

# RECAP

## Public Lands Advisory Committee

Approved 10/30/2008



**Meeting Date:** Thursday August 7, 2008

**Time:** 1:30 pm to 3:30 pm

**Location:** General Services Building  
Mt. Mazama Conference Room  
1225 Ferry Street SE  
Salem, OR 97301

**Attendees:** **Tom Byler, Chair**  
**Thomas Sjostrom**  
**Evelyn Stepp**

**Louise Solliday**  
**Susan Aldrich**

**Guests:** Fred Lord, DAS Facilities Div  
Jeff Kohlleppel, DAS Facilities Div

Art Arroyo, OMD  
Robert McKee, ODF

ITEM	ACTION, DISCUSSION
<b>Board Administration</b>	
<p>1. <b>Opening Remarks / Administration</b></p> <p>2. <b>Approval of Meeting Minutes for April 3, 2008.</b></p>	<ul style="list-style-type: none"> <li>• <b>Chair Tom Byler</b> called the meeting to order at 1:30 pm.</li> <li>• <b>Senator Winters</b> was absent.</li> <li>• <b>Representative Gilman</b> attempted a conference call but was unable to participate because of a recent ear medical procedure.</li> <li>• <b>Evelyn Stepp</b> and <b>Susan Aldrich</b> participated via teleconference.</li> <li>• <b>Tom Byler</b> asked if there were comments, questions, or concerns regarding the minutes. There was none. <b>Motion: Louise Solliday</b> moved to adopt the minutes as presented. <b>Second: Thomas Sjostrom.</b> <b>Tom Byler</b> called for a vote on the motion. The motion passed unanimously.</li> </ul>
<b>Property Acquisitions or Dispositions</b>	
<p>1. <b>Oregon Military Department- Art Arroyo</b></p>	<ul style="list-style-type: none"> <li>• The Oregon Military Department (OMD) presented information on two property acquisitions and one property disposition.</li> <li>• The OMD proposed the exchange of its armory and 2.3 acres of land for approximately 9 acres of unimproved land in the City of Hillsboro, OR. This site would serve as the location for a new armory.</li> <li>• Most of the 9-acre parcel is owned by Washington County and the Port of Portland owns the other part.</li> <li>• The appraisal of the acquisition is approximately \$8 million and the appraisal on the disposition is approximately \$2 million, this is not a full appraisal yet.</li> <li>• OMD hopes for an exchange with Washington County, after Washington County purchases the Port of Portland's portion of the proposed site.</li> <li>• The deficit between the values of the two properties may cause OMD to acquire a smaller portion of the property and then to lease</li> </ul>

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out the other portion. This is one of the possible proposals.

- The current use of the acquisition property is for vehicle storage by the City or County.

**Questions:**

**Q** – Is the zoning of the property satisfactory?

**A** – Yes, it is zoned for public service use.

**Q** – What is the minimum size of the property that OMD likes to acquire for the building of facilities?

**A** – Seven to ten acres are sufficient.

**Q** – Will there be a conflict with the nearby residential neighborhood?

**A** – No, the residential neighborhood is across the Max line from the proposed site.

**Q** – Is it important for OMD to be so close to the airport?

**A** – Yes, that was a consideration for rapid deployment with minimal transit time.

**Q** – What is the timeline of this project?

**A** – This project's timeline is based on the negotiations with the County and the Port of Portland. The Port wants OMD to lease the entire property.

**Q** – Is this presentation here prematurely?

**A** – Yes, this is advance notice about this project.

- The second acquisition is for a piece of property by Camp Rilea, near Warrenton, OR.
- This acquisition is of 2.38 acres at an appraised value of \$340,000.
- The E-Board has already approved the funds for this acquisition.

**Q** – Why does OMD want this property?

**A** – OMD primarily wants this property as a buffer for encroachment abatement. The property would also allow direct access to the sewage lagoons at Camp Rilea and for the training possibilities by the creek.

**Q** – What is the property zoned?

**A** – It is zoned residential.

**Q** – Residential developmental property is not worth much right now. How current is your appraisal?

**A** – The appraisal is from April 2, 2008. The property's features are 2.3 acres on Highway 101 and a house with a built in beauty salon.

**Q** – Was the home value separated from the property value?

**A** – Yes, Art believes so.

**Q** – If the E-Board has already approved the funds for the acquisition, then why is this project here before the PLAC?

**A** – Each Agency has a statutory obligation to come before the PLAC with land acquisitions over \$100,000. The agencies are required to consult with PLAC and then the Committee advises DAS on the

matter. The Agencies should come before the PLAC and then go to the E-Board. The PLAC is there for advice and issue resolution and that advice may help get the E-Board's approval.

**Q** – What is the procedure for opportunistic situations that may occur between PLAC meetings?

**A** – **Fred Lord** will poll the Committee members to see if a special meeting needs to be convened. The ability to teleconference will help in these special cases.

**Q** – What is the procedural order for the PLAC and the E-Board?

**A** – Planned acquisitions should come before the PLAC first. The Committee's recommendations could be beneficial when the proposal is then taken before the E-Board. The E-Board is the ultimate authority.

**Q** – What is the role of the PLAC?

**A** – The role of the PLAC is to provide recommendations and advice to DAS. The Committee identifies questions, issues, and problems. It is the Committee's responsibility to convey these to DAS and the Director.

- The Camp Rilea Acquisition was then determined to be a moot point, since the E-Board's approval was given.

**Q** – If other private parcels became available, would OMD be interested in acquiring those parcels?

**A** – There are some parcels along the southern border of Camp Rilea, which OMD would look at if they come available. These would also be for buffer purposes.

## 2. Oregon Department of Forestry- Robert McKee

- The Department of Forestry (ODF) presented information on the disposition of the Triangle Lake Guard Station and gave updates on the John Day project and the Sisters Project.
- The parcel acquisition for the John Day project just closed.
- The Sisters project is a potential co-locate with the Oregon Department of Transportation. ODF is having problems with the zoning. ODF is trying to get a non-conforming use permit, which has delayed the project.
- The Triangle Lake property is a half-acre parcel with a house and garage on Triangle Lake. The house was used as a remote guard station for firefighting crews.
- These guard stations have been used for the last 80 years, and are now falling out of favor. This area can be serviced from the Veneta compound. The local District Forester has decided that this station is no longer needed and that the proceeds from its sale can be used for the renovation and work at the Veneta compound. In the future, more of these remote guard stations may be disposed of as well.

### Questions:

**Q** – Is the property vacant?

**A** – Yes.

**Q** – Has ODF thought of renting or leasing the property?

	<p><b>A</b> – Yes, during the off-season to provide some income to the agency. The costs to renovate the building for continued use are substantial versus the possibility of some eventual use. Funds for renovation are sparse and are needed for other projects.</p> <ul style="list-style-type: none"> <li>• <b>Evelyn Stepp</b> points out that the renovations may be necessary to sell the property. It is not the ideal time to sell.</li> <li>• Robert is unsure that spending the \$40,000 to \$50,000 for renovations on a property worth \$250,000 to \$300,000 would be wise. He will try to get the appraiser to give him two appraisals, one as is and the other with renovations.</li> </ul> <p><b>Q</b> – Is the condition of property affecting the ability to lease it?</p> <p><b>A</b> – Yes, it would need some renovation in order to continue leasing. Recovery time for renovation cost by leasing would be substantial.</p> <ul style="list-style-type: none"> <li>• Holding the property and leasing until the market improves may be more beneficial than selling now.</li> <li>• <b>Evelyn</b> comments that people in the real estate market in that area, are looking for established homes that are already fixed up, rather than building from the ground up.</li> <li>• <b>Thomas Sjostrom</b> was concerned by the fact that the appraisal would be reduced by the by the amount of deferred maintenance. Therefore, if the deferred maintenance bill was being paid for anyway, the renovation investment and return may be worth it.</li> <li>• <b>Susan Aldrich</b> suggested looking into the value of the property as unimproved with the house demolished. <b>Evelyn</b> said that unimproved property is at a very low value right now.</li> <li>• <b>Chair Byler</b> asked if there any further questions or observations and there were none. He then asked <b>Fred</b> what action or advice ODF may be looking for from the Committee. <b>Fred's</b> comments included putting together some generic guidelines, for agencies, of possible procedures to follow in order to increase property value when selling and returning the value to the agency. Asking the appraiser for different scenarios when selling a property as unimproved or as renovated, would allow the agency to make a wise decision. Hold on to the property and waiting until the market improves. Develop plan of action for all future properties trying to maximize value.</li> <li>• <b>Evelyn</b> suggested leasing out shop and land for RV storage.</li> <li>• <b>Robert</b> reiterated that the funds generated for the sale of this property were to be used for improvements for the Veneta compound are included in the project's budget.</li> <li>• ODF will return to present information on all of its properties at the November PLAC meeting. The Committee will get an update on this property then.</li> </ul>
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<b>Reports</b>	
<p><b>1. Agency Land Managers Forum Meetings Update</b></p>	<ul style="list-style-type: none"> <li>• <b>Fred</b> presented an update on the 2006 PLAC Recommendations. The primary recommendation for then was to reestablish the Land Managers Forum (LMF).</li> <li>• The Forum has proved very successful in addressing PLAC questions and other issues common to land managers. During the April meeting the LMF developed their 2008 Action Plan from the</li> </ul>

