

February 20, 2014

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Via Email and First Class Mail

Oregon State Parks and Recreation Commission
c/o Chris Havel (by Email chris.havel@oregon.gov)
Oregon Parks and Recreation Department
725 Summer St. NE Suite C
Salem, OR 97301

RE: Grouse Mountain Ranch Acquisition Proposal

Dear Commission Members:

Our office represents EOM, Ltd (“EOM”). We previously submitted a letter into the record dated February 4, 2014. We are writing today to register our continuing objection to the Grouse Mountain acquisition proposal that is currently before the Commission.

As we have previously noted, EOM is the owner of a large portion of the subsurface mineral estate under the Grouse Mountain Ranch property. EOM’s subsurface landholdings in Grant County include over one third of the 6,100 acre Grouse Mountain ranch property.

The Grouse Mountain Land acquisition proposal is supported by an Appraisal Review analysis conducted by Integra Realty Resources, dated January 18, 2014 (File 163-2013-0256). The substance and valuation contained in this appraisal document are premised entirely on the acquisition of a “fee simple” interest in the Grouse Mountain Ranch property. Numerous references to this fundamental (and incorrect) assumption are contained in the appraisal document, its “Assumptions and Limiting Conditions,” the “Summary of Salient Facts and Conditions,” and the various memorandums and transmittal correspondence previously submitted to the Commission. This fundamental premise of the State’s appraisal process is entirely wrong. The “Preliminary Title Report” provided by the Land Title Co. of Grant County, Inc. (Supplemental Report No. One, dated May 17, 2013) contains numerous “Special Exceptions” that document existing mineral reservations on the subject property. Special Exception No. 20 is a specific reference to EOM’s mineral estate on the Grouse Mountain Ranch. OAR 736-019-0040 requires the department to use sound principals of real estate acquisition when acquiring or exchanging real property. In this instance, the department has no basis to rely upon a flawed appraisal process that fails to consider matters specifically referenced in its own underlying title analysis of the property.

EOM registers its continuing objection to the administrative proceedings conducted in this matter and reserves its available legal rights and remedies. EOM requests that the Commission consider

the additional issues and concerns raised in our letter to you dated February 4, 2014. Thank you for this opportunity to provide comment.

Sincerely,

A handwritten signature in blue ink, appearing to read "Myles A. Conway". The signature is fluid and cursive, with a long horizontal stroke at the end.

Myles A. Conway

cc: Thomas Lowther

-----Original Message-----

From: thorhinckley@comcast.net [<mailto:thorhinckley@comcast.net>]

Sent: Tuesday, February 18, 2014 8:15 PM

To: Wendy Veliz

Subject: Hello & A Note of Support

Hi Wendy,

...

I wanted to contact you in support of the upcoming vote this Thursday to swap the Oregon Dunes property near Bandon for the Grouse Mountain site in Grant County.

Like many Oregonians, I'm concerned that if the swap is not approved, the Bandon Dunes project, which I know the Governor's office is determined to see through, will be separated from the Grant county property. In that case Oregon State Parks will be extremely hard pressed to find another property to fill the bill. Apparently, until recently the majority of Commission members had clearly expressed the need to exchange land for land of equivalent value.

The belief was that the public must see direct benefits in this type of exchange, not just cash. Taking Grouse Mt. out of the equation and accepting cash for a yet-to-be determined land in exchange does not meet this land exchange criteria.

In addition, my wife Alison who administers federal transportation grants for public transit in SW Oregon has made it clear to me that Coos County sorely needs the new jobs that would flow from the development of a new golf course at the Dunes.

...

In closing, please know that my wife and I wholeheartedly support the pending swap of the Bandon Dunes property for the Grouse Mountain site. Thank you for your efforts to steward Oregon's resources.

Thor Hinckley



NATIVE FISH SOCIETY

Advancing the Recovery of Native, Wild Fish in Their Homewaters

February 17, 2014

TO: Oregon Park and Recreation Department

FR: Native Fish Society

RE: Grouse Mountain OPRD Acquisition

NFS Comments prepared by Mid-Columbia Regional Coordinator, Peter Donahower

Beech Cr is a primary spawning tributary of the upper John Day River for chinook salmon (*O. tshawytscha*) and steelhead (*O. mykiss*). It flows adjacent to Hwy 395, which bisects the 6,100 acres of Grouse Mountain Ranch, owned by George & Priscilla Meredith (proposed Grouse Mountain State Park). 3.6 miles of Beech Cr are within the boundary. Over the summer of 2012, the Meredith Beech Creek Habitat project restored channel complexity to 1.6 miles and increased functionality. Some hay production was terminated on terraces adjacent to the project; there are still approximately 40 acres in hay production however, which OPRD intends to continue. What will be done to further mitigate agricultural runoff from this acreage? Will the remaining reach of Beech Cr within the park boundary be restored?

There is high potential for education and outreach oriented towards native salmon and steelhead in Beech and Little Beech Creek. What protections will be afforded these fish to minimize disturbance of spawning activities? What measures will be taken to protect rearing juvenile salmonids?

OPRD states that there is potential for leasing water. What is the minimum cfs (cubic feet per second) that this will occur? Has OPRD considered transferring the water right to an instream water right in order to protect fish and other instream values? Since OPRD is one of only three state agencies with the ability to apply for instream water rights, that would seem to be the appropriate thing to do with water rights that are no longer going to be used for consumptive purposes. Great care must be taken to ensure that rearing/spawning habitat is not de-watered. There will be an increase in impervious services if the park is developed for parking, cabins, out-buildings and roads. What measures will be taken to mitigate for the associated increases in runoff & non-point sources of surface water impairment?

Fishing opportunities are specifically referenced in Exhibit C. Where will these take place and how will they be monitored? Who will oversee enforcement of these activities within the park?

Development of Grouse Mountain as a new park under state management is an opportunity to improve habitat for native salmonids and increase public awareness through outreach and education. OPRD must incorporate the specific needs of these fish into every aspect of planning Grouse Mountain. The Native Fish Society would appreciate OPRD's response to our various question on the impact of the Grouse Mountain acquisition on wild, native steelhead and Chinook. Thank you for your time.

Best Regards,

Peter Donahower, Mid-Columbia Regional

Bill Bakke, Director of Science & Conservation

Presented to: Oregon Parks and Recreation Commission

Presented by: Craig J. Herman
13180 S Carus Road
Oregon City, OR 97045-7513

Date: February 20, 2014

Objection to the Acquisition of the Grouse Mountain Ranch by the Oregon Parks and Recreation Department

I wish to voice my objection to the acquisition of the Grouse Mountain Ranch by the Oregon Parks and Recreation Department. The Commission in its interpretation of ORS 390.112, ORS 390.121 and ORS 390.122 appears to perceive that it has a mandate to turn Oregon into one giant state park. Converting private land into park land and in the process destroying economic opportunity is a serious step that should not be taken lightly. This acquisition will not contribute to the general welfare, enjoyment or pleasure of the public. In my opinion, this property lacks significant historic features and does not represent a lost opportunity to the Department to justify the acquisition under the various statutes.

Valid concerns have been raised by citizens but ignored by the Commission. Concerns such as lost tax revenues in the county were swept aside. Exhibit A of the Proposed Final Order: Grouse Mt Ranch Acquisition demonstrated that loss of local tax revenues was not a consideration, citing that balancing the benefits of public open space with the impacts on local tax revenue and private economic opportunities were only aspirational goals and so could be ignored. Concerns have been raised about the remote location of this land acquisition and whether there would be overwhelming public benefit; again the Commission brushed those concerns aside. Concerns were raised about adding another 6,100 acres of land to the millions of acres of Oregon land already owned by various government agencies again were brushed aside. When is enough enough?

Moreover, the Department has not correctly estimated the costs associated with converting and developing a working ranch with forest land into a multi-use state park. In my opinion the costs associated with this conversion and operation will be substantial. It is also my view that the development is unfunded. This issue was not accurately addressed in the Commission's findings. Where will the money come from for roads, camp site development, trail development, and other improvements? When the Department comes up short of funds, it will be coming back to the taxpayer for more funding and this is not right.

Exhibit A of the Proposed Final Order has described many favorable opportunities, as if the Department was struggling to find a use for such a large parcel of land. Some of the listed opportunities included a possible use for overflow camping from nearby Clyde Holliday State Recreation site. Other uses in Exhibit B included potential environmental reclamation opportunities. I believe the lack of purpose and the remote location of the Grouse Mt Ranch property does not satisfy the overwhelming public benefit criterion which is needed to justify its acquisition.

The Oregon Parks and Recreation Department needs to focus on maintaining, managing and improving its existing parks instead of pursuing costly ventures such as the acquisition of the Grouse Mountain Ranch property. I urge the Commission to reconsider this acquisition and reject it

Oregon Hunters Association

30490 SW Rogue Lane #3112

Wilsonville, Oregon 97070

Al Elkins Phone: 503.780.6824 Email: alvinelkins@yahoo.com

February 20, 2014

Chair Graves, and members of the Commission for the record I am Al Elkins representing the Oregon Hunters Association (OHA). I am here today on behalf of the 10,000 members of OHA. We are on record in support of the land exchange and the establishment of the Grouse Mt. Park near Mr. Vernon in Grant County.

As we stated to the Commission last time our support of this exchange is conditional on the premise that habitat enhancement for wildlife and hunting be allowed in the major portion of the park with established safety zones around camping areas and facilities.

The last time this item was on your meeting agenda OHA addressed the following points:

- The mission of the Parks and Recreation Department is to provide and protect outstanding natural, scenic, cultural, historic and recreational sites for the enjoyment and education of present and future generations. This mission statement fits well with Oregon 's culture and history, which was built on hunting, trapping and fishing. Hunting is a recreational pastime enjoyed by nearly 300,000 Oregonians. So your background statement that "hunting is not central to OPRD's mission" is simply not true.
- Hunters can and do get along with all other recreational users of public lands. As you are aware hunters share the same trails and campgrounds on National Forest and BLM lands all over the nation. This is an important fact because the argument has been made that hunting does not mix with other user groups.
- There is a section of the OPRD planning website that includes a variety of long-term plans, research reports, and programs intending to enhance the outdoor recreation opportunities available to all Oregonians. Yet the staff report suggests to the commission they exclude one of the largest user groups in the state.
- Also in your background material the statement is made that there may be "limited hunting to achieve wildlife management goals." What exactly does this mean? Unless there's a controlled hunt or a reservation system like some wildlife areas use, there's either public hunting access or there's not. We must say we feel that OPRD is approaching this group of some 300,000 Oregon recreationalists like as a necessary evil, like having the bug guy out to spray once in a while.

In closing I would like to say that hunting is a recognized recreational activity on public lands with appropriate safety zones around high use areas like campgrounds and facilities. As we have stated time and again we share the same trails and campgrounds on National Forest and BLM lands all over the nation. We are asking OPRD to allow some 300,000 Oregonians the opportunity to do the same in Grouse Mt. Park.

That concludes my testimony I would be glad to answer any questions.