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| **From:** | Ron Whalen |
| **To:** | Corcoran, Elizabeth (SAO) |
| **Subject:** | 3rd installment |
| **Date:** | Friday, June 16, 2023 10:12:51 AM |
| **Attachments:** | emails with broker of Zylstra Lake sale.odt<br>emails with Jim Skoog-LB-about competing offer.odt<br>emails with San Juan Preservation Trust regarding competing offer.odt<br>emails with Washington Real Estate Commission.odt<br>RCW 18.86.030.odt |

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External Email

Elizabeth,

This is the 3rd installment concerning ethics. While it's related to the 2nd installment concerning misrepresentation. I made it a separate installment.

**Issues for inclusion to 2023 audit of San Juan County**

**Ethics violations**

There had been much rumor about some competing offer and the need to act quickly before a developer purchased the property in the Zylstra Lake acquisition. The key word here being *rumor.* In the council meeting of November 10, 2015 the council chairman had spoken about rumors on the street about a purchase plan for acquisition and the problems created by not following process protocol. The Zylstra Lake acquisition was ultimately accepted on November 30, 2015.

The result was an acquisition that did not have a required appraisal. The cost was 3 million dollars. The property was appraised two years later in a grant application for $2,700,000. (*$300,000 less than the acquisition cost*)

Subsequent to the acquisition efforts were made to verify the rumored competing offer.

1. emails w/broker of Zylstra Lake sale (attachment A)

2. emails w/Jim Skoog (Land Bank) (attachment B)

3. emails w/San Juan Preservation Trust (attachment C)

4. emails with The WA dept of licensing-Real Estate Unit (attachment D)

The rumored competing offer was never verified. The base question here is **was there a legitimate competing offer or just a rumor designed to expedite the acquisition process**? Was there violations to provisions of RCW 18.86.030-*Duties of broker*? (attachment E). This question should be initiated by the Washington State Auditors office to the Washington Real Estate Commission as part of the San Juan County Audit.