



Teleconference
Oregon Parks and Recreation Department Office
725 Summer St. NE – Room 237 Salem, Oregon
April 18, 2008

APPROVED Minutes

The teleconference committee meeting was held in order to continue discussions from the April 9, 2008 ATV-AAC meeting and take action on an acquisition grant requested by Union County to purchase land in the Mt. Emily area.

Committee Members present via teleconference: Larry Runk, Committee Chair; Tyrrell Hart, Vice-Chair; Karen Wolff, Wendy Zustiak, Rick Thomas, and Chris Knauf

Committee Members present at OPRD: Scott Ryland, Tim Custer, and Joe Barrell

Others present via teleconference: Hanley Jenkins, Union County Planner; and Union County Commissioner Steve McClure

Staff present at OPRD: Ron Price, Wayne Rawlins, Ian Caldwell, John Lane, Mike Law and Pamela Berger

The meeting was convened at 9:06 a.m. by Vice-Chair Hart

Ron Price: Noted that an updated appraisal was provided this morning from Mr. Hanley.

All meeting attendees were in possession of the updated appraisal.

Hanley Jenkins, Union County Planner, explained changes in the new appraisal noting the asking price and distribution of land and timber values have changed since the previously submitted appraisal done in November 2006. He discussed the following:

- . Distinction between properties purchased with ATV grant funds vs. those by the Local Government Grant Program (LGGP) funds
- . Refers to map showing elevation
- . In-holdings by Mr. Spencer

- . Property east of the proposed ATV land will be requested to fund with a Local Government grant.
- . The west-side will be purchased with ATV funds.
- . County roads identified.
- . As Mt. Emily bisects north to south proposed to be purchased with ATV funds, is a county road that climbs the face of the mountain on the south-side.
- . Ridge elevation.
- . East-side is steep and generally open slopes that extend down to elevation of 3,640 recognized as a buffer area, due to steepness it does not lend itself to use.
- . Our intention is that the line easement prescribe Union County as property owner to use for ATV purposes and to be developed as an ATV park

Tim: How many acres are in the buffer zone?

Hanley: Approximately 400 acres maybe more.

Tyrrell: Suggests that the steep face area proposed to be purchased with motorized funds is not as valuable as the usable land around it.

Hanley:

- . Still working on financing portion; may be going back for an updated timberland appraisal
- . For our purposes, the numbers presented is final appraisal number.
- . Developed a table showing Forest Capital's numbers compared to purchased land
- . For your grant purposes you require a "yellow book" appraisal. We contracted NW Management who did Forest Capital's appraisal and found a substantial change in the land value. It went up 25% and the timber value went down 40% which changes our request to the ATV Committee. Noted changes that will be affected if a grant is awarded from the Local Government Grant Committee in June.
- . Harvest costs have been removed from the total value; that is the reason you don't see an exact 40% reduction.

Karen: Asks if the appraiser could identify specific separate land values for the east-side and west-side.

Hanley: This has not been done. What can and cannot be done is limited by the "yellow book" appraisal.

Commissioner McClure: Explains that if you have a site on the 240 acres to build houses, then that becomes the value for the entire property.

Joe: Would we be purchasing the buffer zone?

Unidentified person: Yes.

Joe: Will that area allow OHV use?

Unidentified person: No.

Ron: Thought access would be allowed in the buffer zone.

Hanley: The buffer zone will be designed to minimize the impact of the ATV noise. ATV activity on the face would present erosion concerns, which is not acceptable by the local community.

Wayne: Noted the buffer zone area is part of the acquisition; negotiating the purchase of, or the purchase price, is not an option.

Joe: What happens when other areas around the ATV land are purchased; will we be required to provide a buffer zone for them?

Hanley: No, the north-side and part of west-side is national forestland. The southeast area is zoned A1 for farming. The need to provide a buffer zone is for the adjoining designated housing area.

Tyrrell: If I own part of the 140 acres that is available for in-holding, what rights do I have?

Hanley: Only to harvest the timber.

Karen: Will in-holding areas have dedicated access?

Hanley: There is access by the existing county road. Not sure if the east parcel rocked road that is used for bikers and hikers and previously used for timber harvest, would be available to in-holdings.

Wayne: Sounds like a prescriptive easement.

Hanley: Yes, both parcels have access to public roads. Proposing under easement segregation; not creating parcel but creates separate tax lots.

Wayne: We are talking about two different things.

Tyrrell: Asked if there were financial difficulties, could we stand on our own. You are describing two different tax lots.

Hanley: There is the capability to create separate parcels. Since we don't own the property we cannot separate them at this time. Forest Capital is proceeding

to create 240 acre parcels. The law allows you to create two separate parcels in the future. It would be possible. Foreclosure on the land is not an option because the timber value secures the loan. The 1 million dollars worth of timber value, proposed to be purchased with ATV funds, won't be harvested with the harvest done by the philanthropic group. Our intention is not to harvest until the other areas have opportunity for regeneration. Profits from timber harvest would go back to ATV improvements and maintenance, not to Union County treasury.

Tyrrell: Asked Wayne about adding stipulations in the contract for the recreation easement and requiring the survey of the three access routes through the buffer zone along with the 3,640 elevation line displayed on the map Hanley provided

Wayne: We can write stipulations into the agreement. Don't understand the need for the survey the elevation line.

Hanley: I'm having trouble with appraising for different sites and discussing separating parcels. Not sure what you are asking.

Wayne: We are looking for protection from financial difficulties in future.

Hanley: The easement would be written to OPRD. The only potential finance difficulty is through the philanthropic organization. Don't understand the risk being financing since it is based on the timber value. The philanthropic organization is accepting the risk. We can't proceed without getting both the Local Government and ATV grants.

Wayne: No need to divide property in the future since there is no risk to recreational opportunities in future.

Hanley: That is correct.

Tyrrell: What if OPRD has to exercise their easement beyond the county interest?

Hanley: The easement transfers with the property. OPRD would not lose the easement in the event of a sale. The purchaser has to be willing participant.

Tyrrell: If the philanthropic organization finds their timber value lowers, we just want to make sure our value is not in jeopardy. Are we protected?

Hanley: The philanthropic organization is required to make low interest loans. They are willing to take the risk of lower timber values or loss due to fire. Therefore the timber becomes their security. They only timber they would harvest would be if we can't make our payment.

Commissioner McClure: If we can't get that agreement, then we won't go forward. If the area burns the value is not there; they would accept the loss.

Tim: Is the 67% of the timber below the 3,600 property line for mixed timber?

Hanley: Yes.

Hart: The 1/3 and 2/3 is about the timber values. There are a lot of open areas as well as scattered pine.

Tim: Is there any separation by elevation line?

Wayne: If LGGP does not approve the grant request, then this deal is dead. Do you have other sources of funds available?

Hanley: Correct, without the LGGP grant then this deal will terminate. We don't have time to pursue other financial opportunities due to timelines put before us by Forest Capital. They have other parties interested in purchasing the land. Not confident they would move on the drop dead dates.

Wayne: The LGGP is a competitive grant program. They continue to receive more grant applications each year.

Hanley: We feel these grants are an excellent fit for both the ATV and Local Government Grant programs.

Wayne: Besides the grant agreement we would need a recreation easement in place to address the advisory committee concerns.

Hanley: The original proposal was for a cross section of users to be advisory committee members, with the approval of county elected officials. It appears to be beneficial to have two committees, one for motorized made up of representatives from ATV user groups, one member from ODFW, and one representative from the non-motorized property to act as liaison with the non-motorized advisory committee. The committees will work together to develop proposals then they are presented to Union County's Board of Commissioners.

Joe: ATV users are against this unless you can show us that the OHV community is in charge of the OHV property. There is no reason to intertwine the management of the OHV area and the non-OHV area. There could be one person to manage both areas, but there is no reason to go back and forth. The OHV area should be maintained and enforced by an OHV user group.

Tyrrell: Suggests having a motorized committee handle the motorized portion, having a motorized expert design the trail layout.

Karen: The idea of having motorized advisory group is an excellent idea.

Joe: Didn't you state you were going to have one, not two advisory groups?

Hanley: The feasibility study suggested having one group, but we would like to amend that to have two groups; one for the OHV area, the other for the non-OHV area.

Hanley: Noted that he spoke to Leonard Erickson, a biologist who prepared the letter sent by Bruce Eddie, ODWF, that they are more than willing to work on trail routes to address not disturbing the falcon nest.

Hanley: Discussed cultural resource issues. We did not receive any comments in writing or verbally. The previous property owner, Boise Cascade, had done cultural resource surveys and it does not show any cultural resources on the property.

Wayne: If this grant is successful then staff will forward to SHPO. Discusses budget process. We will go to director, then commission, then E-Board to request an increase in our spending limitation. Grant money from the Local Government Grant Program is limited. He discussed the ATV grant funds that are already allocated to law enforcement for Union County. At the April ATV-AAC meeting we added a couple more items for law enforcement and resource damage, and a 5 million dollar land acquisition. There are two other acquisitions that may be presented at the September ATV-AAC meeting.

Tyrrell: Can we raise our spending limitation request?

Wayne: That probably not in our best interest at this time.

Joe: Although I don't know anything about acquisition problems and land values, my concerns are for my constituency, the OHV riders. I want the contract to include that OHV the community will run the OHV area. I have a problem with purchasing the buffer.

Larry: Will the ATV fund be reimbursed for 1/3 of timber logged over the next eight years?

Hanley: 1/3 of the area won't be logged within the eight years because 2/3 of it will be harvested to pay back the loan from the philanthropic organization. It would be logged later on and the revenue would go back into the ATV property for things such as improvements and maintenance.

Wayne: With all of the OPRD grant programs, the dollars generated cannot go outside of the site.

Larry: We don't want to jeopardize the ability to fund upcoming land acquisitions due to a shortage of grant funds.

Wayne: Limited funds will be available if we are approved for an increase at the June E-Board.

Wayne: Discusses contract language that will be between OPRD and Union County; which have standard contractual obligations. The language won't be presented to the committee for approval. Believes the contract itself won't be difficult to put together.

Tyrrell: Could we stipulate that an easement for motorized use be managed by motorized users? Have concerns about things changing in the future.

Wayne: We want to keep the language clear and simple describing the responsibilities for OPRD and Union County. Need to be respectful of Union County residents as well as ATV users.

Tyrrell: Believes the purchase of OHV land should be a priority.

Wayne: This could come down to goodwill. Recaps the message presented from Union County at the April 9th meeting, that at this time they are seeking an indication of approval for the ATV grant from the ATV-AAC. Although it is too late to take the proposal for consideration to the OPRD commission in May, it could be presented at their July meeting. The timing is wise because we would then know the results of our spending limitation for the June E-Board meeting.

Hanley: Hopefully we can take both the LGGP and ATV grants proposals to the July Commission meeting.

Tyrrell: This is a great leap of faith; as we did with Morrow County.

Scott: Is taken back by the increase in the proposal.

Motion: Scott moved to fund the Union County request of \$4,402,588 with the inclusion of the following conditions be included in the contract:

- Union County survey access routes through the non-motorized areas
- That a second advisory committee be created and made up by a majority of OHV users to manage the OHV portion of the acquisition, and
- That the motorized recreation portion be a perpetual easement
- To have an elevation line survey done and have those lines marked

Second: Joe

Wayne: Asked who would do the elevation line survey and who would pay for the survey.

Vote: In a roll call vote, the motion fails 0-7.

Tyrrell: This is the only first step in the house of cards for the purchase of the Mt. Emily area. What happens if any of their other funding requests fail?

Wayne: It will die on its own. Reminds members this would be subject to spending limitation.

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Voting Yea: Rick, Tyrrell, Karen, Joe and Scott

Voting Nay: Tim and Chair Runk

Vote: In a roll call vote, the motion passes 5-2

Hanley: Looks forward to working with OPRD on this project.

Larry and Wayne: Thank all participants.

Chair Runk adjourns the meeting at 11:45 a.m.

Submitted by,

Pamela Berger
ATV Contract Grants Coordinator