

Department of State Lands

775 Summer Street NE, Suite 100 Salem, OR 97301-1279 (503) 986-5200 FAX (503) 378-4844 www.oregon.gov/dsl

State Land Board

The State Land Board (Land Board or Board) met in regular session on June 10, 2025, Shutter Creek Facility 95200 Shutters Landing Ln, North Bend, OR 97459. The meeting audio and video was livestreamed on the DSL YouTube channel.

Tina Kotek Governor

Tobias Read

Secretary of State

Governor Tina Kotek

Tobias Read Secretary of State

Elizabeth Steiner Elizabeth Steiner Treasurer State Treasurer

Land Board Assistants

Geoff Huntington Governor's Office

Dmitri Palmateer Secretary of State's Office Jessica Howell State Treasurer's Office

Department Staff

Present were:

Vicki Walker Bill Ryan Ellie Forness Katrina Scotto di Carlo Arin Smith Chris Castelli Ali Ryan Hansen Linda Safina-Massey Ted Bright Cait McCusker Hannah Beverage Alyssa Rash

Department of Justice

Matt DeVore

Governor Kotek 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: June 10, 2025, Land Board Meeting

Consent Items

1. Minutes

Secretary Read made a motion to approve the minutes for the April 8, 2025, Land Board meeting.

Treasurer Steiner seconded the motion.

The item was approved at 10:03 a.m. without objection.

ACTION ITEMS

2. Request to initiate rulemaking for Division 145, remediation and habitat restoration

Director Walker presented the issue of Whether the State Land Board should initiate permanent rulemaking for administrative rules in OAR 141-145-0060, which outlines the compensation method for authorization of remediation and habitat restoration activities on State-owned submerged and submersible lands. Limited rulemaking is needed to support active rulemaking already underway for OAR 141-082.

The Department recommended the Land Board authorize the Department to initiate permanent rulemaking for OAR 141-145-0060 which outlines the compensation method for authorization of remediation and habitat restoration activities of State-owned submerged and submersible lands.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:07 a.m. without objection.

3. Request to initiate rulemaking for Division 83, undersea cables

Director Walker presented the issue of whether the State Land Board should initiate permanent rulemaking for administrative rules in OAR 141-083 which govern easements for undersea cables on state-owned submerged and submersible land in Oregon's territorial sea. Rulemaking is needed to conform with the updated Territorial Sea Plan: Part Four and Part Five, as well as improve the easement application process. Rulemaking may also be needed for establishing fees in rule, dependent on the outcome of Senate Bill 793 A

The Department recommended that the Land Board authorize the Department to initiate permanent rulemaking under OAR 141-083, which governs easements for undersea cables on state-owned submerged and submersible land in Oregon's territorial sea.

Governor Kotek asked what the timeline looks like.

Director Walker responded that rulemaking should be complete by mid-2026.

Secretary Read asked what the plan is to involve the Public to avoid difficulties we have had in the past.

Deputy Director Bill Ryan joined Director Walker at the table and responded that in addition to the rules advisory committee that will start in the fall, there will be additional outreach and public engagement to ensure we are balancing interests whether they be environmental, economic development, or private property interest and making sure everyone is heard so the department can make an informed decision.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:17 a.m. without objection.

4. Subsurface mineral and geothermal rights in Morrow County

Director Walker introduced Deputy Director Chris Castelli and Land Transaction Analyst John Gessner to assist in presenting the issue of whether the State Land Board should authorize the sale and release of approximately 274 acres of subsurface mineral and geothermal rights Morrow County, currently held by the Department of Administrative Services (DAS), to Rowan Percheron, LLC. This included staff findings.

Public testimony was taken from Mike Karas with Davis Wright Tremaine.

Treasurer Steiner asked why the valuation is so low and stated that the cost should also cover the cost of staff time.

Secretary Read agreed.

Treasurer Steiner stated that she is bothered that it is costing us more than we are getting back.

Deputy Director Chris Castelli stated that there is an application fee in addition to the sale price.

Treasurer Steiner stated that she would like to have further conversations about fee structures and possible rulemaking at a future meeting.

The Department recommended that the Land Board approve the sale and release of 274 acres of subsurface mineral and geothermal rights, currently held by DAS, located in Morrow County at Section 28, Township 3 North, Range 24 East, Tax Lot 123, to Rowan Percheron, LLC for \$2,740.

Secretary Read asked about the applicant's plans for the property.

Mr. Karas stated that the company builds data centers.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:38 a.m. without objection.

5. LaPine in-lieu lands acquisition

Deputy Director Chris Castelli and Real Property Policy Specialist, Brian Cochran, assisted in presenting the issue of whether the Land Board should authorize the Department to accept a patent for an 80-acre property from the Bureau of Land Management for in-lieu lands still owed to the State of Oregon. The property consists of undeveloped forested land zoned high-density residential and inside the city limits of La Pine, in Deschutes County. If accepted, this would be a new school land addition.

The Department recommended that the Land Board authorize the Department to accept in-lieu land, known as a patent, from BLM for an 80-acre property located in La Pine, at a cost of \$0.

Secretary Read asked if there was an assessment of cultural significance and how that could affect protentional development.

Mr. Cochran stated that BLM did a full review and there were no issues.

Treasurer Steiner stated that Deschutes County is very excited about this property for possible residential use and looking forward to working with DSL.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:51 a.m. without objection.

6. ODOT I-5 overpass easement

Director Walker presented the issue of whether the State Land Board should approve a request from the Oregon Department of Transportation (ODOT) for a permanent easement to maintain the freeway overpass crossing the Willamette River in Township 01 North, Range 01 East, Multnomah County.

The Department recommended the Land Board approve permanent easement 64044-EA to the Oregon Department of Transportation to maintain and operate freeway overpass on, over, under or across the Willamette River.

Governor Kotek asked how this came to be since the bridge was built so long ago.

Deputy Director Bill Ryan stated that this is a historically filled land situation.

Secretary Read and Treasurer Steiner both agreed that there has to be a more streamlined way to process things like this when it is agency to agency.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 11:05 a.m. without objection.

INFORMATIONAL ITEMS

7. Geologic carbon sequestration update

Ruarri Day-Stirrat, Director of DOGAMI presented the informational item which focused on near-term engagement efforts.

Governor Kotek thanked Director Day-Stirrat for all of the work.

Treasurer Steiner asked if there is any sense of how much carbon dioxide (CO2) will be able to store in Oregon and what the value is.

Director Day-Stirrat stated that it has been assessed that 40 gigatons could be stored in Oregon and Washington. A full study still needs to be done, but a ton of CO2 mineralized in basalt is in the hundreds per ton value.

Secretary Read asked what we should be thinking about now, so we are ready to make decisions six months from now.

Director Walker stated that we will need to decide on the site.

Director Day-Stirrat added that in six months we will have a site chosen as well as a cost.

8. Legislative Update

11:17 a.m.

Ellie Forness, Government Relations Director, presented the item that included updates on DSL's priority bills.

HB 5539: The Department's budget bill.

HB 5539 was the first agency budget bill to move out of the Joint Committee on Ways and Means Subcommittee on Natural Resources. The bill passed out of the subcommittee with a unanimous vote and no discussion. The bill received strong bipartisan support throughout the legislative session.

Disclaimer: At the time of writing this memorandum the 2025 Legislative Session is still occurring, and we do not know the outcome of HB 5539.

Senate Bill 165 A: Clears title to historically filled lands by removing ownership uncertainty for private landowners while retaining future opportunities for public ownership of high-value lands.

SB 165 A received strong bipartisan support in both Senate and House policy committees and floors. The bill has been signed by Governor Kotek.

Senate Bill 793 A: Allows fair payment for easements in the territorial sea, ensures fees cover the cost of issuing those easements; gives the Department rulemaking authority.

SB 793 A is currently awaiting a work session in the Joint Committee on Ways and Means due to the fee authority it provides the Department. This bill has a minimal fiscal impact that can be absorbed using existing resources.

Disclaimer: At the time of writing this memorandum the 2025 Legislative Session is still occurring, and we do not know the outcome of SB 793 A.

Senate Bill 795 A: Promotes efficiency in Oregon's Abandoned & Derelict Vessels Program; implements community-supported fixes for effectively addressing the problem of hazardous vessels in publicly owned waterways.

SB 795 A is the first Department bill to move through the full legislative process for the 2025 legislative session. The bill received strong bipartisan support in the Senate chamber and passed the House unanimously.

Senate Bill 74 A: Improves the process for declaring rivers to be Oregon-owned. SB 74 A received strong bipartisan support in the Senate and House chambers. The bill has now been signed by Governor Kotek.

Senate Bill 147 B: Housekeeping to more efficiently manage the Elliott State Research Forest.

SB 147 B moved through the Joint Committee on Ways and Means Subcommittee on Natural Resources with a unanimous vote and the Full Ways and Means Committee and the Senate Floor with strong bipartisan support.

Disclaimer: At the time of writing this memorandum the 2025 Legislative Session is still occurring, and we do not know the outcome of SB 147 B.

9. Department of State Lands Director Appointment 11:25 a.m.

Governor Kotek's Natural Resources Policy Advisor and Land Board Assistant, Geoff Huntington gave a brief update on the recruitment process.

10. Other

11:28 a.m.

To end her final Land Board meeting as she headed into retirement, Director Walker gave brief updates on the following topics:

- Steven's Road Parcel sale is almost complete
- DSL will be getting a \$1M grant for ADV cleanup

Director Walker thanked the Board and DSL staff for being a part of the seven years that she served as Director.

Governor Kotek, Treasurer Steiner and Secretary Read each took time to thank Director Walker for all of her work and accomplishments with DSL and to wish her a happy retirement.

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Tina Kotek, Governor	
Kaitlin Lovell, Director	

The meeting was adjourned at 11:52 a.m.