights to be tied to the land. By permanently protecting the first ranch in Nevada, we are able to preserve an important part of the region's agricultural and cultural heritage, as well as critical natural resources.

D. Does a specific management plan(s) exist for these resource values?

YES. North Douglas County Specific Plan Amendment (2001): "It is the intent of the BLM to assist the county and other interested organizations in achieving the goals and implementing the policies of the Douglas County Master Plan (1996), the North Douglas County Specific Plan (September 2000), and the Douglas County Open Space and Agricultural Preservation Implementation Plan (September 7, 2000). The BLM will act in partnership with and support of the county and other organizations in pursuing and achieving these goals. It is recognized that BLM actions to dispose of lands for development purposes, and to acquire conservation easements and environmentally sensitive lands within the county will be pursued in a manner consistent with the BLM's mission, policies and regulations."

CRITERIA 4. ENHANCES RECREATIONAL OPPORTUNITIES OR IMPROVES ACCESS TO FEDERAL OR OTHER PUBLIC LANDS.

A. Does acquisition of the property provide recreational opportunities on the values?

YES. The property participates in the annual Eagles and Agriculture event that is put on by the Carson Valley Chamber of Commerce and Visitors Authority, bringing more than 500 visitors onto the property each year. It has been estimated by the Chamber that this recreational event brings in more than a million dollars a year to the local community. When using the standard federal and NEPA measurement of public use "persons at one time" (PAOT), this event alone brings more people onto this property than many of the proposed SNPLMA and FLTFA fee acquisitions will see annually. The Eagle Festival provides visitors, residents, and dignitaries with a unique opportunity to observe the influx of birds of prey that come to the Carson Valley to feed during the winter calving season. Fifty-four (54) Bald Eagles were identified on the most fruitful tour. Motor coach transportation escorts hundreds of participants to various ranches, including this one, and guides provide educational information about wildlife and Carson Valley history.

B. Does the acquisition provide improved access to Federal or other public lands?

YES. The need to establish a countywide multi-purpose trail system is identified in the Douglas County Master Plan (1996) as amended. The roads that abut Ranch No. 1 (Genoa Lane and Foothill Road) are identified as a “High Priority” for on-street trails. If the County develops a trail system along Ranch No. 1, recreational users will benefit from permanently protected open vistas, as well as non-motorized access to adjacent protected lands of the Humboldt-Toiyabe Forest and the River Fork Ranch.

C. Does the acquisition address a public demand for recreational opportunity or a public demand for access to Federal or other public lands?

YES. Nevada is witnessing an increase in the public’s interest to participate in wildlife viewing. Opportunities such as the Eagles and Agriculture tour provide well-managed educational events for the public. Also, Ranch No. 1 provides annual access to a designated portion of the property to provide support services for the Genoa “Candy Dance” (originated in 1919 as an effort to raise funds for public works). The Candy Dance is still held on an annual basis and takes place in the original historic town hall. Ranch No. 1 helps the town to accommodate the thousands of visitors that enjoy the event.

D. Does a specific management plan(s) exist for these resource values?

YES. In addition to the existing NRCS plan, a detailed management plan will be developed as part of the agricultural conservation easement, including detailed baseline documentation and a method to conduct annual monitoring and evaluation of the conservation values.

CRITERIA 5. PROVIDES FOR BETTER MANAGEMENT OF FEDERAL LANDS OR BETTER MANAGEMENT OF RESOURCE VALUES.

A. Does the acquisition provide for better management of Federal lands or better management of resource values?

YES. The BLM’s Resource Management Plan for the Carson Valley clearly identifies BLM’s role to support Douglas County’s and other organization’s efforts to protect agricultural use, associated open space values, wildlife habitat and other important floodplain functions of the Carson River by acquiring conservation easements. The acquisition of an agricultural conservation on Ranch No. 1 allows the BLM to explore a complementary management regimes between the adjacent River Fork Ranch (i.e., water control structures on River Ranch can back water up over one mile on the adjacent River Fork Ranch). BLM’s intent is to manage the Carson Valley easements as a group to facilitate management efficiency. In addition, the long-term monitoring and evaluation of an agricultural conservation easement is proposed to be conducted by a third party entity. This significantly reduces the management costs and time for the acquiring agency.

B. Is the property an in holding in a specially designated area or does the property otherwise consolidate federal ownership?

Yes. Acquisition of the Ranch No. 1 Conservation Easement consolidates the BLM's ownership of conservation easement properties together with the adjacent River Fork conservation easement.

CRITERIA 6. ESTIMATED POST-ACQUISITION MANAGEMENT COSTS (PICK ONE ONLY).

B. There are added management costs, but costs are offset by contributions from other entities.

It is envisioned that the landowners together with Terra Firma Associates, LLC, will provide an endowment that will enable an entity to monitor the conservation easement; thereby, offsetting the additional management costs.

CRITERIA 7. HAS THE SUPPORT OF THE STATE, LOCAL GOVERNMENTS, OTHER AGENCIES, AND/OR OTHER INTERESTED PARTIES (PROVIDE WRITTEN VERIFICATION OF SUPPORT).

A. Is the acquisition supported by the County/local government in which the property is located?

YES. The Ranch No. 1 project is supported by various sectors of county government, Douglas County residents, the agricultural community at large and several governmental agencies. The Douglas County Commissioners unanimously voted on July 6, 2006 to support a conservation easement on Ranch No. 1 as it is complementary to the county's Open Space and Agricultural Lands Preservation portion of the Master Plan, which strives to preserve the open, rural and agricultural character of the region. One of the key strategies within the open space plan is the use of a purchase development rights program to compensate an owner for relinquishing the development potential of their land and restricting it from future development through a conservation easement. Properties remain in private ownership with an improved economic base assisting them to continue as a viable agricultural enterprise.

B. Is the acquisition supported by environmental, recreational, and/or scientific groups?

YES. The acquisition is support by the Nature Conservancy, Douglas County residents and the ROSN. Establishing a conservation easement on Ranch No. 1 is also consistent with the public's interest in protecting agricultural lands, contributing to water and air quality, natural resources and habitat preservation, and flood control. Throughout the planning process for the Douglas County Master Plan, residents repeatedly stated that retaining the unique rural character of the area is a top priority. Residents value the quality of life and scenic beauty that is represented through its open space and agricultural resources.

The long term annual conservation easement monitoring is anticipated to be completed by Ranch Opens Space of Nevada – A Nevada Ranch and Rangeland Trust. ROSN is a 501(c)(3) non-profit organization that will be provided with endowment funds from Terra Firma sufficient to

conduct the annual monitoring and documentation for the benefit of the BLM. ROSN was formed in 2001 by members of the Nevada Cattlemen's Association to preserve the stability and sustainability of ranches and ranching communities and protect the beneficial relationships between ranching communities and naturally functioning ecosystems.

C. Is the acquisition supported by Fish & Wildlife Service Ecological Services, State Historic Preservation Office, or other federal, state or tribal governmental entities?

YES. The acquisition is supported by the Carson Water Subconservancy District, the Department of Conservation and Natural Resources and the State Historic Preservation Office. Refer to the letters of support.

D. Does the acquisition further the goals and objectives of the County/local government land use plan or goals/objectives contained in some other official County/local government document?

YES. The Conservation Element of the Douglas County Master Plan states that the preservation of open space and agricultural resources is important to the quality of life in Douglas County because it contributes to the scenic beauty of the area and contributes significantly to water and air quality, natural resources and habitat preservation. The Master Plan also states that agriculture is an important component of the economic health of Douglas County, and that its preservation retains an important part of the County's historic economic base, the preservation of which will help to retain the unique rural character of the County. The following goals of the Douglas County Master Plan are specifically achieved by acquiring a conservation easement on Ranch No. 1:

- **Goal 5.09** To protect wetlands for their values for groundwater recharge, flood protection, sediment and pollution control, wildlife habitat, and open space.
- **Goal 5.11** The County shall identify and protect the functions and values of surface water systems, which include fish and wildlife habitat, aquifer recharge and discharge, and recreational opportunities.
- **Goal 5.16** To create a system of open space areas and linkages throughout the county that protects the natural and visual character of the county, provides contiguous wildlife corridors, and provides for appropriate active and passive recreational uses.
- **Policy 5.17.02** Douglas County shall encourage and support land exchanges between private land owners, the U.S. Forest Service, and the Bureau of Land Management when such exchanges are consistent with the Master Plan, particularly the Land Use Element.
- **Goal 7.01** Maintain agriculture as an important land use and preserve the rural character, cultural heritage and economic value of Douglas County.
- **Goal 7.02** Create alternatives to the urban development of existing agricultural lands, such as market based incentives, programs for financing compensation or development

rights transfers, or the purchase of development rights in order to preserve these agricultural areas.

CRITERIA 8. OTHER CONSIDERATIONS.

A. Would the acquisition prevent planned development or other incompatible uses?

YES. The Carson Valley is quickly losing its ranches and Ranch No. 1 is subject to the same threats of development. Small lots in and around Genoa commonly sell for \$500,000 each. The development value of agricultural land now vastly outpaces the economic value of ranching. Property values in the Carson Valley have been rising at a rate of more than 20% per year for the past five years. Over the past decade, the valley has seen a steady decline in larger ranch operations with an increasing amount of agricultural land being fragmented and converted to non-agricultural uses such as housing and commercial development. The rapid loss of agricultural lands places increased demands on water uses, restricts wildlife habitat and reduces open space

B. Is the acquisition the Acquiring Federal Agency's number one priority?

CRITERIA 9. IS THE PROPOSED FEDERAL ACQUISITION IN CLARK COUNTY, NEVADA?

No.

4. SOCIOECONOMIC INFORMATION

a. Number of employees, spouses, and immediate family members that will be impacted by the acquisition due to employment associated with the land. List and employment that would be lost or created as a result of the acquisition. The sale of a conservation easement will greatly enhance the owners ability to create more jobs and contract locally for building and land improvement projects on the property.

b. Amount of Annual Property Taxes: \$1,315.00

c. Description of the Existing Use(s) of the Property: Ranch No. 1 is an operating livestock ranch.

d. Amount of Annual Revenue Generated from Enterprises Associated with the Land: \$150,000.

e. A Summary of Local Public Services Being Utilized on and Provided to the Subject Property: Telephone, electricity and the main effluent line servicing the Genoa region.

f. Summary of Local Contractors Being Utilized on the Subject Property: Occasionally the owners use local contractors for building repair and improvements to the irrigation system on the ranch.

g. Current City or County Land Use Plan Designations for the Subject Property:

Agricultural, 20-acre minimum parcel size, with the legal ability and county preference to do a cluster subdivision.

h. List of All Water Rights Appurtenant to the Land: The property has the oldest priority water rights on the West Fork of the Carson River, which allows for the maintenance of phenomenal habitat. Conservation easement acquisition will tie these water rights to the land to ensure that the resources and ranch itself are maintained, as opposed to proposed sales of water to the rapidly growing and water short area of Dayton. A list of the water rights is as follows: 665 CERT, 771 CERT, 624 DCR, 665 DCR, 665 DCR, and 666 DCR, totaling approximately 1,665 acre-feet.

i. List of Known Mineral Rights: There are no known mineral rights associated with the land; however, any such rights would be offered under the conservation easement.

SUBSEQUENT OWNER STATEMENT
INDICATING WILLINGNESS TO CONSIDER SALE TO THE FEDERAL GOVERNMENT

TO: Don Hicks, Field Manager
Bureau of Land Management
Carson City Field Office
5665 Morgan Mill Rd.
Carson City, NV 89701

Dear Mr. Hicks:

We, the Ranch No. 1 Limited Partnership, are the legal owners of the approximately 370 acres of real property known as the Ranch No. 1 property located at 321 Genoa Lane, Genoa, NV 89411; APNs 1319-10-401-001, 1319-10-701-001, and 1219-11-002-001. I understand that the property is being nominated for acquisition by a Federal agency under Round 9 of the Southern Nevada Public Land Management Act (SNPLMA) which is also Round 5 of the Federal Land Transaction Facilitation Act (FLTFA).

The subject property is located adjacent to the Humboldt-Toiyabe National Forest, a Federally Designated Area as defined in FLTFA. At the request of the Bureau of Land Management (BLM), the USDI Appraisal Services Directorate (ASD) has conducted a Preliminary Estimate of Value (PEV) for this property since its initial nomination. I understand that the PEV found data of sufficient quantity and quality for use in a sales comparison approach analysis to form an opinion as to the reasonable range of market value for the subject property. Based on the scope of appraisal work performed, the market data evaluated, and the appraiser's knowledge of the market, a credible range of value for the conservation easement of the subject property as of January 14, 2008 is \$3,000,000 to \$5,000,000. I am willing to have the nomination move forward with a revised asking price of \$5,000,000.

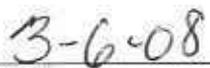
I have read the document entitled "Federal Acquisition Process" and understand the basic process that the Federal government will follow if the above property is selected for acquisition under the SNPLMA or FLTFA. I am willing to consider sale of the above property to the Federal government according to the process described in that document and the information provided herein, if acceptable terms and conditions can be mutually agreed upon.

I understand that the purchase price would be the value determined by a federally obtained and agency-approved professional appraisal, meeting industry-wide and Federal appraisal standards. I also understand that I have the right to accept or reject the value established by that appraisal.

My signature below indicates a willingness to consider sale of the subject property, but in no way creates an obligation to sell. I understand that I have the right to remove the property from consideration for purchase by the Federal government at any time, and agree to notify the appropriate Federal agency in a timely manner if I decide to do so.

[Name, Address, & Phone of Owner – NOT Owner's Representative]


Signature


Date

VOID AS OF 3/6/08. SEE SUBSEQUENT OWNER STATEMENT WITH REVISED ASKING PRICE.

5. OWNER STATEMENT, UNDERSTANDING OF FEDERAL ACQUISITION PROCESS, AND THIRD PARTY AUTHORIZATION LETTER

Owner Statement

TO: Mr. Don Hicks, Field Manager
Bureau of Land Management, Carson City Field Office
5655 Morgan Mill Road
Carson City, Nevada 89701

Dear Mr. Hicks:

I, Lisa Lekumberry, am a legal owner of approximately 370 acres of real property known as Ranch No. 1 in Genoa, Nevada, and identified as Assessor Parcel Numbers 1319-10-401-001, 1319-10-701-001, 1219-11-002-001. I understand that this property is being nominated by Terra Firma Associates, LLC, for the acquisition of a conservation easement by a Federal Agency under the Southern Nevada Public Land Management Act (SNPLMA) and/or the Federal Land Transaction Facilitation Act (FLTFA).

I have read the document entitled "Federal Acquisition Process" and understand the basic process that the Federal government will follow if the above property is selected for conservation easement acquisition under SNPLMA or FLTFA. I am willing to consider sale of the above conservation easement to the Federal government according to the process described in that document if acceptable terms and conditions can be mutually agreed upon. I also acknowledge that the conservation easement terms in the nomination are preliminary/conceptual and that final terms necessary for the easement will be negotiated with the acquiring Federal Agency.

I understand that the purchase price would be the value determined by a Federal agency-approved professional appraisal meeting industry-wide and Federal appraisal standards. I also understand that I have the right to accept or reject the value established by the appraisal.

My signature below indicates a willingness to consider sale of a conservation easement on the subject property, but in no way creates an obligation to sell. I understand that I have the right to remove the property from consideration for purchase by the Federal government at any time, and agree to notify the appropriate Federal agency in a timely manner if I decide to do so.

Lisa Lekumberry, Trustee
Ranch No. Limited Partnership,
A Nevada Limited Partnership
P.O. Box 72
Genoa, NV 89411
775-782-4505


Signature

12-13-07
Date

ATTACHMENT 3 – PAGE 2
FEDERAL ACQUISITION PROCESS

(Include this page in the nomination package, initialed by the land owner.)

Following is a brief outline of the Federal real property acquisition process. This process is consistent with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). The Uniform Act provides for fair and equitable treatment of persons whose property will be acquired or who will be displaced because of programs or projects financed with Federal funds. If a land nomination is forwarded to and approved by the Secretary of the Interior for acquisition under the Southern Nevada Public Lands Management Act or the Federal Land Transaction Facilitation Act (FLTFA), the acquisition would follow these steps:

1. Evaluation of Real Property. The Acquiring Agency will perform various studies of your property such as an initial and final site inspection and an environmental assessment to identify potential for hazardous materials or substances. The Agency will also review your ownership documents and obtain a preliminary title opinion from a Federal attorney/solicitor after review of a title report and title commitment from a qualified title company. Resolution of unacceptable encumbrances that are identified and clean up of hazardous materials or other trash and debris on the property will be the responsibility of the owner at the owner's expense and must be completed prior to acquisition of the property by the United States. These and other possible steps that the Agency must take during this process (e.g., boundary survey, correction of errors in the legal description, possible relocation issues, etc.) may affect your compensation and the completion date of the acquisition. The Agency will stay in contact with you throughout the process and will be available to answer any questions that you may have.
2. Appraisal. The agency will obtain and review an appraisal which must meet Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA). The Agency will generally contact you to invite you to attend a pre-appraisal work conference with the appraiser to review the scope of work for the appraisal. The appraiser will make an appointment to inspect your property. You or any representative that you desire will be invited to accompany the appraiser when the property is inspected. The pre-work conference and inspection provide you an opportunity to point out any unusual or hidden features of the property that the appraiser could overlook.
3. Appraisal Review and Approval. Once the appraisal has been completed, a federal review appraiser will review the report to ensure that all applicable appraisal standards and requirements were met. The review and appraisal are provided to the Agency for approval. The approved appraisal will then be used to determine the amount to be offered for your property. This amount will never be less than the market value established through the appraisal process.
4. Offer. The Agency will deliver a written offer for the sale/purchase of the real property. The Agency's offer will generally consist of a written summary statement that includes the amount of compensation (i.e., purchase price), the description of the property and any buildings or improvements that are considered to be part of the real property, and the property rights to be acquired. The Agency will give you a reasonable amount of time to consider the written offer and to ask questions or to request clarification of anything that is not understood. If you believe that all relevant material was not considered during the appraisal, you may present such information at this time.
5. Purchase Agreement. When you reach an agreement with the Agency on the offer, you will be asked to sign an option or a purchase agreement prepared by the Agency. Your signature will affirm that you and the Agency are in agreement concerning the acquisition of the property, including the terms and conditions of the acquisition. If, within a reasonable time, you and the Agency are unable to reach an

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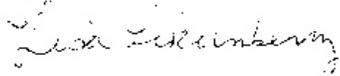
agreement on the acquisition of the real property, the Agency's offer will be withdrawn and your property will be removed from the acquisition list.

6. Payment. The final step in the acquisition process is closing escrow and payment for your property. Upon completion of a final inspection of your property and confirmation that an approved policy of title insurance will be issued, the Agency will deposit the appropriate amount of compensation into a previously established escrow account. At this time you will execute a General Warranty Deed prepared by the Agency and receive payment for your property when escrow closes.

By Signature below I confirm that I have read and understand the basics of the Federal land acquisition process.

[Name and Title of Owner]

Signature



Date

12-13-07

Third Party Authorization Letter

Don Hicks, Field Manager
Bureau of Land Management, Carson City Field Office
5655 Morgan Mill Road
Carson City, Nevada 89701

RE: Ranch No. 1, Third Party Authorization, SNPLMA and/or FLTFA

Dear Mr. Hicks:

Thank you and various BLM staff for visiting the Ranch No. 1. I'm glad you had a chance to see the ranch operations and wildlife habitat, and I appreciate your support of protecting the land through an agricultural conservation easement.

As you are aware, Ranch No. 1 has contracted with Terra Firma Associates, LLC, to facilitate the BLM acquisition of a conservation easement under the Southern Nevada Public Land Management Act and/or the Federal Land Transaction Facilitation Act. As our Authorized Third Party Representative, Terra Firma will be the primary contact for all aspects of the proposed BLM acquisition. Terra Firma is a consultant to the Ranch No. 1, and is not a co-owner or venturer in the property. Please direct your communications to:

Terra Firma Associates
P.O. Box 2469
Minden, NV 89423
775-782-0848

Thank you in advance for your efforts to move this process forward in a timely and efficient manner. We look forward to working with the BLM on the successful completion of this conservation project.

Sincerely,

Lisa Lekumberry, Trustee
Ranch No. Limited Partnership,
A Nevada Limited Partnership
P.O. Box 72
Genoa, NV 89411
775-782-4505


Lisa Lekumberry


Date

SEE SUBSEQUENT AGENCY STATEMENT RELATIVE TO ITEM #11, OWNER'S ASKING PRICE.

I, Donald T. Hicks, Manager, Bureau of Land Management, Carson City Field Office, hereby certify that where the Ranch 1 conservation easement is concerned:

- 1) A representative of the BLM Carson City Field Office has conducted an initial inspection on July 17, 2006 and a follow up inspection on January 28, 2008. Based on that inspection, the location and general description of the property presented in this nomination package has been verified and is accurate.
- 2) The nominating entity has indicated the property is located within or adjacent to a "federally designated area" as that term is defined in the Federal Land Transaction Facilitation Act of 2000. The federally designated area is the Humboldt-Toiyabe National Forest. It appears that this is the case. Public Law 100-550 (January 1988) modified the eastern boundary of the Toiyabe National Forest to match the alignment of U.S. Highway 395 within the Carson Valley area of Douglas County. So as of the date of enactment of FLTFA (July 2000), the property would have been an "inholding" within the boundary of the Toiyabe NF and the property meets the "exceptional resource" criteria of FLTFA. The forest boundary was subsequently modified by PL 106-558 (December 2000) and as a result of that modification, the property now lies outside (east of) and contiguous to the forest boundary. This easement, if acquired, would fall within BLM jurisdiction.
- 3) BLM's Resource Management Plan for the Carson Valley clearly identifies BLM's role to support Douglas County's and other organization's efforts to protect agricultural use, associated open space values, wildlife habitat and other important flood plain functions of the Carson River by acquiring conservation easements. Although the easement property is not adjacent to BLM-managed federal lands, the property is located near other easement properties within Carson Valley. BLM's intent is to manage the Carson Valley easements as a group to facilitate management efficiency.
- 4) Acquisition of the property is consistent with the 2001 BLM Carson City Field Office Consolidated Resource Management Plan/North Douglas Specific Area Plan Amendment in force for the area within which the property is located.
- 5) Not Applicable.
- 6) The planned use for the property is to protect agricultural use, wildlife habitat, open space, riparian areas and flood plain functions of the Carson River.
- 7) The initial assessment of the information in this nomination package indicates the property interests to be acquired are sufficient to satisfy the Federal acquisition objectives and, to the best of my knowledge, there are no known legal, physical, or financial issues that would prevent or unnecessarily delay Federal acquisition and management of the property.
- 8) Based on the initial site inspection and interview with the owner,

- a. The initial assessment of potential liabilities presented in this nomination package is accurate to the best of my knowledge;
 - b. I concur that the method employed by the nominating entity to initially assess those liabilities is appropriate; and
 - c. No remediation was described nor is any anticipated since no liabilities were identified.
- 9) Based on the agency's initial site inspection, the resource values as described in this nomination package appear accurate. The nominating entity has consulted with Nevada Natural Heritage Program on listed species habitat.
- 10) In the opinion of the agency, acquisition of the property is needed for the following reasons: to protect agricultural use, associated open space values, wildlife habitat and other important flood plain functions of the Carson River. These reasons are consistent with those stated in the nomination package response to assessment question number 9.
- 11) The agency has reviewed the owner's anticipated (asking) price and compared that to a Preliminary Estimate of Value prepared by the USDI Appraisal Services Directorate and has determined that the values differ substantially. The agency has contacted the owner regarding the difference in value. At this time, the owner, in consideration of the lower PEV value, is willing to proceed with the nomination process. The agency will continue discussions with the owner which may result in a revised asking price.
- 12) The agency has attached a cost estimate sheet which estimates the acquisition cost, including necessary expenses as \$ 9,187000.00.
(See Attachment 5 for the cost estimate sheet).
- 13) The agency has completed an initial assessment of the on-the-ground management requirements associated with the property and, either on its own or in combination with significant non-federal contributions, has the resources to so manage this property if acquired. An endowment sufficient to pay for annual monitoring of the easement in perpetuity is being offered as part of acquisition.
- 14) The agency is prepared to accept management responsibility for the Ranch 1 Conservation Easement on the date purchase is completed.
- 15) The agency has the resources to acquire the property in a timely manner if approved by the Secretary of the Interior for acquisition under the Southern Nevada Public Land Management Act or by the Secretary of the Interior and Secretary of Agriculture for acquisition under the Federal Land Transaction Facilitation Act.
- 16) The agency certifies that it will submit, prior to the beginning of the public comment period, a copy of the complete nomination package to the local government jurisdiction with a cover letter requesting the local government's review and comments, if any, by the date the final comment period closes, and offering to meet with the appropriate local government official(s) regarding the nomination if desired.

17) No additional land use planning is necessary for short or long-term management of a conservation easement on the Ranch 1 property.

By:

DS Donald T. Hicks

Donald T. Hicks
Manager
Bureau of Land Management, Carson City Field Office

Date 1/30/2008

ACQUIRING AGENCY'S SUBSEQUENT AUTHORIZED OFFICER CERTIFICATION

I Donald T. Hicks of the Bureau of Land Management, Carson City Field Office, hereby certify that where the Ranch No. 1 property is concerned:

All statements and responses provided in the Acquiring Agency Authorized Officer Certification dated January 30, 2008 provided as part of the nomination package remain true and in effect except for the following items:

11. The agency reviewed the owner's asking price and in January 2008 obtained a preliminary estimate of value (PEV) in accordance with Policy NBCM-AS-6800-001, Establishing consistency in the Development of Preliminary Estimates of Value for the Department of Interior Land Management Agencies, dated July 18, 2007. The PEV was performed by the Department of the Interior Appraisal Services Directorate (ASD).

ASD found data of sufficient quantity and quality that could be used in a sales comparison approach analysis to form a credible opinion as to a reasonable range of market value for the subject property. Based on the scope of appraisal work performed, the market data evaluated, and the appraiser's knowledge of the market, a range of value of the conservation easement for the property, as of January 14, 2008, was \$3,000,000 to \$5,000,000.

The landowner reviewed the PEV and signed an owner's subsequent statement confirming their understanding that the purchase price would be the value determined by a federal agency-approved real property appraisal that meets industry-wide and Federal appraisal standards and agreeing to move forward with the nomination at a revised asking price of \$5,000,000. The agency finds the revised asking price to be reasonable as compared to the PEV range.

12. The agency has attached a revised cost estimate sheet based on the revised asking price and an estimate of other necessary expenses to complete the acquisition.

By:


Donald T. Hicks
Field Manager
Bureau of Land Management, Carson City Field Office

Date March 13, 2008

Jo Hufnagle/ Dan Jacquet
Local agency contact person for this nomination

**SNPLMA LAND ACQUISITION PROJECT
REVISED ESTIMATED NECESSARY EXPENSES**

Property Name: Ranch No. 1 Conservation Easement Agency: CCFO-BLM Date: 3/12/2008
 Project #: _____ Priority #: _____
 Prepared by: J. Hufnagle CCFO-BLM Phone #: _____

Amount Approved by the Secretary: \$ -

Bureaus agree to furnish the necessary equipment, materials, facilities, services, personnel, and other costs except as specified below:

1. Land Purchase Price (Not to exceed fair market value)	\$ 5,000,000.00	_____
2. Appraisal	\$ 30,000.00	_____
3. Land/Boundary Survey	\$ 20,000.00	_____
4. Environmental Site Assessment and NEPA	\$ 20,000.00	_____
5. FWS Consultation—Endangered Species Act	\$ -	_____
6. Water Rights or Mineral Analysis (for Title Purposes)	\$ 10,000.00	_____
7. Mineral Potential Report (Prior approval required)	\$ -	_____
8. Title Report, Escrow Fees, Misc. Closing Costs	\$ 10,000.00	_____
9. Recording Fees	\$ 5,000.00	_____
10. Pro-rata Share of Any Pre-Paid Property Taxes or Assessments	\$ -	_____
11. Penalty Costs and Other Charges for prepayment of pre-existing recorded mortgage, deeds of trust or other security instrument that encumbers the real property.	\$ 5,000.00	_____
12. Relocation Payments to Eligible Tenants	\$ -	_____
13. Direct Labor or Contracted Labor Costs: For activities necessary to complete the acquisition and/or to reach a decision as to whether or not the acquisition can be completed such as title records management; review of title documents (land, water, mineral, etc.), legal description verification; preparation and review of technical reports such as appraisals, ESA, water rights, mineral rights analyses for title purposes, surveys; preparation of requests for preliminary and final title opinion, preparation of conveyance documents, and escrow closing instructions; negotiating/resolution of rights to be acquired.	\$ 40,000.00	_____
14. Travel including per diem, when official travel status is required for agency personnel to perform case management (e.g., experts to review contracted appraisals, etc.)	\$ 20,000.00	_____
15. Official Vehicle Use (pro rata cost for use of Official Vehicles when required to carry out case management)	\$ 2,000.00	_____
16. Other Necessary Expenses (See Appendix B-9)	\$ 25,000.00	_____
17. Balance of Contingency Funds (This line is not used during the nomination process; use only following Secretarial approval when requesting an IGO/task order or 1151 transfer. FOR NOMINATION COST ESTIMATES NO ENTER HERE)		_____
TOTAL*:	\$ 5,187,000.00	_____

*Total dollar percentage may be 100% of amount approved by the Secretary plus any contingency percentage approved by the Secretary for projects in a given round.

COMMENTS: _____

VOID AS OF 3/12/08.

Appendix B-1

SEE REVISED COST ESTIMATE SHEET.

SNPLMA LAND ACQUISITION PROJECT ESTIMATED NECESSARY EXPENSES

Property Name: Ranch 1 Conservation Easement Agency: CCFO-BLM Date: 1/23/2008
Project #: Priority #:
Prepared by: J. Hufnagle CCFO-BLM Phone #:

Amount Approved by the Secretary: \$ -

Bureaus agree to furnish the necessary equipment, materials, facilities, services, personnel, and other costs except as specified below:

Table with 3 columns: Item Description, Amount, and Blank. Rows include: 1. Land Purchase Price (9,000,000.00), 2. Appraisal (30,000.00), 3. Land/Boundary Survey (20,000.00), 4. Environmental Site Assessment and NEPA (20,000.00), 5. FWS Consultation—Endangered Species Act (-), 6. Water Rights or Mineral Analysis (10,000.00), 7. Mineral Potential Report (-), 8. Title Report, Escrow Fees, Misc. Closing Costs (10,000.00), 9. Recording Fees (5,000.00), 10. Pro-rata Share of Any Pre-Paid Property Taxes or Assessments, 11. Penalty Costs and Other Charges (5,000.00), 12. Relocation Payments to Eligible Tenants (-), 13. Direct Labor or Contracted Labor Costs (40,000.00), 14. Travel (20,000.00), 15. Official Vehicle Use (2,000.00), 16. Other Necessary Expenses (25,000.00), 17. Balance of Contingency Funds ((9,187,000.00)), TOTAL*: \$ -

*Total dollar percentage may be 100% of amount approved by the Secretary plus any contingency percentage approved by the Secretary for projects in a given round.

COMMENTS: [Blank lines for text entry]

7. COOPERATING ENTITY STATEMENT

Ranch Open Space of Nevada A Nevada Ranch and Range Land Trust

—Promoting, protecting, and preserving the stability and sustainability of ranches and ranching communities, and exploring, preserving, and protecting the beneficial relationships between stable ranching communities and naturally functioning ecosystems.

July 20, 2006

Bureau of Land Management
Division of Lands and Acquisitions
4701 N. Torrey Pines Drive
Las Vegas, NV 89130

Re: SNPLMA Round 7 Nomination/Ranch 1, Carson Valley

Dear Sirs:

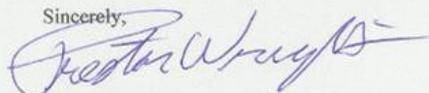
Ranch Open Space of Nevada urges the acquisition of a conservation easement on Ranch No. 1, under the Southern Nevada Public Land Management Act (SNPLMA). Ranch Open Space is a cooperating entity in the acquisition and would work with the landowners and the Bureau of Land Management to provide annual monitoring and evaluation of the conservation easement.

As the first cattle ranch and homestead in the oldest town in the state, Ranch 1 provides unprecedented historical and cultural value for the State of Nevada. Today the property remains a thriving ranch and serves as a monument to the ranching culture that has deeply influenced the region.

With their location near Genoa, in the heart of the Carson Valley, it could be argued the land and the attendant open-space and ecological values represented in the Ranch 1 proposal are some of the most threatened in the western United States. Development pressure is rapidly driving land values in that area to irresistible levels, and will only continue to outstrip the lagging appraisal based process of SNPLMA.

Securing a conservation easement on Ranch No. 1 would preserve these crucial agricultural lands and their associated natural resources; seizing this opportunity now would send an encouraging message to other landowners hoping for alternatives to further fragmentation of the areas natural resources. Ranch Open Space strongly supports the nomination of Ranch No. 1 for funding under SNPLMA and looks forward to working in cooperation with the landowners and the Bureau of Land Management.

Sincerely,



Preston Wright
President
Ranch Open Space of Nevada

8. NOTIFICATION TO COUNTY GOVERNMENT, DELIVERY RECEIPT, AND COUNTY LETTER SUPPORTING NOMINATION



December 4 10, 2007

Doug Johnson, Chairman
Douglas County Board of Commissioners
1594 Esmeralda Avenue, Room 307
Minden Nevada 89423

RE: SNPLMA/FLTFA Ranch No. 1 Nomination

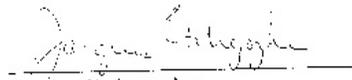
Dear Chairman Johnson:

Thank you for your letter of support. This letter is to advise you that Terra Firma is nominating Ranch No. 1 for acquisition of a conservation easement in Round 9 of the Southern Nevada Public Land Management Act ("SNPLMA") and Federal Land Transaction Facilitation Act ("FLTFA"). Terra Firma is taking this action as the duly authorized representative of the property owner, with its full knowledge and consent.

Douglas County APNs: 1319-10-401-001, 1319-10-701-001, 1219-11-002-001
Acres: +/- 370

As the first homestead and cattle ranch in the State of Nevada, Ranch No. 1 is a unique piece of history that should be protected. Ranch No. 1 is a prime example of the rural agricultural resources that Douglas County is striving to preserve in Carson Valley. Today, Ranch No. 1 continues to operate as a ranch and provides cultural and aesthetic significance to the Town of Genoa. Ranch No. 1 encompasses significant natural resources, and provides important wildlife habitat and open space. A portion of the property also lies within the FEMA 100-year flood plain of the Carson River. Placing Ranch No. 1 under a conservation easement will assist in the long-term viability of ranching in the Carson Valley, and will protect Ranch No. 1's important natural and historical resources.

Sincerely,



Jacques Etchegoyhen

PO Box 2469 • Minden, Nevada 89423 • 775.782.0848

Proof of Hand-Delivery

Terra Firma Associates, LLC

Date: Tuesday, December 11, 2007

Addressed To: Doug Johnson, Chairman
Douglas County Board of Commissioners
1594 Esmeralda Avenue, Room 307
Minden Nevada 89423

Re: Ranch No. 1 Nomination, Round 9 SNPLMA/FJ.TFA

Received by: Doug N. Johnson

Printed Name: Doug N. Johnson

Date of Delivery: 12-11-07



BOARD OF COUNTY COMMISSIONERS

1394 Esmeralda Avenue, Room 307, Minden, Nevada 89423

Daniel C. Fuller
COUNTY MANAGER
775-782-9821
FAX: 775-782-6255

COMMISSIONERS
Doug N. Johnson, CHAIRMAN
David J. Brady, VICE-CHAIRMAN
James L. Baushke
Kelly D. Kite
Nancy McDermid

December 6, 2007

SNPLMA Division
Attn: Libby White
Bureau of Land Management
Las Vegas Field Office
4701 North Torrey Pines Drive
Las Vegas, NV 89130

RE: Douglas County's Support for SNPLMA Ranch No. 1 nomination

Dear Ms. White:

The Douglas County Board of Commissioners has voted unanimously to continue to support the placement of a conservation easement on property in Douglas County known as Ranch No. 1 as submitted by Terra Firma Associates, LLC. Ranch No. 1 is located in the Genoa area of Douglas County (APN 1319-10-401-001, 1319-10-701-001, and 1219-11-002-001), which is a total of 370 +/- acres for conservation easement acquisitions.

The Ranch No. 1 property represents the first homestead and cattle ranch in the State of Nevada. It is a unique piece of our history that should be protected and retained in ranching for future generations. Acquisition of a conservation easement on Ranch 1 furthers the goals and objectives of the Conservation Element of the Douglas County Master Plan and Open Space Plan by preserving open space and agricultural resources that are important to the quality of life in Douglas County. Agriculture is an important component of the economic health of Douglas County, and its preservation retains an important part of the County's historic economic base, the preservation of which will help to retain the unique rural character of the County. Moreover, acquisition of a conservation easement on the Ranch 1 will further the following specific goals and policies of the Douglas County Master Plan:

Goal 5.09: To protect wetlands for their values for groundwater recharge, flood protection, sediment and pollution control, wildlife habitat, and open space.

Goal 5.11: The County shall identify and protect the functions and values of surface water systems, which include fish and wildlife habitat, aquifer recharge and discharge, and recreational opportunities.

MAILING ADDRESS: P.O. Box 218, Minden, Nevada 89423

SNPLMA Division
December 6, 2007
Page Two

Goal 5.16: To create a system of open space areas and linkages throughout the county that protects the natural and visual character of the county, provides contiguous wildlife corridors, and provides for appropriate active and passive recreational uses.

Policy 5.17.02: Douglas County shall encourage and support land exchanges between private land owners, the U.S. Forest Service, and the Bureau of Land Management when such exchanges are consistent with the Master Plan, particularly the Land Use Element.

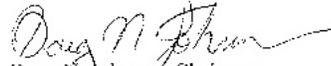
Goal 7.01: Maintain agriculture as an important land use and preserve the rural character, cultural heritage and economic value of Douglas County.

Goal 7.02: Create alternatives to the urban development of existing agricultural lands, such as market based incentives, programs for financing compensation or development rights transfers, or the purchase of development rights in order to preserve these agricultural areas.

We believe that the purchase of the conservation easement on Ranch No. 1 meets the intent and goals of SNPLMA and FLTFA to acquire sensitive lands within the State of Nevada and encourage your favorable recommendation for the purchase of conservation easement on this property.

On behalf of the Douglas County Board of Commissioners, we urge you to approve the nomination of the purchase of conservation easement on the Ranch No. 1 property located within Douglas County.

Sincerely,



Doug N. Johnson, Chairman
Douglas County Board of Commissioners

C: Douglas County Board of Commissioners
Jacques Etchegoyhen, Terra firma Associates LLC

U:\DC\Elec\12-07\SNPLMA-Ranch 1

9. PHOTOGRAPHS

RANCH NO. 1 FLOODPLAIN FUNCTIONING



BALD EAGLE IN GENOA'S HISTORIC "HANGING TREE"



CREEK USED FOR IRRIGATION ON UPPER PORTION OF RANCH NO. 1



WETLAND HABITAT LINKING RIVER FORK AND RANCH NO. 1



HISTORIC BARN



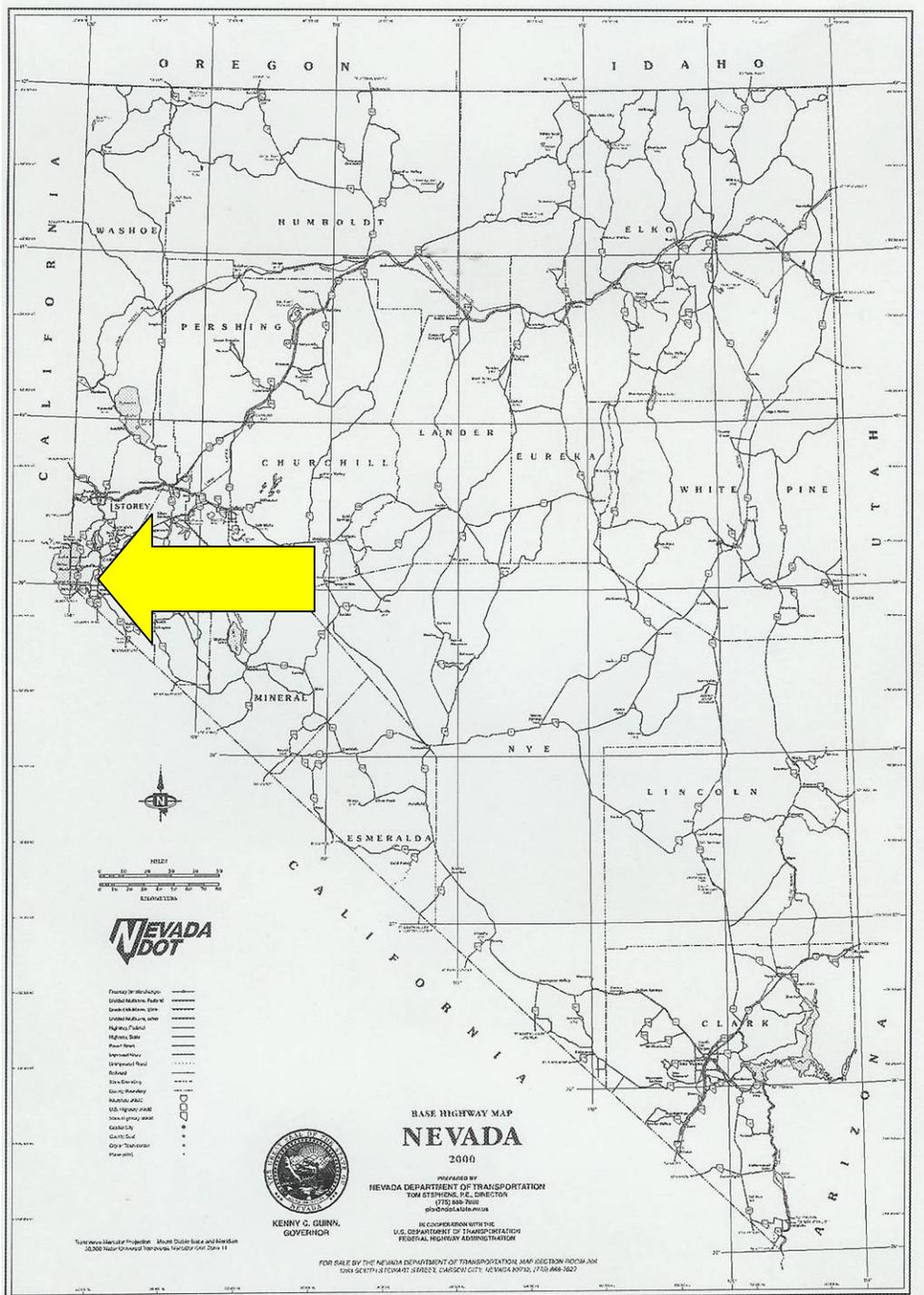
WILDLIFE REFUGE



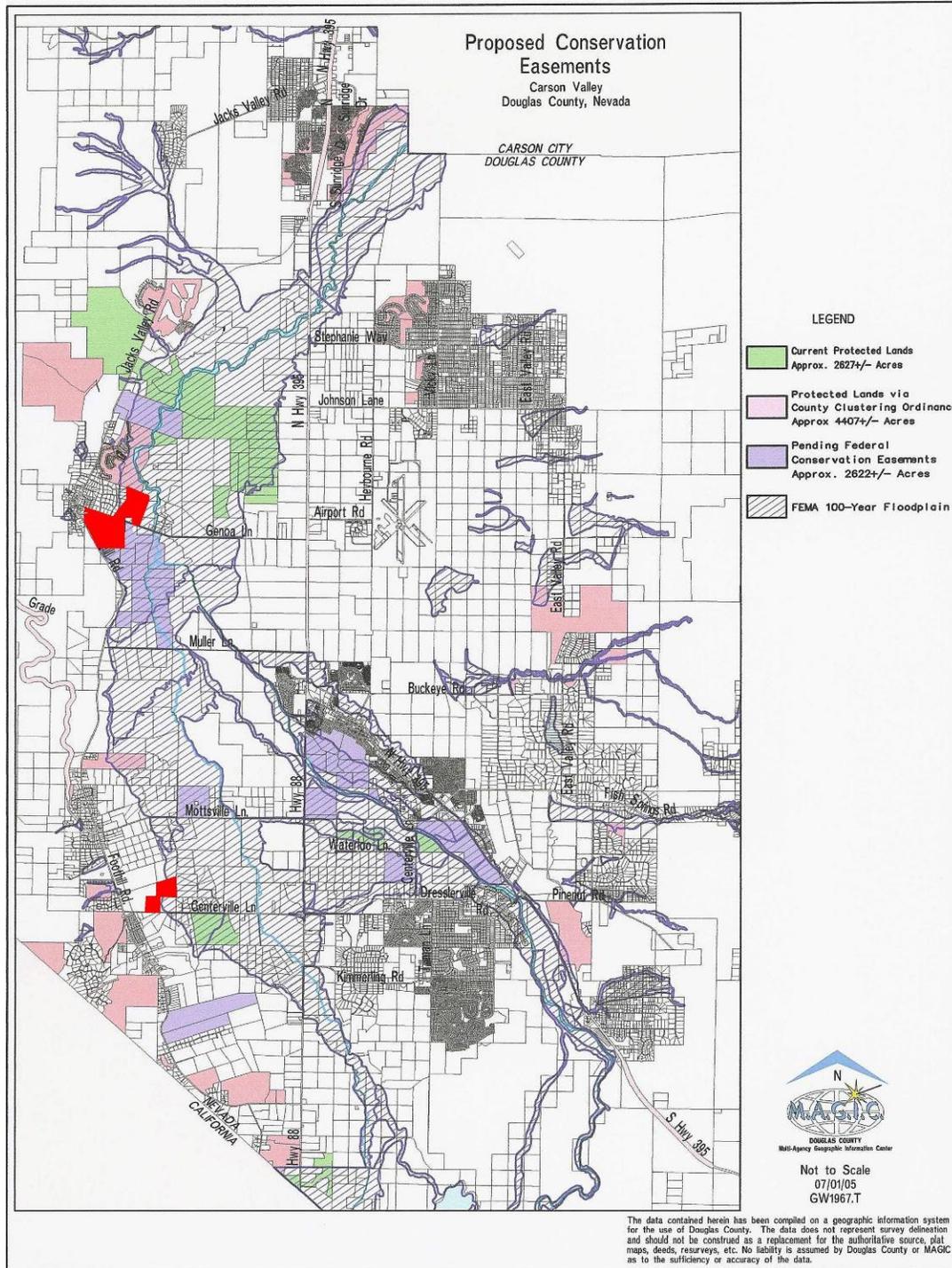
10. AERIAL PHOTOGRAPH FROM GOOGLE EARTH



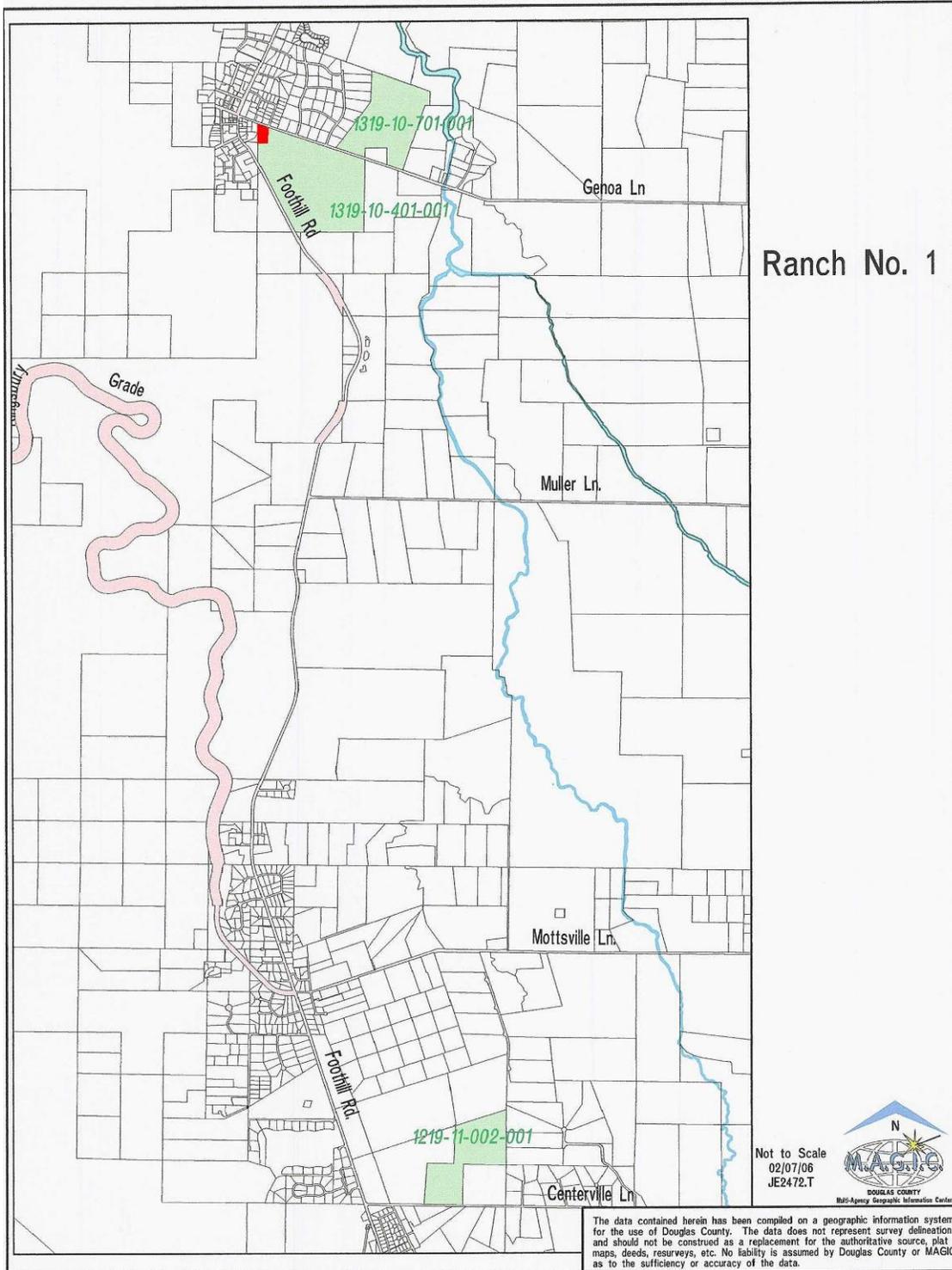
11. STATE MAP DEPICTING THE GENERAL LOCATION OF THE SUBJECT PROPERTY



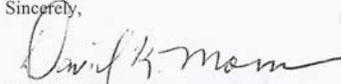
12. LOCATION MAPS DEPICTING THE SPECIFIC LOCATION OF THE PROPERTY, INCLUDING PROXIMITY TO OTHER FEDERAL CONSERVATION EASEMENTS



13. PARCEL MAP OF THE SUBJECT PROPERTY, INDICATING ENVISIONED BUILDING FOOTPRINT/CURTILAGE AREA, OR SEPARATE CULTURAL CONSERVATION EASEMENT



14. SUPPORT LETTERS

<p>ALLEN BIAGGI <i>Director</i> Department of Conservation and Natural Resources</p>	<p>KENNY C. GUINN <i>Governor</i></p>	<p><i>Address Reply to:</i> 901 S. Stewart Street, Suite 5005 Carson City, Nevada 89701-5248</p> <p>Phone: (775) 684-2770 Fax: (775) 684-2777 stparks@parks.nv.gov http://parks.nv.gov</p>
<p>STATE OF NEVADA</p>		
<p>DAVID K. MORROW <i>Administrator</i></p>	<p>DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES DIVISION OF STATE PARKS</p> <p>April 20, 2006</p>	
<p>Bureau of Land Management Division of Lands and Acquisitions 4701 N. Torrey Pines Drive Las Vegas, NV 89130</p>		
<p>Dear Sirs:</p>		
<p>Re: SNPLMA Round 7 Nomination/Ranch No. 1</p>		
<p>As the Administrator of the Nevada Division of State Parks, I support the acquisition of a conservation easement on Ranch No. 1 in Genoa. Although, I am not in a position to determine the eligibility of this project to receive consideration under SNPLMA, I certainly believe it is worthy of consideration. The property has significant historic and ecological importance both to the Carson Valley and the State of Nevada. The Nevada Division of State Parks operates a small but important historic site, located just up the road from the ranch. The division has also developed a partnership with Douglas County to preserve and operate the Dangberg Home Ranch. Initial interpretive planning emphasizes the development of ranching in the Carson Valley and it would enhance interpretive opportunities to preserve one of the valleys earliest ranches.</p>		
<p>Ranch No. 1 was the first cattle ranch and homestead in one of the oldest towns in Nevada. In 1852, Mormon Station owner Col. John Reese filed "claim # 1" in the Nevada Territory for the land. The property continues to operate as a ranch and provides cultural, aesthetic and natural resource values to the community of Genoa and its many visitors. For visitors to Genoa, Ranch No. 1, it provides the scenic gateway to a town on the "National Register of Historic Places".</p>		
<p>Protecting Ranch No. 1 through SNPLMA will help to ensure that agriculture remains an important part of the culture and economy of the region, while protecting vital wildlife habitat and open spaces.</p>		
<p>Sincerely,</p>  <p>David K. Morrow Administrator</p>		
<p>DM/avc 002 Dangberg</p>		
<p>Cc: Jacques Etchegoyhen, Terra Firma Associates Allen Biaggi, Department of Conservation & Natural Resources Pam Wilcox, State Lands</p>		
<p><small>(NSPO Rev. 8-05)</small></p>		



KERRY C. GUINN
Governor

SCOTT K. SISCO
Interim Director

STATE OF NEVADA
DEPARTMENT OF CULTURAL AFFAIRS

Nevada State Historic Preservation Office
100 N. Stewart Street

Carson City, Nevada 89701
(775) 684-3448 • Fax (775) 684-3442

www.nvshpo.org

RONALD M. JAMES
State Historic Preservation Officer

July 12, 2006

Bureau of Land Management
Division of Lands and Acquisitions
4701 N. Torrey Pines
Las Vegas, NV 89130

Dear Sir:

I am writing to you in support of the acquisition of conservation easements for three historic ranches in Northern Nevada. Terra Firma Associates is proposing that funding for the acquisition of environmentally sensitive lands from Round 7 of Southern Nevada Public Lands Management Act be used to purchase conservation easements on the ranches to maintain open space and continue historic ranching in Northern Nevada.

The Nevada State Historic Preservation Office is charged with encouraging and working with federal, state and local agencies to preserve historic properties. The State of Nevada's Comprehensive Preservation Plan of 2003 identifies urban expansion as having a major impact on historic properties such as ranches in and around Reno and other cities of western Nevada. The Office also manages the Centennial Ranch Program honoring families who have owned and operated ranches for over one hundred years in Nevada.

The three ranches are:

Ranch No. 1 in Genoa, Douglas County, Nevada: The ranch was founded in 1852 and is the first cattle ranch and homestead in the State of Nevada.

Mack Ranch, Carson Valley, Douglas County, Nevada: The ranch has been owned and operated by the same family since 1858.

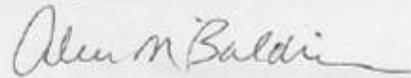
Hunewill Ranch, Smith Valley, Lyon County, Nevada: Six generations of a single family have operated cattle on this ranch.

The Nevada State Historic Preservation Office encourages the Bureau of Land Management to fund the purchase of these important conservation easements that not only protect open space and habitat but historic ranches.

Bureau of Land Management
July 12, 2006
Page 2

If you have any questions about the Office and its functions, please feel free to call me at
775-684-3444.

Sincerely,

A handwritten signature in cursive script that reads "Alice M. Baldrice". The signature is written in dark ink and is positioned above the typed name.

ALICE M. BALDRICA, Deputy
State Historic Preservation Officer

CARSON WATER



SUBCONSERVANCY
DISTRICT

777 E. William Street
Suite 110A
P.O. Box 2072
Carson City, NV 89702

(775) 887-7456
(775) 887-7457 fax

February 15, 2006

Bureau of Land Management
Division of Lands and Acquisitions
4701 N. Torrey Pines Drive
Las Vegas, NV 89130

Re: SNPLMA Round 7 Nomination/Ranch No. 1

Dear Sirs:

The Carson Water Subconservancy District (CWSD) supports the Southern Nevada Public Land Management Act (SNPLMA) acquisition of a conservation easement on Ranch No. 1 in Genoa. The property has significant historic, ecological and economic importance both to the Carson Valley and the State of Nevada.

Ranch No. 1 was the first cattle ranch and homestead in the oldest town in Nevada. In 1852, Mormon Station owner Col. John Reese filed "claim # 1" in the Nevada Territory for the land. The property continues to operate as a ranch and provides cultural, aesthetic and natural resource values to the community of Genoa and its many visitors. For the vast majority of visitors to Genoa Ranch No. 1 provides the scenic gateway around a town on the "National Register of Historic Places". The Genoa "Hanging Tree", a National Historic Tree, and its cottonwood neighbors gracefully line the main entrance into town.

Securing a conservation easement on Ranch No. 1 will protect nearly 370 acres of agricultural land and redirect development outside the floodplain. The easement will tie water rights to the land and enable critical aquifer recharge to take place. In addition, the property links a significant wildlife corridor between the higher elevations of the Sierras and the lower elevations of the Carson Valley.

Protecting Ranch No. 1 through SNPLMA will help to ensure that agriculture remains an important part of the culture and economy of the region, while protecting vital wildlife habitat and open spaces.

Sincerely,

Robert A. Milz
Chairman of the Board

RAM/1



Northern Nevada Office
One East First Street, Suite 1007
Reno, Nevada 89501

Southern Nevada Office
3380 West Sahara Avenue, Suite 120
Las Vegas, Nevada 89102

tel [775] 322-4990
fax [775] 322-5112

tel [702] 737-8744
fax [702] 737-5787

nature.org

August 2, 2006

Bureau of Land Management
Division of Lands and Acquisitions
4701 N. Torrey Pines Drive
Las Vegas, NV 89130

Re: SNPLMA Round 7 Nomination/Ranch No. 1

Dear Executive Committee:

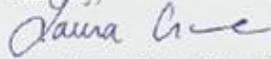
The Nature Conservancy supports the Southern Nevada Public Land Management Act (SNPLMA) acquisition of a conservation easement on Ranch No. 1 in Genoa. The property has significant historic and ecological importance both to the Carson Valley and the State of Nevada.

The habitats of the Carson Valley, including pasture, grasslands and riparian wetlands, are so critical to birds that the Lahontan Audubon Society has identified the Carson Valley as one of Nevada's Important Bird Areas. The Ranch 1 property captures some of the excellent examples of wet meadow and wetland habitats along the Carson River. We are not aware of any formal surveys that have been conducted on the Ranch 1 property for plants, birds, wildlife, or any other biological attribute. However, we fully expect to encounter bird species from the *Nevada Species of Conservation Priority* that require wetland and wet meadow habitat, such as long-billed curlew (*Numenius americanus*), willet (*Catoptrophorus semipalmatus*), American avocet (*Recurvirostra americana*), black-necked stilt (*Himantopus mexicanus*), as well as other waterbirds, waterfowl, and raptors.

Securing a conservation easement on Ranch No. 1 will also ensure connectivity of conservation lands in the Carson Valley. The southern and eastern boundaries of the Ranch 1 property are bordered by The Nature Conservancy's River Fork Ranch preserve, which has already been approved for a conservation easement under Round 1 of SNPLMA. The Greater Sandhill Crane has been documented as nesting on the River Fork Ranch property. This bird species is highly sensitive to human disturbance and a single pair may require 800 acres of undisturbed habitat for nesting. The easement will ensure

that these large expanses of habitat remain in tact. In addition, the property links a wildlife corridor between the higher elevations of the Sierras and the lower elevations of the Carson Valley.

Sincerely,

A handwritten signature in cursive script that reads "Laura Crane".

Laura Crane, Carson River Project Director
The Nature Conservancy

15. PRELIMINARY TITLE REPORT