



Oregon

Kate Brown, Governor

Public Wi-Fi logon: LandsDSL

Department of State Lands

775 Summer Street NE, Suite 100

Salem, OR 97301-1279

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www.oregon.gov/dsl

State Land Board

STATE LAND BOARD

August 13, 2019

10:00 am – 12:00 pm

Oregon Department of State Lands

Land Board Room

775 Summer St NE

Salem, Oregon

Kate Brown

Governor

Bev Clarno

Secretary of State

Tobias Read

State Treasurer

AGENDA

Consent Items

1. Request for approval of the minutes of the June 11, 2019, State Land Board Meeting.

Action Items

2. Request for initial approval of due diligence studies for a potential sale of subsurface mineral rights in Tillamook County
3. Request for final approval to sell the surface and subsurface mineral rights of the south portion of the S. Tongue Point property in Astoria
4. Appointment of the Director

Informational Items

5. Other

Livestream available at: <https://www.youtube.com/channel/UCQA7FHTWwl-gjJkQeYPJ1IA>

Continued on next page

This meeting will be held in a facility that is accessible for persons with disabilities. If you need assistance to participate in this meeting due to a disability, please notify Arin Smith at (503) 986-5224 or arin.n.smith@state.or.us at least two working days prior to the meeting.

Visitors are NOT permitted to bring backpacks, bags, or large purses into the DSL building prior to, during, or immediately following Land Board meetings.

Purses, medical bags, and diaper bags are permitted, but may be subject to inspection by OSP.

Public Testimony - The State Land Board places great value on information received from the public. The Board accepts both oral and written comments on ***consent and action agenda items only***.

When providing testimony, please:

- Provide written summaries of lengthy, detailed information
- Recognize that substance, not length, determines the value of testimony or written information
- Endorse rather than repeat the testimony of others

Written comments may be submitted before or during the meeting for consideration by the Board. To speak at the meeting, you must sign in on the sheet provided at the information table located near the meeting room's entrance. The standard time limit is three minutes for each individual. The Board cannot accept testimony on a topic for which a public hearing has been held and the comment period has closed.



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The State Land Board (Land Board or Board) met in regular session on June 11, 2019, in the Land Board Room at the Department of State Lands (DSL or Department), 775 Summer Street NE, Salem, Oregon.

State Land Board

Present were:

Kate Brown

Governor

Kate Brown

Governor

Bev Clarno

Secretary of State

Bev Clarno

Tobias Read

State Treasurer

Secretary of State

Land Board Assistants

Jason Miner

Governor's Office

Tobias Read

Richard Vial

Secretary of State's Office

State Treasurer

Ryan Mann

State Treasurer's Office

Department Staff

Vicki Walker

Bill Ryan

Jean Straight

Mary French

Ken Armstrong

Arin Smith

Anne Friend

Lee Hullinger

Eric Metz

Meliah Masiba

Department of Justice

Matt DeVore

Governor Brown called the meeting to order at 10:00 a.m. The topics discussed and the results of those discussions are listed below. To view the Land Board (Board) meeting in its entirety, please visit our YouTube page: <https://www.youtube.com/watch?v=zHEqDswf-o0>

STATE LAND BOARD AWARDS

Prior to the start of the regular meeting, the Board presented its annual awards. Governor Brown gave a brief history of the awards before they were presented. The Wetland Project Award was presented by Secretary Clarno for the Oregon Submarine Cable Landing Projects. The Partnership Award was presented by Treasurer Read for the Cavendar Wetland Enhancement Project. Photos were taken of the award recipients with the Board members.

Consent Items

10:08 a.m.

1. Minutes

Treasurer Read made a motion to approve the minutes for the April 9, 2019, Land Board meeting.

Secretary Clarno seconded that motion.

The item was approved at 10:09 a.m.

Action Items

2. Request for approval to sell surface and subsurface mineral and geothermal rights of the Bear Creek property in Wallowa County.

10:09 a.m.

The Department of State Lands recommends that the State Land Board authorize the direct sale of the Bear Creek property, including the subsurface minerals and geothermal rights. A 158.2-acre parcel in Wallowa County at Township 1S, Range 42E, Section 16, Tax Lot 1101 to the Rocky Mountain Elk Foundation on behalf of the United States Forest Service for \$105,000.

Treasurer Read made a motion to approve agenda item 2.

Secretary Clarno seconded that motion.

The action item was approved at 10:15 a.m.

3. Request for approval of term easement for fiber optic cable crossing the Territorial Sea in Tillamook County.

10:15 a.m.

Pursuant to OAR 141-083-0810(9), approval of an easement by the State Land Board shall be conditional and not valid until the applicant has received all other authorizations required by the Department and other applicable local, state, and federal governing bodies for the placement of the cable in the Territorial Sea. As stated in OAR 141-083-0810, the placement of fiber optic and other cables on state-owned land within the Territorial Sea is recognized by the Department as a conditionally allowable use of that land. The proposed cable route protects public trust values of commerce, navigation, fisheries and recreation by: (1) sufficiently burying the cable in state waters, (2) minimizing conflicts with other ocean users and industries, and (3) avoids, when possible, rocky substrates that would prevent burial. The Department of State Lands recommends that the State Land Board approve the term easement to Edge Cable Holding USA, LLC (61603-EA) to maintain and operate a fiber optic cable on, over, under or across the Territorial Sea.

Governor Brown asked what the timeline looks like for this project to be completed. It will take approximately 35 days to complete the project. Once the project is complete, the site will be restored to a grassy area open to use by the public.

Public testimony was taken.

Treasurer Read made a motion to approve agenda item 3.

Secretary Clarno seconded that motion.

Both Treasurer Read and Secretary Clarno made comments.

The action item was approved at 10:32 a.m.

4. Request for approval to initiate rulemaking to impose restrictions on the public recreational use of state-owned land in Multnomah County.

10:32 a.m.

The Department recommends the Land Board authorize the Department to initiate permanent rulemaking to impose restrictions on the public recreational use of state-owned banks on the Willamette River at Swan Island.

Governor Brown commented on the housing crisis.

Treasurer Read made a motion to approve agenda item 4.
Secretary Clarno seconded that motion.
The action item was approved at 10:40 a.m.

5. Request for re-approval of the direct sale of 63.1 acres of subsurface minerals and geothermal rights located in Marion County.

10:41 a.m.

Since the majority of comments received were outside the scope of the action of selling the state's mineral right and more related to the local land use decision regarding a future gravel quarry mining operation – which already received approval by the local jurisdiction, Marion County – the Department would again recommend the Land Board move forward with the mineral sale to Silverton Rock Farm for \$50,000; located in Marion County at Township 7 South, Range 1 East, Section 7D, Tax Lot 400.

Treasurer Read stated his concerns regarding the public comments that were received.
Secretary Clarno made a comment regarding the need for gravel mining.

Deputy Director Bill Ryan answered questions from the Board.

Governor Brown called a recess at 10:53 a.m. so the Land Board Assistants could discuss the agenda item.

The meeting was continued at 11:01 a.m.

The Governor concluded that all concerns had been addressed and moved to approve the agenda item.

Secretary Clarno seconded that motion.
Treasurer Read stated that he supports the motion and requests more time in the future to review comments.
The item was approved at 11:05 a.m.

6. Other

11:06 a.m.

- Elliott State Research Forest Update
- Status of Land Sale Transactions: South Redmond Tract, Millican Road, Helvetia Office Building and Stevens Road
- Legislative update

Governor Brown adjourned the meeting at 11:27 a.m.

Kate Brown, Governor

Vicki L. Walker, Director



Oregon

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**Regular Meeting
August 13, 2019
Agenda Item 2**

SUBJECT

Request for initial approval of the due diligence studies for a potential sale of subsurface mineral rights of 34.06 acres located in Tillamook County next to Burton Fraser Road at Township 2 South, Range 10 West, Sec 1, Tax Lot 1000, 1100 & 1200, LAS #61926.

ISSUE

Whether the Land Board should authorize the initial due diligence studies for the potential sale of the mineral rights in Tillamook County (see Appendix A).

AUTHORITY

- Oregon Constitution, Article VIII, Sections 2 and 5; pertaining to the Common School Fund and land management responsibilities of the State Land Board.
- ORS 273.055; relating to the power to acquire and dispose of real property.
- ORS 273.171; relating to the duties and authority of the Director.
- ORS 273.780; relating to the retention of mineral rights.
- OAR 141-067; relating to the sale, exchange and purchase of state land.
- Real Estate Asset Management Plan (REAMP), adopted by the Land Board; February 2012.

SUMMARY

The North Coast Land Conservancy (Conservancy) is purchasing the surface rights for this Tillamook County property through federal and Oregon Watershed Enhancement Board (OWEB) grants. The property has been owned and operated as a shooting range by the Tillamook Shooters Association. The property is being purchased for permanent conservation to improve the tidal wetland functions and hydrology for salmon habitat improvements. In order to receive the federal and OWEB grants to purchase the property for conservation, the Conservancy must acquire the mineral rights from DSL.

ORS 273.780 (3) states, “the mineral and geothermal resource rights shall be retained by the state in the absence of a finding by the State Land Board upon adequate facts presented to it that their sale or exchange is for the purpose of obtaining the greatest benefit for the people of this state, consistent with the conservation of lands under its jurisdiction under sound techniques of land management.”

The due diligence studies for the site will include a DOGAMI study of the site’s potential for valuable minerals. The report will assist the State Land Board in making a finding whether to sell the subsurface mineral rights to the property.

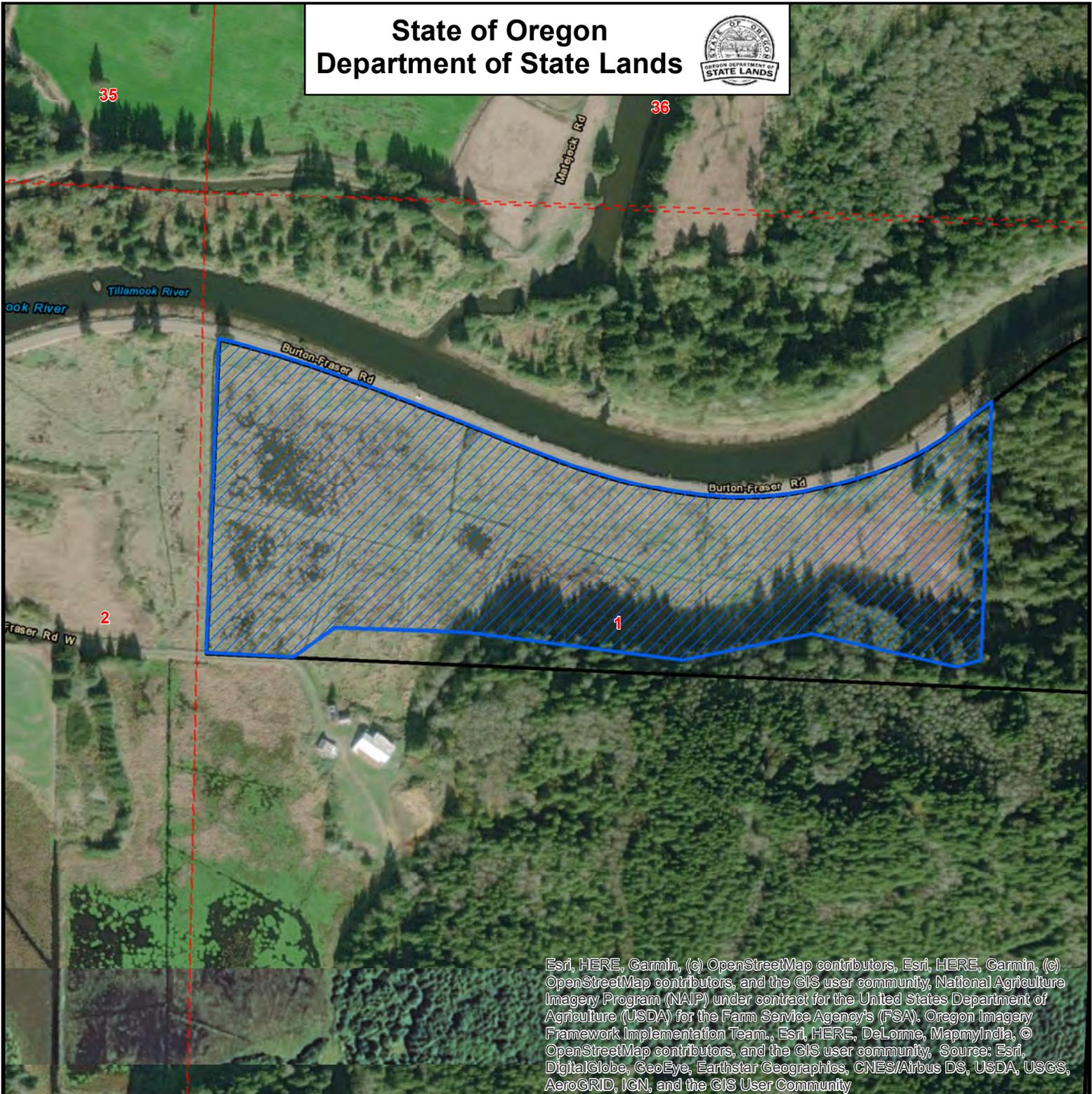
RECOMMENDATION

The Department recommends that the State Land Board authorize the initial due diligence for the potential sale of subsurface mineral rights in Tillamook County on 34.06 acres located at Township 2 South, Range 10 West, Section 1, Tax Lots 1000, 1100 & 1200.

APPENDIX

A. Map of Property

State of Oregon
Department of State Lands



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61926-LS Appendix A

T02S, R10W Sec. 01
Tillamook County
Mineral Sale

 Minerals Sale Area - 34.06 Acres

 DSL_Minerals

 Sections

This product is for informational purposes only and has not have been prepared for, nor is suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

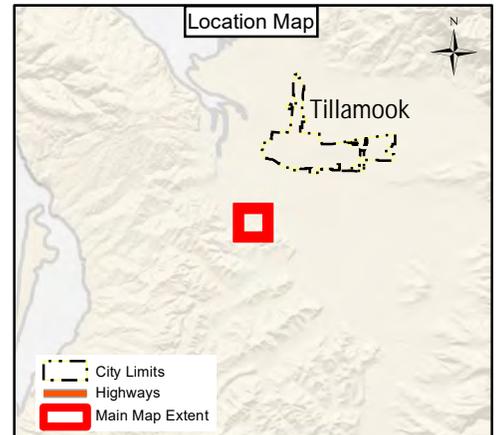
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Feet



Map Projection:
Oregon Statewide Lambert
Datum NAD83
International Feet
State of Oregon
Department of State Lands
775 Summer St NE, Suite 100
Salem, OR 97301
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www.oregon.gov/DSL
Date: 7/22/2019





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**Regular Meeting
August 13, 2019
Agenda Item 3**

SUBJECT

Request for final approval to sell the surface property and subsurface mineral rights of the south portion of the South Tongue Point property with approximately 82.76 acres south of Liberty Lane at Township 8 North, Range 9 West, Sections 12 and 13, Tax Lot 106 in a direct sale to Columbia Land Trust on behalf of Clatsop Community College, LAS Applications #61273 & 61303.

ISSUE

Whether the State Land Board should authorize the direct sale of the south portion of South Tongue Point in Astoria to the Columbia Land Trust on behalf of Clatsop Community College. (Appendix A).

AUTHORITY

- Oregon Constitution, Article VIII, Sections 2 and 5; pertaining to the Common School Fund and land management responsibilities of the State Land Board.
- ORS 273.055; relating to the power to acquire and dispose of real property.
- ORS 273.171; relating to the duties and authority of the Director.
- ORS 273.780; relating to the retention of mineral rights.
- OAR 141-067; relating to the sale, exchange and purchase of state land.
- Real Estate Asset Management Plan (REAMP), adopted by the Land Board; February 2012.

SUMMARY

The South Tongue Point property is just off the deep-water channel of the Columbia River at the eastern end of Astoria. The area being sold in this transaction is south of Liberty Lane and consists of approximately 82.76 acres. The 21.78 acres on the north side of Liberty Lane is in the process of being sold to the Clatsop Community College for its Marine and Environmental Research and Training Station (MERTS) college campus for \$826,500 as approved by the State Land Board on February 5, 2019. The east side of the property has a dock and small office owned by the federal government. Salmon net pens next to the dock are on leased land to the Clatsop County Fisheries in an effort to develop a new fishery of premium-quality salmon.

The South Tongue Point land was enlarged with dredge spoils from the Columbia River by the federal government from 1948-1976. The Department of State Lands (DSL or Department) acquired the property from the federal government with the North Tongue Point property in 1980, a total of approximately 133.43 acres of uplands for \$2 million. An additional 20.24-acre tract at South Tongue Point was later acquired from the federal government in exchange for Miller Sands Island which is used for dredge spoils. The former U.S. Naval base at North Tongue Point with warehouses and shipping piers on 33.9 acres was sold by DSL in 2000 for \$4 million to a private company.

The property is zoned Marine Industrial and General Development Shorelands which supports water-related industrial uses. The southern portion of the property now being considered for sale has never been developed except for an 8.5 acres wetland restoration. The property has about 26.8 acres of uplands and 55.96 acres of wetlands and ponds. The water depth around the site ranges from 12 to 21 feet deep.

DSL received an application from Warrenton Fiber Company in 2013 to purchase the southern portion of the property with the intent of creating an expansion area for its fiber wood products production and shipping. The State Land Board approved initial due diligence at its meeting on February 11, 2014. In completing the due diligence review, DSL sent out notice to public agencies and adjacent property owners, notifying them of the potential sale of the property. The Columbia River Estuary Study Taskforce (CREST) which performed the wetland restoration in 2012 to enhance salmon habitat, wrote a letter urging DSL not to sell the wetland restoration area. Other comments received from residents near the site expressed safety concerns regarding highway access as well as concern over development of the site as an industrial property. Based on these comments, DSL rejected the application.

At the October 13, 2015, meeting, the State Land Board again granted the Department approval to pursue another due diligence review, this time on the entire South Tongue Point property because of a request from Clatsop Community College to purchase the entire property. The College was not only concerned with the possibility of a large industrial site being located across from its MERTS campus but also saw an opportunity

to expand its marine environmental educational program with a living laboratory in the southern undeveloped portion of the property.

On December 2, 2016, the College requested that the transaction be split into two transactions; the North Campus to be purchased first by the College, then, the southern portion purchased by the Columbia Land Trust. Because of potential grant requirements, the request for the southern portion of the parcel included surface and subsurface property rights. Columbia Land Trust submitted the land sale applications for the southern property in June 2018 on behalf of the College and has received preliminary approvals for grant funding. The grant funding will require that the property be conserved in perpetuity.

DSL requested a Mineral Assessment Report from DOGAMI for an analysis of the mineral resource potential on the property. That report came back showing that the value of the mineral estate had a rating of “low to no” resource potential. Therefore, as per OAR 141-067-0320, because this property is located within a UGB and contains “low to no” mineral resource potential, the mineral estate may be released.

Furthermore, ORS 273.780 (3) states, “...the mineral and geothermal resource rights shall be retained by the state in the absence of a finding by the State Land Board upon adequate facts presented to it that their sale or exchange is for the purpose of obtaining the greatest benefit for the people of this state, consistent with the conservation of lands under its jurisdiction under sound techniques of land management.”

The Department believes that the sale of this property with its sub-surface minerals to the College will provide the people of this state with the greatest benefit. The sale will add \$1,273,000 to the Common School Fund. The site is well suited for conservation and environmental education, and will be preserved in perpetuity for public use under sound techniques of land management.

One public comment on the sale from K. Karel Lambert was received as a result of the public notice process. Karel Lambert’s eleven-page comment was to suggest holding the property for a marine industrial park driven by offshore renewable wind energy. The comment suggests the site with its channel access, rail spur and freight yard with Opportunity Zone could attract businesses by providing offshore wind energy to the site. The 2019 Oregon State Rail Plan Update states the rail from Wauna to Tongue Point has not operated since 2005 and that “rehabilitation and improvements are estimated in a range of \$10 million to \$30 million.” The water depth surrounding this site is not ideal for shipping. The Department has not received inquiries for offshore wind energy farm siting along the Columbia River in recent years.

A partition is in the process of being completed this year to separate the southern tidelands which are submerged and submersible lands. All submerged and submersible land will be retained by DSL. The southerly 82.76 acres-property was

recently appraised by Matthew Larrabee, MAI for \$1,273,000. The appraiser determined that the sub-surface mineral rights did not add additional value to the property, consistent with the DOGAMI findings.

RECOMMENDATION

The Department recommends that the State Land Board adopt a finding that the sale of sub-surface minerals best benefits the people of the State and authorize the direct sale of the surface and sub-surface mineral rights of the south portion of the South Tongue Point property, an 82.76-acres parcel located south of Liberty Lane at Township 8 North, Range 9 West, Sections 12 & 13, Tax Lot 106 in Clatsop County to the Columbia Land Trust for the benefit of Clatsop Community College for \$1,273,000.

APPENDICES

- A. Map of Property
- B. Land Evaluation Form
- C. Agenda Item 1f from October 13, 2015 Land Board Meeting

State of Oregon
Department of State Lands



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61273-LS & 61303-LS Appendix A

T08N, R09W Secs. 12 & 13
Clatsop County
Land Sales

-  Sale Area ~ 82.76 acres
-  South Tideland Reservation ~ 19.42 acres
-  Sections

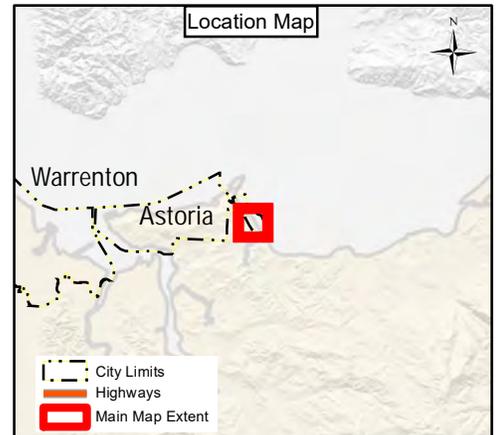
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Feet



Map Projection:
Oregon Statewide Lambert
Datum NAD83
International Feet
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www.oregon.gov/DSL
Date: 6/27/2019



LAND EVALUATION FORM

1. Evaluation completed in: Office Field
2. Parcel Name: S.end of S. Tongue Point 3. County: Clatsop 4. Map & Tax Lot: 8N 9W Sec. 12 & 13, Tax Lot 106 5. Site #: 149 & 3185
6. LAS #: 61273 & 61303 7. GIS Acres: 82.76 8. DSL Land Class: ICR 9. REAMP Category: 4
10. Certified Forest: Yes No
11. Leased: No Yes Lease #: N/A Type of Use: N/A
12. Ownership Type: Surface and Subsurface 13. Mineral Rights: No Yes
14. Adjacent Property Owners & Use: Clatsop Community College (college campus) to the north; to the west Pacific Timber LLC, 34755 Hwy. 101, Astoria, OR97103-6664, timber.
15. Zoning: S-1 & S-2 Marine Industrial & General Devt.
16. Developable Parcel: No Yes 17. Minimum acres required for home site N/A
18. Lot of Record: No Yes
19. Potential for Zone Change/Partition: Partition is being completed to retain tidelands (no zone change potential).
20. Wildlife Overlay: N/A
21. Cultural-Historic: Parcel Reviewed: No Yes
22. Previously Field Surveyed: No Yes Partially Date Surveyed: N/A
23. Cultural Resources Identified in field? (if yes, consult with staff archaeo): No Yes
24. Probability of Cultural Resources: None Low Medium High
25. Threatened/Endangered Species: Field Survey Completed: No/Not Needed Yes
Species:
26. Water Rights: No Yes Water Right Info: City of Astoria water
27. Irrigation District: None
28. Depth of Nearby Wells: 20'
29. On-site/Distance to Existing Electrical Service and what type: Adjacent Property
30. Electrical service provider/PUD Name: Pacific Power
31. Potential for Alternative Energy: N/A
32. Access: Liberty Lane
33. Legal Access: No Yes Gov't Maintained Road: No Yes Road Name/# Liberty Lane
34. Easements (to/from whom and what type): Easement w/ U. S. Coast Guard and property to north
35. Interior Roads/Trails/Condition: None
36. Known Property Boundaries/Corner Survey Markers: Surveyed with markers
37. Nearest DSL Parcel (direct): North Tongue Point 1 mile to north
38. Topography/Shape of Parcel: Irregular for shape and topography due to dredge spoil placement
39. Vegetation Cover (dominant species, condition, % coverage): Himalayan blackberry, cottonwood trees and native plants 100%

- 40. Site Structures/Improvements:** None, other than ½ of Liberty Lane
- 41. View Site/Water Features/Other amenities:** Columbia River Frontage to east and south
- 42. Evidence of Prior Impacts/Activities (wildfire, crops, historic home site):** None
- 43. Lease History:** None, other than salmon net pen lease to the east of property
- 44. Current Use:** Recreational
- 45. Agriculture/Timber Potential:** Not rated for crops or timber
- 46. Soil Type:** Sandy
- 47. NRCS Soil Class:** 81% Tropopsamments; 19% Coquille-Clatsop **48. MB & G Forest Rating:** N/A
- 49. Age of Timber:** N/A **50. Timber Volume:** N/A
- 51. Estimated Timber Value:** \$ 0
- 52. Site Index:** Not rated for timber **53. Type of Timber:** N/A
- 54. % Annual timber volume increase:** N/A
- 55. Fire District/Protection Area:** Astoria
- 56. Property Expenses (fire protection costs):** \$0 **57. Other Holding Costs:** \$0
- 58. Assessor's RMV:** \$2,319,144 (may include MERTS Campus) **59. Tax Year:** 2018-19
- 60. Estimated Market Value:** \$1,273,000 **61. Source:** Appraisal by Matthew Larrabee, MAI
- 62. Known/Proj. AUMs:** N/A **63. Annual Lease Amt.:** \$ N/A
- 64. 20 year Investment Return based on timber/lease income:** N/A
- 65. Rate of Return on Asset Value (%):** N/A
- 66. Present Value based on Current/Projected Income:** N/A
- 67. Potential developments necessary to increase marketability/land value (ie access, utilities):** N/A
- 68. Est. Annual Income after Development (Improvements/Land-Use Action):** N/A
- 69. Highest and Best Use Conclusion:** Marine Industrial Use
- 70. Comments:** This site was created from dredge spoils from the 1940's to the 1980's and has never been levelled. Because of this, the site has a number of wetland/pond areas totaling 55.96 acres. The site has 26.8 acres of usable upland area. The tidelands are being partitioned from the original 102.2 acres site. The site is overgrown with Cottonwood trees, Himalayan blackberries and native brush. Any site along the Columbia River has a high probability for cultural resources although there are no known sites on the property.
- 71. Originators:** Clara Taylor **Date:** 7/19/19
- 72. Reviewer:** Amber McKernan **Date:**

Land Evaluation Form Instructions

General Instructions: Do not leave a portion of this form blank. If information is unavailable or not applicable please indicate why. This will ensure that everyone who reviews the information knows that the question was not skipped or overlooked, but there is a reason why the question was not addressed.

1. **Evaluation done in: __Office __Field:** By the time the form is completely filled out, both office and field should be checked and initialed by the staff person(s) who worked on the form. Some of the information on the form comes from DSL records, appraisals, GIS data etc. Some information needs to be completed on site in the field. (Real Property staff)
2. **Parcel Name:** DSL name given to parcel, based on names of nearby topographic features, or named county roads. Parcel names may not be derived from names of previous lessees or any person. Do some research before naming the parcel as it may already have been named.(Property Manager)
3. **County:** what county or counties the parcel is located within (Property Manager)
4. **Map & Tax Lot** Township Range Section and tax lot number of parcel being evaluated (Property Manager)
5. **Site #:** In LAS, search and navigate to the Land Parcel page for the parcel being evaluated. The site # is on the first tab called "Land Parcel Site" (Property Manager)
6. **LAS #** In LAS, search and navigate to the Land Parcel page for the parcel being evaluated. The LAS # is the "parcel Number" at the top of the page. (Property Manager)
7. **GIS Acres** Acreage of parcel. Derived from the DSL Land GIS Layer acreage information (Property Manager)
8. **DSL Land Class** Land class code found in LAS, this is set up as a drop down menu in the form- (Property Manager)
 - a. AGR – Agriculture
 - b. FORS - Forest
 - c. ICR – Industrial/Commercial/Residential
 - d. MER- Mineral Energy
 - e. RNGL – Rangeland Leased
 - f. RNGU - Rangeland Unleased
 - g. SPEC – Special Stewardship
 - h. SS - Waterway (Submerged/Submersible)
9. **AMP Category** Drop-down Menu in form. Indicate what parcel is/should be listed as under the DSL Real Estate Asset Management Plan (REAMP) Categories. Category 1 indicates parcel has "Long-Term Potential" meaning that the parcel currently or has the potential to generate revenue over the long term. Category 2 indicates that the parcel has the potential to generate revenue over the short-term (5 years or less). Category 3 indicates that the parcel is currently generating revenue (i.e. currently under lease). Category 4 indicates that parcel is not currently generating

revenue, and/or there is minimal potential to generate revenue in the future, either short or long term.

- 10. Certified Forest** Oregon Department of Forestry Certified forest. This information is found in LAS. (Property Manager)
- 11. Leased** Is the parcel under evaluation currently under a DSL lease? If yes please provide the Lease number and type of use. (Property Manager)
- 12. Ownership Type** DSL ownership of parcel, either Surface only, Subsurface only, or Surface and Subsurface ownership. This information is found in LAS and is set up as a drop down menu on the form. (Property Manager)
- 13. Mineral Rights** Does DSL Own the mineral rights to the parcel? Check Clear Lists (Yes or No) (Property Manager, Ownership Specialist)
- 14. Adjacent Property Owners & Use** List by cardinal direction the name of the property owner/BLM District/National Forest Name and the predominant use on the adjacent lands (e.g. *North Boundary of parcel is Malheur National Forest, East Boundary is BLM-Burns District, South Boundary is privately owned by John Doe at 12345 Road St Bend, OR 97701 (Irrigated agriculture-alfalfa), West boundary is privately owned by Joe Smith at PO Box 000 Pennsylvania, CA 12345 (rock quarry)*) (Asset Analyst, Real Property Staff-field work)
- 15. Zoning** What is the county zoning for the parcel in question? Must go to the county website/assessor tax lot records to get this information. (Asset Analyst)
- 16. Developable Parcel:** Use county zoning information, appraisal information to determine if parcel is buildable. Include minimum acreage required for home site (Asset Analyst)
- 17. Minimum Acres required for home site:** Note minimum acreage required for a home site based on county zoning (Asset Analyst)
- 18. Lot of Record:** Need to work with county to determine this, must be completed prior to sale (Asset Analyst)
- 19. Potential for Zone Change/Partition:** Determine this based on zoning and development information from the county. (Asset Analyst)
- 20. Wildlife Overlay** This is information that is checked as part of county zoning information. DSL also has some wildlife layers in the GIS files (from ODFW). Need to list all wildlife zones by species here. (Asset Analyst)
- 21. Cultural-Historic:** Parcel Review is where the Staff Archaeologist has completed a SHPO information request for the parcel in question. (Yes or No) (Archaeologist)
- 22. Previously Field Surveyed:** Has any Archaeological field survey been completed at any time for any part or the entire parcel? If yes or partially, list the date(s) of the survey(s). (Archaeologist)
- 23. Cultural Resources Identified in the Field:** During any site visits by DSL staff, was there any cultural or historic resources found on site? If no, check the no box. If yes, check the yes box and consult with DSL staff Archaeologist to determine next steps. Parcel may require full pedestrian survey for cultural resources. (Real Property Staff, Archaeologist)
- 24. Probability of Cultural resources:** Completed by staff archaeologist, answer None, Low, Medium or High. (Archaeologist)

- 25. Threatened/Endangered Species:** Complete an ORBIC data request, perform field survey if necessary, list species (plant and animal) found on site. If no T & E Species indicate "none" (Property Manager)
- 26. Water Rights:** Look up water rights information on OWRD Website www.oregon.gov/OWRD go to Maps, click on Interactive Water Right Maps, click on Oregon Water Resources Web Mapping Program. This will get to the interactive web map. Once there, use the map tools to navigate to the parcel location. If there are water right on the parcel, list type and number (i.e. permit, certificate, etc.), name of water right holder, preference date, type of use, Point of Diversion (POD) or Place of Use (POU) and any other relevant information. (Property Manager)
- 27. Irrigation District:** Name of irrigation district parcel lies within. If parcel is not within an irrigation district indicate "No District" (Property Manager)
- 28. Depth of Nearby Wells:** Information from the OWRD Website from recorded well logs. Go to OWRD website at www.oregon.gov/OWRD, go to Maps, click on Interactive Water Right Maps, click on Oregon Water Resources Web Mapping Program. This will get to the interactive web map. Once there, use the map tools to navigate to the parcel location and look for wells (POD's) in the surrounding area (within 2 miles). Click on the Identify tool and scroll down to the well logs. Click on the well logs to determine depth of the well. List well depths on the form. (Property Manager)
- 29. On site/Distance to existing electrical service and what type:** Note where, and in what direction the nearest powerline/transmission line is located from the parcel. Note if the line is a single-phase, three-phase etc. or transmission line. (Real Property Staff-Field work)
- 30. Electrical Service Provider/PUD name:** Note who the electrical service provider is for the area. PUD is the Public Utilities District, include this name as well. (Property Manager)
- 31. Potential for Alternative energy:** Check available websites for solar, wind and geothermal energy potential for the parcel being evaluated. List the ratings (if any) for each type here. If no potential for all or any type of alternative energy indicate "no wind potential", "no geothermal potential", or "no solar potential" (Property Manager)
- 32. Access:** Detail any roads (legal or not) that can be used to gain access to the parcel. Include condition of road, type of road, any road names or numbers, or indicate no roads at all. If access is through adjacent private ownership please indicate that as well. (Real Property Staff-whomever does the field work)
- 33. Legal Access:** Indicate yes or no if there is legal access to parcel. If it is a government maintained road (county, BLM, USFS) list yes or no and include the road name or number. (Real Property Staff-Field Work)
- 34. Easements (to/from whom and what type):** List any easements on the property. Include deed book and page description and indicate if deed book is DSL or County. (Property Manager, Asset Analyst)
- 35. Interior Roads/trails/condition:** if there are any roads within the boundaries of the parcel being evaluated describe them here (Real Property Staff-Field Work)
- 36. Known Property Boundaries/Corner Survey Markers:** Indicate and describe the location of any survey markers, brass caps, section corners, witness placards etc. here. (Real Property Staff-Field Work)

- 37. Nearest DSL Parcel:** Describe how far away from the parcel being evaluated the next nearest DSL owned parcel is located. Include what direction and indicate the TRS of the nearest parcel. (Property Manager)
- 38. Topography/Shape of Parcel:** Describe the shape and topography of the parcel. Indicate any distinguishing features such as natural water, slopes etc. (Real Property Staff-Field work, and office work)
- 39. Vegetation Cover:** List the dominant species present in common names, indicate vegetative condition, and percent cover of trees, shrubs and grasses)
- 40. Site Structures/Improvements:** Describe any fences, irrigation structures, water developments, agriculture etc. Include location of structures and indicate size, or length and condition of any structures found on site. (Real Property Staff-Field Work)
- 41. View Site/Water Features/Other Amenities:** Describe any aesthetically pleasing attributes found within and around the parcel. Anything that would be potentially pleasing to a buyer (Real Property Staff-Field Work)
- 42. Evidence of Prior Impacts/Activities:** Describe the location and condition of any evidence of wildfires, crops, timber/logging, recreation or any other historic use. (Real Property Staff-Field Work)
- 43. Lease History:** Was the parcel ever, or is currently leased? Include lease number, Lessee Name, and use. This information can be found in LAS and in old files in Bend and Salem offices (All Real Property Staff)
- 44. Current Use:** Describe any current uses on the property. If known, include the name of who is using the parcel. (All Real Property-Field Work)
- 45. Agriculture/Timber Potential:** Describe the potential for agriculture and timber harvest based on conditions on site i.e. topography vegetation. (Real Property Staff-field work)
- 46. Soil Type:** Describe the soils on site from the NRCS Soils Web Mapping tool. If parcel is in a county where the soil survey is unavailable, describe the soils from what was observed during the site visit. (Property Manager-Real Property Staff)
- 47. NRCS Soil Class:** List the soils class from the NRCS Soils Web Mapping tool. (Property Manager, Asset Analyst)
- 48. MB & G Forest Rating:**
- 49. Age of Timber:** Average age of timber stand, this information comes from the appraisal and timber cruise. (Asset Analyst)
- 50. Timber Volume:** Information comes from the timber cruise (Asset Analyst)
- 51. Estimated Timber Value:** This figure from the timber cruise and appraisal (Asset Analyst)
- 52. Site Index:** Indicate what site index was used for the timber cruise (i.e. either 50 or 100 year indexes) (Asset Analyst)
- 53. Type of Timber:** What timber species are found on parcel, and what species were accounted for in the timber cruise? (Asset analyst)
- 54. % Annual timber volume increase:** What is the percent annual timber volume increase used in the timber cruise? (Asset Analyst)
- 55. Fire District/Protection Area:** Indicate if parcel is under ODF Fire Protection, within the boundaries of a Rangeland Fire Protection Area (RFPA), and/or under the BLM Fire Suppression agreement. List the name of the RFPA if appropriate. (Property Manager)

- 56. Property Expenses:** List any property expenses such as fire protection costs (ie funds paid to an RFPA or to ODF). Determine this amount by acre. (Property Manager)
- a. For RFPA's: take full amount paid to RFPA and determine how many DSL acres are within that RFPA boundary. Then determine the per acre rate for fire protection and multiply that amount by the number of acres within the parcel in question.
 - b. For ODF fire protection: Determine the rate for protection from the previous full calendar year, multiply this number by the number of acres within the parcel in question.
- 57. Other Holding Costs:** This is intended to capture the holding costs to DSL. For example: If the parcel in question is classified as Rangeland Unleased (RNGU), the holding costs to DSL would come out of the Rangeland Program costs. To determine this amount on a per acre basis, take the program expenditure amount from the previous calendar year and divide that amount by the total number of acres classified as Rangeland. That will give you the per acre costs for all lands classified as Rangeland. Then take that amount and multiply it by the number of acres within the parcel being evaluated.
- 58. Assessor's RMV:** This is the county assessor's Real Market Value. This information must come from the county as it is updated annually. (Asset Analyst)
- 59. Tax Year:** Indicate what tax year the Assessor's RMV value is from. (Asset Analyst)
- 60. Estimated Market Value:** This value comes from the appraisal. If marketable timber on parcel, indicate what the total market value would be with the timber and without the timber. (Asset Analyst)
- 61. Source:** Indicate the source of the appraisal. I.e. who completed the appraisal? (Asset Analyst)
- 62. Known/Projected AUM's:** List the AUM amount the parcel can support. This information either from appraisal, NRCS Soils web mapping tool, or on site determination. (Rangeland Manager)
- 63. Annual Lease amount:** Indicate what the Grazing lease rate would be given the AUM amount, or what the current lease fee is if parcel is under lease. (Rangeland Manager)
- 64. 20 year Investment Return based on Timber/lease income:**
- 65. Rate of Return on asset value (%):**
- 66. Present Value based on Current/Projected Income:**
- 67. Potential developments necessary to increase marketability/land value (i.e. access, utilities):** List what developments DSL could complete prior to sale to increase property value prior to sale, also have an option to say none. (Asset Analyst)
- 68. Estimate Annual Income after Development (Improvements/Land use action):** Answer based on question 31 above. Determine value of property after any developments and improvements. Also, determine what income could be if improvements were completed and DSL leased out the property (i.e. for agriculture use) (Asset Analyst/Property Manager)

- 69. Highest and Best Use Conclusion:** What is the overall highest and best use of the property? What action, either lease for a specific purpose, or sale would bring the highest value to the Common School Fund? (All Real Property staff)
- 70. Comments:** Note any extra comments or information about the parcel here.
- 71. Originator:** Names or initials of any and ALL DSL Staff that contributed information to this evaluation and the date the information was added.
- 72. Reviewer:** Filled out once Eastern Region Manager has reviewed the form and is satisfied by the information contained. Include date the form was reviewed and accepted.



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State Land Board

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Governor

Jeanne P. Atkins
Secretary of State

Ted Wheeler
State Treasurer

State Land Board

**Regular Meeting
October 13, 2015
Agenda Item 1f**

SUBJECT

Request for approval to initiate the review and determination for a potential sale of approximately 132 acres of state-owned filled lands at South Tongue Point in Clatsop County.

ISSUE

Whether the Land Board should authorize the Department to initiate the formal due diligence phase for the potential sale of three (3) parcels of filled lands totaling about 132 acres in Clatsop County (Appendix A).

AUTHORITY

Oregon Constitution, Article VIII, Sections 2 and 5; pertaining to the Common School Fund and land management responsibilities of the State Land Board.

ORS 273.055; relating to the power to acquire and dispose of real property.

ORS 273.171; relating to the duties and authority of the Director.

OAR 141-067; relating to the sale, exchange and purchase of state land.

Real Estate Asset Management Plan (REAMP) adopted by the Land Board; February 2012.

SUMMARY

The South Tongue Point parcels are on the deep-water channel of the Columbia River at the eastern end of Astoria. A portion of the north end of the property has a land lease with current annual rent of about \$13,000 for a lease with Clatsop County

Community College. The east side of the property has a dock and small office owned by the Coast Guard. Salmon net pens next to the dock are on leased land for the Clatsop County Economic Development Council.

The parcels were enlarged from 1948-1976 through dredge spoil deposits from the Columbia River and encompass formerly submerged and submersible (statutory) land. The property is zoned "Marine Industrial" which supports water-related industrial uses. The southern portion of the property has never been developed except for an 8.5-acre wetland restoration.

DSL received an application from Warrenton Fiber Company in 2013, to purchase a portion of the property with the intent of creating an expansion area for its fiber wood products production and shipping. The Land Board approved initial due diligence for the potential sale of the property on the undeveloped southern portion at its February 11, 2014 meeting. In conducting the due diligence, DSL sent out notice to public agencies and adjacent property owners in the area notifying them of the potential sale of the property. The Columbia River Estuary Study Taskforce (CREST), which performed the wetland restoration in 2012, to enhance salmon habitat wrote a letter urging DSL not to sell the wetland restoration area. Other comments received from residents near the site also expressed safety concerns related to highway access, as well as general concern over the development of an industrial site at the property.

On March 18, 2015, DSL received a land sale application from Clatsop County Community College to purchase the entire property. While the current lease to the College provides revenue on the seven acres near the north end of the property, the likelihood of an industrial company developing the remainder of the property – either as a lessee or possible future landowner – is uncertain. Further, many of the potential industrial marine leasing uses carry pollution risks, which can be problematic for DSL to monitor as the landowner.

Given this situation, the Department recommends moving forward with conducting due diligence related to the potential sale of the South Tongue Point parcels, to help inform future State Land Board decisions around the future disposition of these parcels. Upon approval of this agenda item, the Department would then move forward with additional due diligence steps to provide information needed towards a potential future decision on whether or not to sell these parcels.

Agency Review

As part of the due diligence, letters will be sent to all adjacent landowners and lessees to inform them of the potential sale of these parcels. Local, state and federal agencies and tribal interests will be notified and asked to offer information concerning their areas of interest. Any significant concerns offered by any interest over a particular parcel will be thoroughly evaluated and thoughtfully considered prior to moving forward with a

recommendation on the sale process. As comments are received from the public and other agencies, and following the additional due diligence work, a final decision will be made on whether or not to recommend the sale of any or all three parcels.

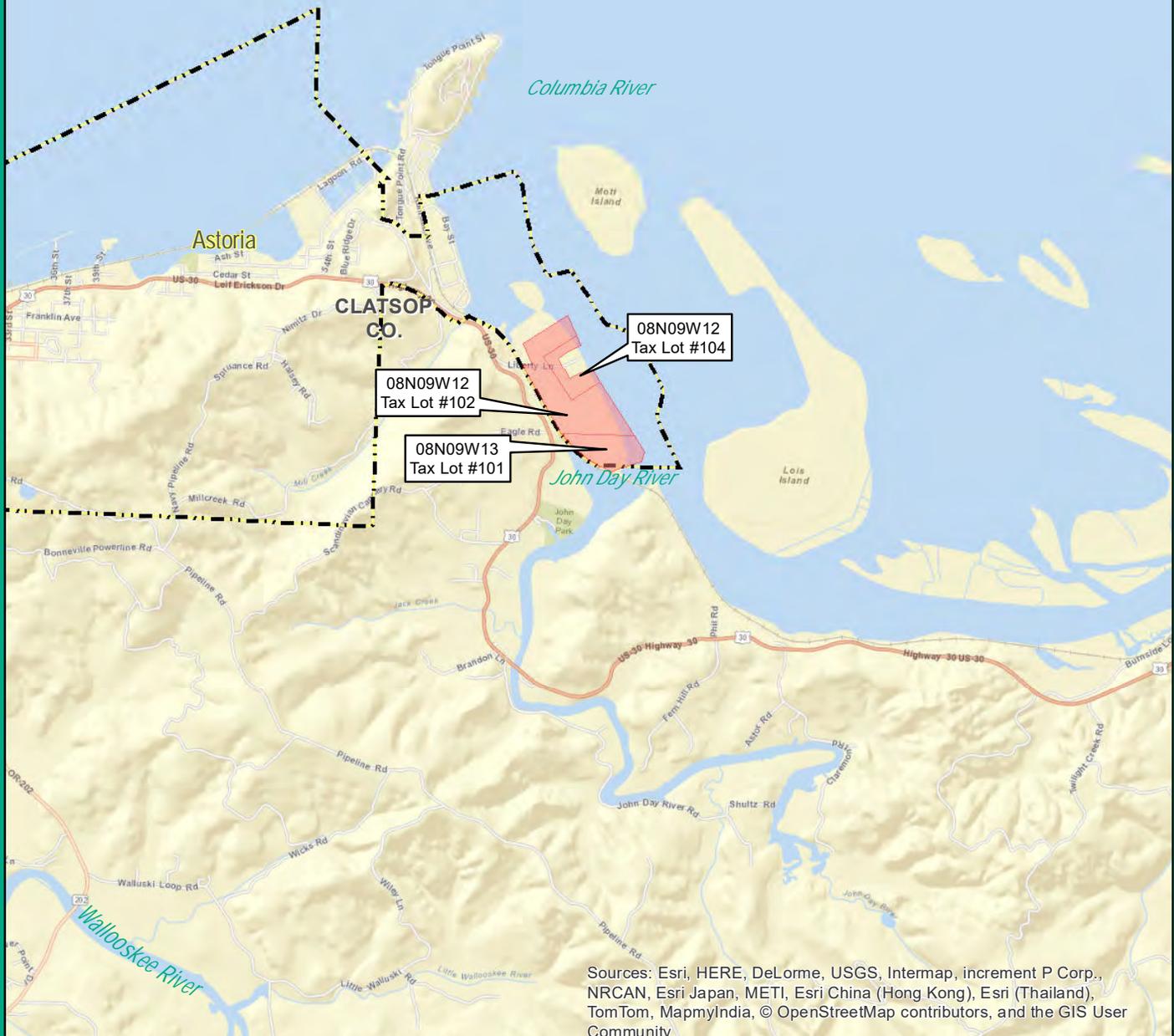
RECOMMENDATION

The Department recommends that the State Land Board authorize the Department to initiate the review and determination of the sale of up to three (3) parcels of filled lands totaling about 132 acres in Clatsop County (Appendix A).

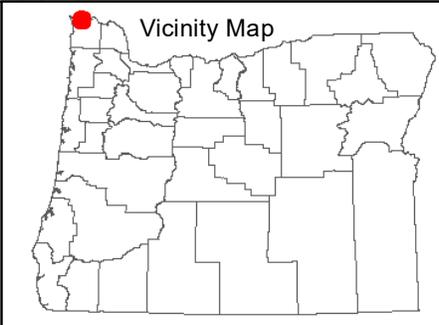
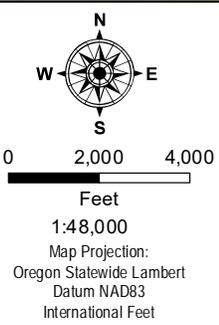
APPENDIX

A. Site map

State of Oregon Department of State Lands



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



This map depicts the approximate location and extent of a Department of State Lands, Land Management Division authorization for use. This product is for informational purposes only and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

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