Our Vision to Sustainably Manage Land, Water and Common School Fund Resources
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“Sustainability” means using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives. ORS 184.421

Introduction

The principle of “sustainability” is foundational to the fulfillment of the Constitutional and statutory responsibilities of the Department of State Lands (DSL) and State Land Board. Appendix B provides a summary of the constitutional and statutory underpinnings for DSL’s sustainability principles.

Sustainability is also embodied in DSL’s mission statement:

To ensure a legacy for Oregonians and their public schools through sound stewardship of lands, waterways, unclaimed property, estates and the Common School Fund.

DSL carries a range of responsibilities unique to state agencies. From its earliest historical assignments of managing the estates of deceased intestate Oregonians and selling Oregon’s tidelands and federal grant lands, DSL has emerged into the 21st Century with a diverse set of responsibilities stemming from the Oregon Admission Act, the Oregon Constitution and state law. Among these duties are:

- Protect wetlands and waterways from environmental degradation.
- Manage lands and state-owned waterways responsibly to produce income for the Common School Fund (CSF).
- Build the CSF to assure long-term financial assistance to Oregon’s K-12 schools.
- Preserve and seek to re-unite the unclaimed financial assets of Oregonians.
- Serve as state partner for the South Slough National Estuarine Research Reserve.

For DSL, sustainability is more than recycling paper waste, driving alternative fuel vehicles or adjusting the building thermostat. Acting sustainably at DSL is: issuing wetland development permits only when wetland impacts are unavoidable and wetlands are replaced; rotating livestock grazing to avoid overuse; investing wisely to build and grow the CSF; building equity in lands through prudent and planned land management; and finding and protecting Oregonians’ “unclaimed property.”

Certain trade-offs are required for DSL to act within the concept of sustainability. For example, to produce income for the CSF, lands will be grazed; waterway areas will be developed with marinas, docks and piers; and open space land will be converted to urban uses. However, these trade-offs, if managed wisely, need not sacrifice irreplaceable natural resources or place unmitigated burdens on the environment, the economy and communities.
Throughout its existence, DSL has maintained an active role in contributing to the sustainability of the triple bottom-line: healthy environment, healthy economy and healthy communities.

**DSL’s Sustainability Plan**

This *Sustainability Plan (Plan) 2015 Update* was prepared by a staff committee (see Appendix A for membership), approved by the Department’s Executive Team and endorsed by the State Land Board. Looking forward, DSL anticipates preparing future Sustainability Plan updates at five-year intervals.

Rather than a “to do” list, the Plan identifies six sustainability themes. Each theme has a brief description of the current situation followed by “desired future condition” and “objectives” discussions. The desired future condition represents a vision or goal to achieve over time. The objectives are efforts aimed at achieving the desired conditions and are not all-inclusive. Over the life of the Plan it is expected that other actions and opportunities to achieve the desired future conditions might be considered and adopted. Each theme concludes with a “What’s New for the 2015 Update” that highlights a few recent efforts by DSL that support sustainability.

The six sustainability themes are:

1. **Financial**
   The Financial theme focuses on managing Common School Fund income for investment earnings and distributions. Developing and protecting the financial assets of the CSF assures that moneys will be perpetually available to assist in funding K-12 public schools in Oregon.

2. **Transportation and Energy**
   The Transportation and Energy theme encompasses: (1) how DSL uses and consumes energy during its day-to-day work; and (2) how DSL resources might be used to generate energy or promote efficient transportation. These factors are aimed at reducing the amount of fossil fuels consumed to conduct agency business, and supporting opportunities for renewable energy generation on DSL-managed lands.
3. Communications
The Communications theme focuses on both the message and the method. Relaying the sustainable management practices of DSL’s work should encourage support from the public as well as other state agencies. Communication through increased outreach helps build awareness of and compliance with various DSL programs such as unclaimed property, estates and waterway authorizations and permitting. DSL continues to move towards implementation of paperless and electronic communications systems to reduce the negative impacts of other conventional communication means.

4. Natural Resources
As a landowner and regulatory agency, DSL has a key role in sustaining and maintaining Oregon’s natural resources for current and future generations. The Natural Resources theme has several sub-themes, each associated with a different aspect of the Department’s land and waterway management role: Aquatic Resources; Common School Fund Trust Lands; and South Slough National Estuarine Research Reserve (SSNERR).

5. Agency Operations
The Agency Operations theme focuses on the people, training and fiscal resources needed to perform the agency’s business to continue to meet the needs of future generations of Oregonians for excellent schools, clean water, and healthy aquatic, forest and rangeland ecosystems.

6. Sustainable Development Practices
The Sustainable Development Practices theme provides direction to DSL and the Land Board for new land development activities and related decision-making. DSL’s Real Estate Asset Management Plan identifies strategies for enhancing land values, including sustainable development parameters, practices and priorities. Application of this theme to future DSL land development activities will help achieve the goal of being a leader in Oregon for sustainable development.

Monitoring and Plan Implementation
As stated above, over the life of the Plan it is expected that a variety of opportunities to achieve the desired future conditions will be considered and adopted. The efforts of the Department to implement this Plan will be reviewed periodically. The Department’s Sustainability Committee (see Appendix A for 2015 membership) will take the lead in monitoring the Plan and making recommendations for improvements.
A Special Note on Drought and Climate Adaptation for this 2015 Update:

Since publication of DSL’s 2009-2015 Sustainability Plan, climate change has become a central topic of conversation from local to global perspectives. Here at home, Oregon is experiencing drought declarations in most counties for 2015. For DSL, drought and longer term climate change directly affects many of our functions from the management of our lands to ensuring a sustainable aquatic resource base through the regulation of wetlands and waterways. Effective strategies for adaptation will be critical to fulfilling our mission. Recognizing the challenges, the development and implementation of drought and climate adaptation strategies will continue to be a priority within the agency and with the support of our lessees and stakeholders. Some examples of actions already being taken include:

- Responding to a reduction in rangeland carrying capacity through reducing our rangeland lease grazing capacity by 25% over the last two years to avoid overgrazing.

- Working with the Oregon Water Resources Department to facilitate installation of monitoring wells on DSL land in the Harney basin where they have stopped issuing new permits because of concerns with over-allocation.

- Working with lessees to develop water sources for sustainable use of rangelands for grazing including installing water lines to move water for more efficient range use rather than increasing use by drilling additional stock water wells.

- Taking advantage of opportunities to remove juniper where it has expanded beyond its historical range. Juniper removal promotes sustainable rangeland management by increasing water availability for grass and shrub growth as well as stream flows.
Principles of Sustainability

1. Financial

Current Situation
From its earliest days in 1878 as the Office of the Clerk of the Land Board, the agency has been concerned with the financial support of Oregon’s K-12 public schools. Principles of prudent, sustainable financial management of the Common School Fund are embedded into the legal responsibilities of DSL. Over the years the CSF has grown rapidly from $302 million in 1993 to $1.063 billion in 2008 (as reported in the 2009-2015 Sustainability Plan) to now over $1.45 billion in 2015 (a 36% increase since 2008 alone). The distribution policy of the State Land Board recognizes the importance and benefit of predictable, sustainable fund distributions to each school district. Annual distributions have grown from $39,400 in 1871 to nearly $50 million in 2008 (as reported in the 2009-2015 Sustainability Plan) to now over $54 million in 2015 (a 9% increase since 2008).

Spending and investment play important roles in sustaining the benefits of the CSF over the long term. The Real Estate Asset Management Plan emphasizes increasing the value of the real property asset portfolio over time, as well as increasing revenue through prudent land management. As CSF revenue from real estate investments grows, distributions will increase.

The following key performance measures track the sustainability of the Department’s financial performance:

- Increase in deposits to the CSF - Percent annual increase in amount of cash generated by agency activities deposited to the fund.

- Administrative and operational costs – Percent of program revenue streams used to cover administrative and operational costs of programs for forest lands.

- Administrative and operational costs – Percent of program revenue streams used to cover administrative and operational costs of programs for all other activities of the agency.

- Increase revenues from real property management activities – Percent increase in revenues generated by all management activities, excluding timber receipts.

- Increase unclaimed property holder reporting – Percent of annual increase in amount of unclaimed property reported and remitted annually.
**Desired Future Condition**

The Common School Fund will continue to grow at rates greater than inflation due to wise investment and management of CSF real property and investment assets. Prudent management will keep costs in line with anticipated returns and acceptable levels of risk. The distributions to schools will continue to increase as investment strategies, particularly those associated with the Real Estate Asset Management Plan, take hold.

**Objectives**

- Continue to implement the Real Estate Asset Management Plan.
- Meet or exceed key performance measure targets.

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**What’s New for the 2015 Update:**

- **New 10-year Real Estate Asset Management Plan (REAMP) for 2016-2026:** The agency is preparing a new REAMP to more clearly direct the activities toward increasing and sustaining revenues derived from those Common School Fund assets.

- **Key Performance Measure Revision:** The current Key Performance Measures are being reviewed and revised to measure performance under the agency’s new organizational structure. Results will provide the agency with the ability to identify and respond to areas that are not meeting expectations.
2. Transportation and Energy Use

Current Situation
Implementing DSL programs, as well as managing DSL’s vast land resources, requires substantial transportation/mobility and energy - activities that present opportunities for energy and resource conservation. The efficiency of DSL energy use, generation and transmission is constantly evolving and improving. The management and development of all DSL physical resources involve energy outlays, while the diversity of DSL lands provides various opportunities for alternative and sustainable energy production.

DSL takes pride in acknowledging the following as current and ongoing sustainability initiatives and efforts regarding energy use and transportation efficiencies:

- Continue progress towards web and electronic-based communication and services.
- Continue to recycle paper, glass, batteries and metal.
- Use motion-sensor lighting in the Salem office building.
- Work with partner agencies and leaseholders on land parcels and waterways to follow best management practices that support resource protection and sustainability concepts.
- Explore the feasibility of renewable energy projects on state lands.
- Replaced HVAC components through upgrading the temperature control mechanisms to improve efficiency in the Salem office building.
- Adopted state-established electrical appliance energy efficiency standards.
- Upgraded office copy machines to energy-efficient models.
- Replaced drinking water fountain with an energy-efficient cooler and bottle filler that decreases staff purchases of bottled water.
- Upgraded Salem office first-floor lighting to energy-efficient lightbulbs and ballasts.
- Remodeled Salem office first-floor to an open work environment to maximize natural light.
- Continuing education of DSL employees on sustainable transportation choices (e.g., Smart Commuter Program, Drive Less-Connect Program).

Desired Future Condition
DSL aspires to offer staff sustainable work options, including: telecommuting, efficiently designed work schedules, and job sharing. DSL will have a growing number of properties dedicated to sustainable energy production, generation and/or transmission.
Objectives
DSL has identified the following goals and objectives to promote sustainability in the future, especially where a favorable cost/benefit may be realized:

- Encourage staff to commute to work using city buses, carpooling, bicycling and walking.
- Work with staff to accommodate various work schedules to support efficient commuting opportunities.
- Encourage staff to reduce paper in the office and work toward less paper consumption. In 2015, the agency held a recycling day resulting in 19 barrels of recycled paper.
- Currently researching the placement of additional field offices for staff that are located in their geographic areas of responsibility.

What’s New for the 2015 Update:

- **HVAC upgrades:** Between 2009 and 2010 DSL replaced the antiquated HVAC boiler and chiller in our Salem headquarters building that has resulted in significant energy efficiencies. In 2015, we took the next step in energy efficiency improvements by installing “direct digital control.” This upgrade will enhance the air flow and temperature control on each floor of the building. The system is now fully automated with air and temperature balancing performed from the building manager’s desktop. Combined, these features will provide even greater energy efficiency for the entire building.

- **Office remodel:** Starting in 2014 and completed in 2015, the first floor of the DSL headquarters building was remodeled, in part to gain additional energy efficiency by maximizing the use of natural light, supplemented with upgraded ballasts and lighting.
3. Communication

Current Situation
Communications and outreach play a key role in developing understanding of our agency and our efforts to support a healthy environment, economy and communities.

DSL’s core external messages revolve around a sustainable approach to managing our varied programs and services for the public:

- School Trust lands are managed for sustained revenue for the Common School Fund and K-12 public education in Oregon.
- Real property management is guided by thoughtful, balanced consideration of long-term revenue and sustainable land management practices.
- Permit mitigation encourages restoration, enhancement and creation of aquatic resources.
- State-owned waterways are protected for their public trust values of commerce, fisheries, navigation and recreation.
- Trust Property programs are customer oriented and responsive to the public.
- The partnership with the South Slough Reserve provides leadership, financial and administrative efficiencies, and supports cooperative work with the National Oceanic and Atmospheric Administration.
- Agency decisions and program delivery are open and transparent, and effective in promoting sustainable practices with stakeholders.

DSL has worked over the past decade to replace paper communications with electronic communications (e.g., improving online resources; sending electronic newsletters and updates) and to increase collaborative communication efforts with other agencies and partner organizations.

Desired Future Conditions
The Department will continue to find effective ways of increasing outreach with the general public, stakeholders, customers, other agencies and staff to emphasize the importance of leaving a legacy for future generations through sound land practices and stewardship. Keeping communication open will help encourage compliance and understanding of the laws the agency implements.

Efforts to replace paper-based communications and processes with electronic-based transactions will continue and meet the state’s goal to reduce paper waste, cost and time.

Objectives
What We Communicate
The communication efforts of the Department to achieve a sustainable environment, economy and communities will focus on the messages outlined above, and be refined as needed. They fall into three broad categories:

- Sustainable management of Trust lands and the Common School Fund
- Stewardship of natural and fiscal resources
- Collaboration and public service
How We Communicate
The way we communicate will reflect our commitment to sustainability:

- Expand communications to customer groups via electronic methods
- Refine the DSL website to be more consumer friendly
- Increase the use of electronic and video conferencing
- Engage staff in cross-training so they can be advocates for DSL’s sustainability efforts
- Encourage more collaborative interactions between staff and customers to lead to sustainable partnerships

What’s New for the 2015 Update:

- **Customer-focus strategy:** Beginning June 2014, DSL launched a new approach to customer service through engaging customer feedback and developing a partnership approach to serving our various constituent groups. The overarching goals of this work are to engage customers, learn from their input, make appropriate changes to our processes, and communicate with our public in a collaborative way. It is a path towards sustaining better relationships and for building a long-term, two-way understanding of the agency’s responsibilities and program goals, and customers’ ideas for making our processes better. This effort will effectively increase resources and the longevity of DSL’s work through building committed and informed partnerships.

- **Multicultural development:** DSL’s Multicultural Appreciation Committee (MAC) is an active, staff-directed group focused on bringing multicultural information to DSL employees. The MAC also seeks out opportunities to expand the agency’s reach through partnerships with multicultural organizations and people. Two of the MAC’s responsibilities are:
  - Recommend processes and practices that will improve diversity in the workplace and interactions with customers
  - Seek opportunities with schools; connect with neighborhood multicultural groups

The goals of these two activities are to enrich our staff’s experiences and their ability to deal with the diverse community found in Oregon. This also encourages a wide variety of people to consider natural resource work as a viable career path. This is a long-term commitment, but critical as the population of Oregon changes and we seek to include all Oregonians in our work and service.
4. Natural Resources

As both a regulator and landowner, DSL plays a major role in the management and use of natural resources in Oregon. Sustaining and, in some cases, enhancing the condition of natural resources is inherent to fulfilling the Department’s mission in all of its land and waterway management roles.

This theme is subdivided into three areas, each representing programs or land types that are to be managed and administered sustainably: Aquatic Resources; Common School Trust Lands; and the South Slough National Estuarine Research Reserve.

Aquatic Resources Management - State-owned Waterways

Current Situation
The state owns more than 1.2 million acres including the territorial sea, navigable rivers, tidally influenced waterways and meandered lakes. Primary management is aimed at protecting the public trust doctrine rights of navigability, recreation, commerce and fishing, while requiring compensation for development and use of a waterway. Currently the Department:

• Maintains an inventory of most state-owned waterways.
• Pursues authorizations and enforces trespasses.
• Manages the territorial sea in accordance with state and federal policies, statutes and regulations.
• Works with federal, state and local agencies on environmental cleanup areas such as the Portland Harbor and the Oregon Slough.

Desired Future Condition
DSL will maintain state-owned waterways to protect public trust rights and produce revenue for the Common School Fund by:

• Continuing to maintain an inventory of waterway improvements subject to authorization.
• Developing an inventory of historically filled submerged and submersible lands to protect public trust rights and provide certainty for adjacent land owners.
• Promoting management practices that sustain or result in an increase of ecological functions and community values.
Objectives

- Provide regulatory certainty for wave energy and other water-dependent alternative energy research and development.
- Coordinate the authorization of new leases and other authorizations with other state natural resource agencies in order to conserve water surface area and promote conservation of aquatic habitat.

What’s New for the 2015 Update:

**Waterway clean-up:** DSL is actively implementing new programs to clean up our state-owned waterways:

- HB 2463 (2015 session) established the Submerged Lands Enhancement Fund which may be used by the Department to remove and dispose of abandoned or derelict structures and vessels, and to engage in other activities to improve water quality, watershed enhancement and fish and wildlife habitat on state-owned waterways.

- Taking a more active role in dealing with derelict and abandoned vessels in the state’s waterways by funding the removal of more than 20 vessels in FY 2014 and numerous additional removals scheduled for 2015 and beyond.

- Establishing active partnerships with local organizations (e.g., City of Portland Parks, Willamette Riverkeeper, Lower Columbia River Estuary Partnership) to remove trash from the state’s waterways. Additional partnerships are being actively sought.

Aquatic Resources Management - Removal-Fill Permitting and Wetland Planning

**Current Situation**

The Department of State Lands protects waters of the state (wetlands, waterways, lakes and the territorial sea) through the implementation of the Oregon Removal-Fill Law, enacted in 1967. The purpose of the law is to protect, conserve and make best use of water resources; protect public navigation, fishery and recreational uses; ensure that activities do not adversely impact adjacent landowners; minimize flooding, improve water quality and provide habitat for wildlife and fish species. This law requires that certain removal-fill activities in waters of the state have an authorization from DSL.
The following criteria are used to measure statewide performance in the regulatory program and are closely aligned with the sustainability principle of developing and protecting resources from the perspectives of environment, economy and community:

- No net loss of wetlands: Net gain for FY 2014.
- Number of days for a permit decision: Target 60 days or less. Actual for FY 2014 was 58 days.
- Annual resolution of Removal-Fill Permit non-compliance: Target 50%; actual for FY 2014 was 42%.
- Annual resolution of removal-fill violations related to unauthorized activities: Target 50%; actual for FY 2014 was 63%.
- Agency response time to wetland delineation reports: Target 60 days or less; actual for FY 2014 was 86 days.
- Agency response time for wetland land use notices: Target 22 days or less; actual for FY 2014 was 9 days.
- Use of Payment-to-Provide monies: Target 100% committed to projects within one year of receipt; actual for FY 2014 was 100%.

Note: The list above does not provide a comprehensive list of criteria reflective of sustainable natural resource functions and values; these are provided in the objectives section below.

**Desired Future Condition**

Permit decisions will be based on aquatic resource functions and values and the context of the surrounding watershed.

Measurement of program effectiveness in conserving waterways, wetlands, the territorial sea and other waters of the state will be based on science-based evaluation approaches using peer-reviewed methods and procedures.

DSL will map, inventory and assess natural resources, such as compensatory wetland mitigation sites, to sustain, through progressive management practices, a natural resource base and associated ecological functions.

Management practices will be promoted that sustain or result in an increase of ecological functions, societal values and acreage for affected state waterways.

**Objectives**

- Develop an aquatic resource mitigation framework including functional assessments of wetlands and waterways, and watershed-based decision making.
- Compensatory aquatic mitigation sites are inventoried and mapped.
- Permitted projects are inventoried and mapped.
• Removal-Fill Law violations are inventoried and mapped.
• Aquatic resource mitigation banks are inventoried and mapped.
• “In-lieu fee” aquatic resource mitigation sites are inventoried and mapped.
• Compensatory aquatic mitigation sites are monitored for effectiveness and mitigation performance/success criteria are evaluated.
• Aquatic functions lost and gained by projects are assessed.

What’s New for the 2015 Update:

• **Integrated Aquatic Mitigation Framework:** In partnership with the U.S. Environmental Protection Agency, Army Corps of Engineers and Willamette Partnership, DSL is developing a new, integrated mitigation framework to better ensure that ecological functions are sustainably replaced when unavoidable impacts to aquatic resources must occur. The program is expected to launch in 2017.

• **Aquatic Resources Management reorganization:** As part of the recent DSL reorganization, disparate aquatic resource management functions were brought together and organized by regional teams. Now, DSL’s regulatory, jurisdictional and proprietary specialists work together in teams and in a new office layout that facilitates collaborative engagement between team members. The goal of this reorganization is to deliver more efficient and better coordinated services to our customers while making geographically coordinated resource decisions.

• **In-Lieu Fee Program:** DSL has obtained permission from the US Environmental Protection Agency and Army Corps of Engineers to create DSL-sponsored wetland mitigation opportunities in targeted watersheds around the state. The program uses the DSL-administered revolving mitigation fund to put new stream and wetland restoration and enhancement projects on the ground. As of 2015, DSL has partnered on projects in the Tualatin watershed, Salmon River estuary, Lower Columbia watershed and the Wilson-Trask-Nestucca watershed; with new projects being actively sought in the Umpqua and Coos watersheds.
Common School Fund Trust Lands

Current Situation
The State Land Board is directed by Oregon’s Constitution to manage Common School Trust lands received at statehood—also known as “Admission Act” lands—for K-12 public education. The mandate for these lands places a Trust obligation on the Land Board to maximize revenue to benefit multiple generations of K-12 students, and requires obtaining full market value from any sale, rental and use of Admission Act lands.

Forestland Resources
Of the approximately 750,000 acres of Admission Act lands the Land Board oversees, about 120,000 acres are classified as forestlands. These lands are administered by the Land Board and DSL primarily for harvestable timber on a sustainable basis in accordance with plans developed by forest managers. The Land Board currently contracts with the Oregon Department of Forestry (ODF) to manage the large majority of these lands—about 115,000 acres. The remaining 5,000 acres are managed by DSL directly.

Of the forestlands managed by ODF, the majority are located in the Elliott State Forest (about 84,000 acres) in the Coast Range northeast of Coos Bay. Other major holdings are near Klamath Falls within the Sun Pass State Forest (about 3,400 acres); the 3,000-acre Yainax Butte parcel; and in northwest Oregon lands within the Clatsop, Tillamook and Santiam State forests. The remaining acres are smaller parcels scattered around the state.

Rangeland Resources
The Department manages approximately 625,000 acres of rangelands, primarily in Lake, Harney and Malheur Counties. This land is semi-arid uplands suited primarily for livestock grazing. These rangelands include 42 larger parcels covering approximately 590,000 acres and 98 smaller (isolated) parcels totaling about 35,000 acres. The larger “blocked” parcels are directly managed by DSL in cooperation with lessees to ensure continued or improving range health and income production from grazing use. Smaller parcels are typically in-holdings within large private or federal tracts of land in which DSL has less direct management control. Together the current carrying capacity is approximately 62,000 animal unit months (AUMs).

Desired Future Condition
Forestlands that continue to be held as Common School Fund lands are managed to maintain sustainable timber harvest levels over time to maximize short- and long-term revenues benefitting current and future generations of K-12 students. Lands that are not able to achieve this goal are considered for divestment, with proceeds reinvested towards other suitable and sustainable Common School Fund investments.

Rangelands are managed to ensure sustained forage yields for livestock consistent with best management practices. Range inventories are completed and periodically updated on the blocked leaseholds. Based on survey results, adjustments are made in rangeland management plans to maintain, achieve or restore healthy, properly functioning ecosystems while obtaining long-term revenues for the Common School Fund. Care is taken to ensure other authorized uses do not unreasonably interfere with approved
rangeland grazing practices or degrade the properly functioning ecosystems.

**Objectives**

Implement the general strategies within the 2012 Real Estate Asset Management Plan, and in the 2016-2026 plan to follow, to achieve the following:

- Continue to meet the Land Board’s constitutional and Oregon Admission Act obligations on Trust lands.

- Continue to manage all lands to create a sustained and consistent stream of revenue to assist in building the principal of the Common School Fund, thereby increasing annual distributions to schools.

- Balance revenue enhancement and resource stewardship.

- Assist lessees in developments and practices that will enhance income production while maintaining or improving ecosystem functions.

- Pursue exchanges to acquire private/federal in-holdings within blocked lands, or to acquire lands adjacent to state-owned lands for purposes of consolidating existing ownership in order to increase asset value through improving manageability.

- Divest of lands considered not capable of producing sustainable income in support of the Common School Fund.
South Slough National Estuarine Research Reserve

Current Situation

The South Slough National Estuarine Research Reserve (SSNERR or Reserve) is a 5,000-acre natural area located in the Coos estuary on the south coast of Oregon. The reserve was designated in 1974 as the first unit of the National Estuarine Research Reserve System, a network of estuarine habitats protected and managed for the purposes of sustaining long-term research, education and coastal stewardship.

The SSNERR Management Plan is guided by a mission statement that defines the purpose of the Reserve: To improve the understanding and stewardship of Pacific Northwest estuaries and coastal watersheds.

As its state partner, DSL supports the SSNERR’s programs focused on research, education and stewardship which serve to enhance scientific and public understanding of estuaries and contribute to improved estuarine management.
**Desired Future Condition**
The Reserve will strive to support the informed management of the Coos estuary and watershed providing a model for regional, national and global coastal management.

The Reserve will apply its resources toward problem solving and capacity building in the local community, with an emphasis on the Coos estuary and watershed. Staff and management will use their in-depth knowledge of the South Slough watershed to better understand how it relates to the greater Coos Bay system. This understanding provides resources that can be applied toward regional, national and global coastal management issues, and assist decision makers in sustainably managing coastal resources.

**Objectives**
The following goals support the mission of the SSNERR and reflect the vision of the Reserve:

- Conduct and coordinate research that increases understanding of Pacific Northwest estuaries.
- Assess and monitor the status of estuarine habitats and biotic indicators to track changes in habitats and communities.
- Provide technical assistance and advisory services that contribute to efficient and effective management of estuaries in the Lower Columbia biogeographic province.
- Provide a variety of high quality educational experiences to facilitate understanding of Pacific Northwest estuaries and coastal watersheds.
- Develop a broader understanding by people in the local community about the importance of using scientific data to inform coastal decision-making and responsible actions for estuary protection.
- Manage and restore the habitats and ecosystem processes associated with the SSNERR using an adaptive management approach.
- Provide for a diversity of high quality estuarine and coastal habitats representative of the Lower Columbia biogeographic province.
- Collaborate with local, regional and national agencies and organizations to address natural resource management issues affecting estuaries and coastal watersheds.
- Create opportunities for public participation that increase the understanding and stewardship of estuaries.
What's New for the 2015 Update:

- **Acquisition of Indian Point**: Using grant funds, in 2015 DSL purchased 240 acres in the Coos estuary known as the Indian Point parcel. The property is part of nearly 600 acres of protected estuarine wetland at the South Slough. The parcel consists of estuarine shorelands including tidal estuarine wetlands, forested uplands and forested freshwater wetlands, located approximately 1/2 mile southeast of Charleston. The purchase complements efforts to maintain the integrity of the South Slough estuary and to protect it from uses and activities that would alter the ecosystem and natural processes.

- **Partnership for Coastal Watersheds**: The Partnership for Coastal Watersheds is a collaborative effort including SSNERR and public-and private-sector citizens in the Coos Bay community. Its primary goals are to develop locally driven approaches to responsible development, and to help prepare for climate-related changes on Oregon's south coast. A 25-year vision for the community was created reflecting long-term economic, environmental and community aspirations. New regional watershed assessments were undertaken and new water quality and estuary monitoring tools implemented. The partnership is currently facilitating implementation of the highest priority actions identified in their Action Plan on the topics of outreach and education, assessment and monitoring, and restoration. Implementation and refinement of the action plan will be an ongoing effort over the next several years.
5. Agency Operations

The Agency Operations theme focuses on the people, training and fiscal resources needed to perform the agency’s business to continue to meet the needs of future generations of Oregonians for excellent schools, clean water, and healthy aquatic, forest and rangeland ecosystems.

Current Situation

DSL currently is staffed with 104 full-time positions. By all conventional measures, DSL’s workforce is diverse in many demographic aspects. Organizationally however, there have traditionally been few career ladders to follow. In 2015, the agency completed a reorganization of program areas. This change has increased interactions among staff, made more effective use of staff’s complementary skill sets, and has created new career advancement opportunities within the agency.

DSL has a robust training and career development policy. Individual employees are encouraged to receive training that is applicable and relevant to their work. Agency-wide training or program-wide training is aimed at broader topics (e.g. various cultural trainings provided by the agency’s Multicultural Awareness Committee) or program policy/rule changes (e.g. implementing new aquatic resource management rules).

Technology plays a key role in agency operations. The use of networked computers, the Internet, intranet, geographic information systems and the agency’s database are essential elements in the daily work of employees. Global Positioning System devices and software are now in regular use by staff at the South Slough, the Common School Fund Real Property program, and among most of the Aquatic Resource Management staff.

Desired Future Condition

The State Land Board and the executive management of DSL value a knowledgeable, well-trained staff that is adequately financed and aided by up-to-date equipment and information systems. To accomplish this, DSL will:

- Seek to attract and retain high-performing and essential staff.
- Provide skill enhancement opportunities for staff.
- Plan for projected staffing levels and facility needs.
- Train staff in electronic technology that decreases resource use for processing administrative information.
- Develop and/or enhance partnerships with other agencies and non-government organizations.
DSL will fully move to a paperless office that uses online, electronic-based transactions and processes to better serve our customers, streamline operations, and cut down on paper wastes and costs.

**Objectives**
The following are several examples of how DSL can move toward the desired future condition outlined above:

**Staff:**
- Continue the integration of work among programs to capitalize on staff experience, education and knowledge of DSL’s mission, policies and practices.
- Develop succession planning to carry on the institutional knowledge of its experienced employees.
- Endeavor to retain and build staff levels of a sufficient depth to maintain effective and efficient program delivery.
- Provide training that enables employees to broaden their knowledge of DSL’s mission, policies and practices.

**Business Operations:**
- Develop online forms that let customers make transactions via the Internet.
- Complete the ongoing set-up for electronic retention of records and allow destruction of paper records.
- Develop standardized filing and naming conventions to allow for easier retrieval of records by staff and public.

**Program Improvements:**
- Investigate and advocate for non-traditional management strategies for programs and facilities.
- Continue efforts to implement a new and innovative ecosystem services accounting program for aquatic resources management.
- Actively encourage partners (universities, watershed councils, etc.) to become involved in DSL operations and programs.
- Integrate work among programs to take advantage of experience, education and knowledge.
- Provide improved access to program data, as well as increase the accuracy and reliability of the data.
What’s New for the 2015 Update:

DSL recently started, and in several cases completed, dramatic changes in agency operations to improve our ability to protect and manage our Trust resources for current and future generations:

- **Reorganization:** DSL recently reorganized its programs to better serve our customers, improve efficiencies between complimentary activities, and deliver more efficient resource management:
  - **Business Operations and Support Program:** fiscal, human resource, information technology and administrative support functions.
  - **Aquatic Resource Management Program:** integration of aquatic resource regulatory and proprietary disciplines.
  - **Common School Fund Property Program:** unites activities that generate public school funding for constitutional lands, unclaimed property and escheated estates.
  - **South Slough National Estuarine Research Reserve:** reorganized into three units: administration and facilities, education and science.

- **Salem headquarters remodeling:** Staff has been grouped into the reorganized program disciplines to build synergies for more efficient service to the public. The remodel creates an open-concept office to maximize efficient use of floor space and the use of natural lighting.

- **Going paperless:** DSL has made a commitment to create a paperless office. Software was purchased to store records electronically. Substantial progress is being made to set up electronic program files and implement electronic processes such as invoice, leave and timesheet approvals. Electronic submittal of permit applications is a particular area of focus for 2015 and beyond.

- **Process mapping:** DSL has embarked on a “business process mapping” project to better understand workflows in our core programs and find areas where efficiencies may be gained. Many recommendations from this project include adoption of new information technology systems.

- **E-copy:** The 2015 Legislature passed an agency-sponsored bill (HB 2462) to allow DSL to accept electronic copies of land transaction documents from other agencies.
6. Sustainable Development Practices

**Current Situation**
The State of Oregon historically has had a natural resource-based economy. More recently, the state has been dedicated to conserving and managing its land resources and natural environment for real property development practices that are sustainable and that minimally impact the environment.

DSL has not historically been involved in real property development projects. However, the Department manages about 7,000 acres of real property with potential for urban development. The nature of land assets obtained over the last decade, as well as the directives of the Real Estate Asset Management Plan, suggest that DSL has been and will be more involved in real property development activities in the future. This is particularly significant in Central Oregon where the Land Board owns two large parcels (the Stevens Road tract in the city of Bend and the South Redmond tract adjacent to the city of Redmond) that are likely to be developed into urban uses in the coming years. The principles of sustainable land development provide guidance, for both urban and rural lands, and regardless of the management strategy.

**Desired Future Condition**
Sustainable development practices are the ‘norm’ on DSL lands and are implemented in balance with the Land Board’s Trust obligations.

DSL investigates and implements sustainable land development practices that specifically address the unique challenges of developing residential, commercial and industrial property while fulfilling the goal of being a leader in implementing sustainable development practices in Oregon.

**Objectives**
The following sustainable design principles and real property development practices will be evaluated, compatible with the Land Board’s Trust obligations, as DSL develops or divests of real property classified for urban-level development:
• An overall mix of uses that balances jobs and housing, consistent with residential and employment land needs and goals, and that allows people to live, work, shop and play within the area, with a minimal need to drive.

• Multi-modal transportation facilities that encourage people to walk, bicycle and use transit.

• Residential densities that support transit use within, to and from the site.

• Energy-efficient building materials and construction practices (e.g., energy-efficient windows, building orientation, high-efficiency heating and cooling systems, recycled building materials, and other similar practices).

• Power generation from alternative energy sources.

• Incorporation of solar energy principles in design of street layouts, building orientation and building design during the early planning and design stages.

• Native vegetation and other landscaping practices that minimize irrigation needs.

• Natural and other drainage facilities and practices that retain storm water within the site and minimize drainage impacts (e.g., bio-swales, detention ponds, rolled curbs).

• Permeable or semi-permeable surfaces for low impact areas such as driveways, bike paths or similar areas.

• New transportation facilities that serve as a model for implementation of global climate change initiative.

What’s New for the 2015 Update:

Stevens Road property: DSL is working closely with the City of Bend in its process to expand the urban growth boundary (UGB). If the Stevens Road property is incorporated within the city's UGB, we will seek ways to assure the property is developed in a sustainable manner consistent with the Stevens Road Master Plan adopted by the Land Board in 2007.
# APPENDIX A

## 2015 Sustainability Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Position and Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Julie Curtis</td>
<td>Public Information Manager, Director’s Office</td>
</tr>
<tr>
<td>Kirk Jarvie</td>
<td>Senior Policy and Legislative Analyst, Director’s Office</td>
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<tr>
<td>Cheryl Myers</td>
<td>Support Services Manager, Business Operations and Support Services Program</td>
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<tr>
<td>Vickie Nokleby</td>
<td>Facilities Specialist, Business Operations and Support Services Program</td>
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<tr>
<td>Jim Paul</td>
<td>Assistant Director, Common School Fund Property Program</td>
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<tr>
<td>Lanny Quackenbush</td>
<td>Eastern Region Manager, Aquatic Resources Management and Common School Fund Property Programs</td>
</tr>
<tr>
<td>John Russell</td>
<td>Principal Real Property Manager, Common School Fund Property Program</td>
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<tr>
<td>Lorna Stafford</td>
<td>Executive Assistant, Director’s Office</td>
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<tr>
<td>Lori Warner-Dickason</td>
<td>Field Operations Manager, Aquatic Resources Management Program</td>
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<tr>
<td>Cyndi Wickham</td>
<td>Assistant Director, Business Operations and Support Services Program</td>
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<tr>
<td>Pam Wilson</td>
<td>Operations Manager, South Slough National Estuarine Research Reserve</td>
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APPENDIX B

Sustainability Principles in DSL’s Legally Mandated Mission

“Sustainability” means using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives. ORS 184.421

The following excerpts from the Department’s legal directives (i.e. the Oregon Admission Act, Oregon Revised Statutes, Oregon Administrative Rules and Attorney General’s opinions) reveal the depth to which the principles of Sustainability (as defined in ORS 184.421) are embodied in the Department’s day-to-day mission.

Concerning the Use and Management of Land and Water
Oregon Constitution Article VIII Section 5
(2) The board shall manage lands under its jurisdiction with the object of obtaining the greatest benefit for the people of this state, consistent with the conservation of this resource under sound techniques of land management.

Excerpts from Attorney General’s Opinion 8223 (July 24, 1992)
• “Oregon must use the Admission Act lands for schools not for any purpose that is inconsistent with such use.”

• “….the school lands granted to the State of Oregon are a trust for the benefit of public education. It is the duty of the state to dispose of them for as near full value as may be, and to create thereby a continuing fund for the maintenance of public schools. [Oregon Supreme Court: Grand Prize Hydraulic Mines v. Boswell]”

• The language of Article VIII Section 5(2) does not change the purpose for which Admission Act lands are held in trust.

• “….other permissible uses [of Admission Act lands] e.g., public recreation, can be easily explained as an express authorization for such uses where no good economic use of the lands for schools could be presently found….“

ORS 273.051(Note: only applicable information is shown)
(2) The State Land Board shall:
(a) Manage, control and protect the common school grazing lands under ORS 273.805 to 273.825 so as to secure the greatest permanent value of the lands to all the people of this state, particularly for the dedicated purposes of the lands and the common schools to which the resources of the lands are devoted.
(b) Give due consideration, in the sale, exchange or leasing of any state lands under its control, to the protection and conservation of all natural resources, including scenic and recreational resources, of such lands, so as to conserve the public health and recreational enjoyment of the people, protect property and human life, and conserve plant, aquatic and animal life.
OAR 141-082 Rules for Waterway Structures (Note: only applicable information is shown)
(3) State-owned submerged and/or submersible land is managed to ensure the collective rights of the public, including riparian owners, to fully use and enjoy this resource for commerce, navigation, fishing, recreation and other public trust values.

OAR 141-110 Rules for Rangeland Management (Note: only applicable information is shown)
The following policies shall guide the Division in managing and leasing rangeland forage:
(1) All Trust Land shall be managed in accordance with the need to maximize long-term financial benefit to the Common School Fund.
(2) All Trust and Non-Trust Land shall be managed with the objective of obtaining the greatest benefit for the people of this state consistent with the conservation of this resource under sound techniques of land management.
(4) The Division shall manage rangeland to prevent human-induced loss of rangeland health. Toward this end, the Division:
   (a) Shall continue to implement rangeland practices that maintain, achieve or restore healthy, properly functioning ecosystems and maintain, restore, or enhance water quality; and
   (b) May assist in rangeland improvements and practices that will maintain or enhance rangeland health.
(5) The Division shall monitor and assess rangeland health. The Division shall use rangeland health inventories and routine monitoring to identify rangeland vulnerable to an adverse transitional change (for example, healthy, at risk, or unhealthy), and to serve as the basis for rangeland management decisions.

Concerning Wetland Conservation
ORS 196.605 (Note: only applicable information is shown)
(3) Offset losses of wetland functional attributes caused by activities which otherwise comply with state and federal law in order to create, restore or enhance wetland functional attributes;
(4) Maintain and encourage a predictable, efficient regulatory framework for environmentally acceptable development.

ORS 196.668 (Note: only applicable information is shown)
(7) Much of this state’s original wetlands have been diked, drained, filled, dredged, ditched or otherwise altered;
(8) There is continuing development pressure on wetlands in Oregon;
(9) There are often conflicts between wetland protection and other resource values and uses;
(10) Uncoordinated regulation of wetlands by local, state and federal agencies can cause confusion, frustration and unreasonable delay and uncertainty for the general public; and
(11) Wetland management is a matter of this state’s concern since benefits and impacts related to wetland resources can be international, national, regional and statewide in scope.
ORS 196.672 (Note: only applicable information is shown)

It is the policy of the State of Oregon to:
(1) Promote the protection, conservation and best use of wetland resources, their functions and values through the integration and close coordination of statewide planning goals, local comprehensive plans and state and federal regulatory programs.
(4) Maintain a stable resource base of wetlands through the mitigation of losses of wetland resources and the adoption of the procedural mitigation standard currently used by federal agencies.
(5) Establish the opportunity to increase wetland resources by encouraging wetland restoration and creation where appropriate.

Concerning the Regulation of Removal-Fill within Oregon’s Wetlands and Waterways
ORS 196.805 (Note: only applicable information is shown)

Policy. (1) The protection, conservation and best use of the water resources of this state are matters of the utmost public concern. Streams, lakes, bays, estuaries and other bodies of water in this state, including not only water and materials for domestic, agricultural and industrial use but also habitats and spawning areas for fish, avenues for transportation and sites for commerce and public recreation, are vital to the economy and well-being of this state and its people. Unregulated removal of material from the beds and banks of the waters of this state may create hazards to the health, safety and welfare of the people of this state. Unregulated filling in the waters of this state for any purpose, may result in interfering with or injuring public navigation, fishery and recreational uses of the waters. In order to provide for the best possible use of the water resources of this state, it is desirable to centralize authority in the Director of the Department of State Lands, and implement control of the removal of material from the beds and banks or filling of the waters of this state.

Concerning the Use and Management of the South Slough National Estuarine Research Reserve
ORS 273.533 (Note: only applicable information is shown)

The management policy for the reserve is to:
(a) Maintain the integrity of the estuary;
(b) Protect the estuary from uses and activities, both within and beyond its boundaries, that may alter or affect the ecosystem and its natural dynamic processes; and
(c) Preserve the area for long-term scientific and educational uses.