



## Public Rule Hearing and Information Session

Waterway Leases, Licenses, and Registrations (Division 82)

July 22, 2025 (Florence, OR)





6:00 PM Information Session:

- Rulemaking Overview
- Summary of Proposed Rule Changes and Examples
- Question and Answer Session

6:30 PM Public Rule Hearing

Oral Comments



# Why is DSL proposing rulemaking?



2018 partnership with Portland State University to complete a Waterway Leasing Study.

Addressing risks and liabilities from use of public land.

### Rulemaking Goals



- Cover administrative costs for processing applications.
- Create a single methodology for calculating annual rent payments based on the real market value of the adjacent land and the type of activity authorized.
- Require financial assurance for waterway registrations.
- Use clear and simple language where current rules are confusing or complex.
- Reduce the term of a new waterway lease to 5 years.

### Rulemaking Advisory Committee



- 10 members from a wide range of interest groups.
- Met once a month for 6 months.
- Reviewed proposed rules and provided valuable feedback.
- Based on feedback, DSL adjusted aspects of the compensation rate.



### **Fees**



### Revised application fees and added new fees:

- Create new fees to cover scenarios where DSL incurs higher administrative costs.
- One time increase applied to existing application fees to account for cumulative inflation since previous rulemaking.
- Annual increase applied to application fees to account for inflation going forward.
- New annual fee to support the Submerged Lands Enhancement Fund.

## Registration Fees



Waterway Registrations: New and Renewals	Current Fee (2025)	Proposed Fee (July 2026)
< 1,000 sq. ft. structure	\$250	\$400
1,001 to 2,000 sq. ft. structure	\$500	\$700
2,001 to 2,500 sq. ft. structure	\$600	\$800
Floating Recreation Cabin < 1,500 sq. ft.	\$700	\$1,000
	Not less than	Not to exceed
Other structures determined by the Director	\$250	\$1,000
Riprap and tide gates	None	None
Structures maintained by a diking district	None	None
Right of ways established prior to Nov. 1, 1981	None	None
Voluntary Habitat Restoration	None	None

## Annual Lease Calculation Method



Create a single method to calculate annual lease payments, based on the following:

- Value of the Adjacent Land
- Area of Authorized Use
- Rental Rate (between 3 percent and 8 percent)

## Other Changes



- Reduce new lease terms to 5 years.
- Separate rule section explaining financial assurance requirements for leases and registrations.
- Clarified how DSL handles appeals and contested case hearings.
- Other administrative fixes



#### **Rent Formula:**

 $(ALV \times RR) \times AA = ALP$ 

**ALV** = Adjacent Land Value

**RR** = Rental Rate

**AA** = Authorized Area

**ALP** = Annual Lease Payment

### **Rental Rate Modifiers**

	+/- (%)	
OAR 141-082-0305(3)		
(a) Beneficial Waterways		
Program	75%	
(b) Public access provided	75%	
(c) Waterway Designation	+ .50%	
(d) Use classifications (see below)		
(e) Other methods or	case by	
information	case	
OAR 141-082-0305(12)		
(a) Noncommercial Use	+ .10%	
(b) Personal Recreational Use	-	
(c) Commercial Use	+ .25%	
(d) Aquaculture Facilities	+ .10%	
(e) Historic Vessel and/or		
Structure	-	
(f) Log Raft and Log Storage	-	
(g) Marinas	+ .25	
(h) Marine Industrial Use	+ .50	
(i) Marine Services Use	+ .50	
(j) Non-Marine Use	+ .50	
(k) Other use classifications	case by	
	case	

### Other Considerations



- Rental Rates will be redetermined at lease renewal or modification.
- Rate increases are limited to 15% from the last year's rent.
- Lease Minimum of \$1,200 per year, per parcel
- Lease Maximum of \$150,000 per year, per parcel.
- Rent will increase 3% annually

### Port of Astoria 20582-ML

#### **Current Information:**

- 2024 Rent: \$33,802
- 3% of Gross Income Method
- Adjacent Land Value (ALV): \$1.70 per sq ft
- Authorized Area (AA): 679,540sq ft



### **Proposed Method**

- Rental Rate Modifiers:
  - Marina (.25%)
  - **Coastal Zone (.50%)**
  - Essential Salmonid Habitat (.50%)
- Rental Rate(RR): 4.25%
- Annual Lease Payment \$38,873.28

## River Road Baptist Church 60590-ML

#### **Current Information:**

- 2025 Rent: \$514.08
- Flat Rate
- Adjacent Land Value (ALV): \$9.61 per sq ft
- Authorized Area (AA): 4,333 sq ft



### **Proposed Method**

- Rental Rate Modifiers:
  - Non-Commercial Use (.10%)
  - Coastal Zone (.50%)
  - Essential Salmonid Habitat (.50%)
- Rental Rate: 4.10%
- Annual Lease Payment \$1,200 (minimum applies)

## Dulich Realty Acquisition, LLC 11713-ML

#### **Current Information:**

- 2024 Rent: \$12,322.83
- Flat Rate
- Adjacent Land Value (ALV): Multiple
- Authorized Area (AA): 20,200



### **Proposed Method**

- Rental Rate Modifiers:
  - Marine Industrial/Marine Service (.50%)
  - **Coastal Zone (.50%)**
  - Essential Salmonid Habitat (.50%)
- Rental Rate: 4.5%
- Annual Lease Payment \$14,171.25



### Questions About New Lease Calculations?

If you're curious about what your lease calculation under the proposed rules will be:

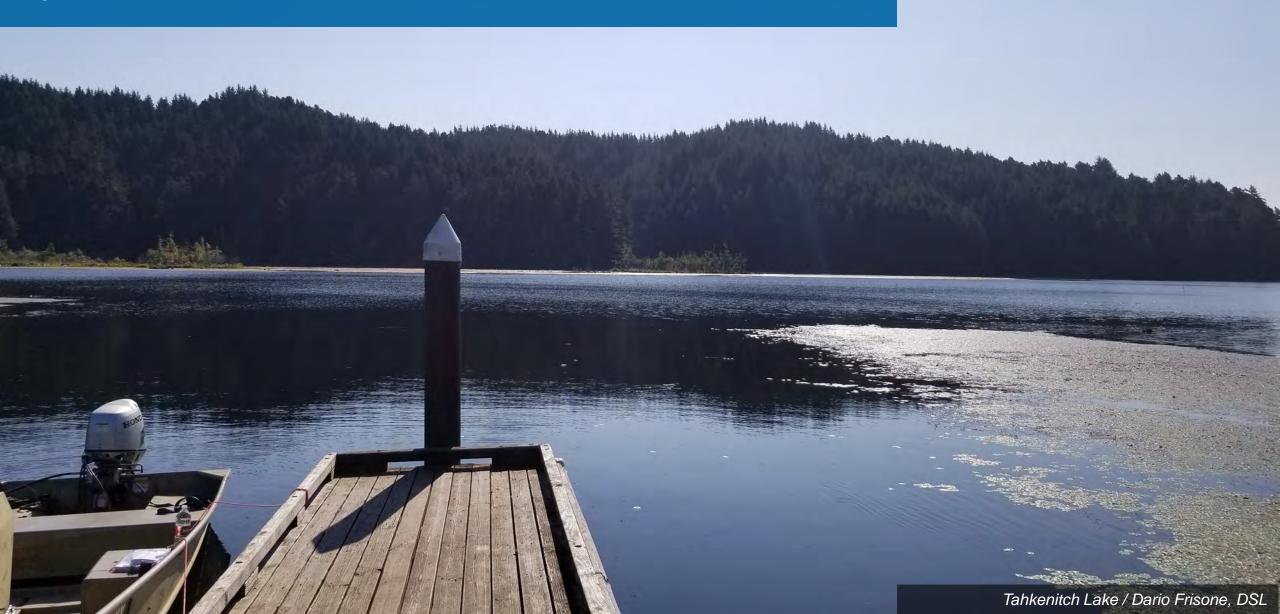
Please email: DSL.Rules@dsl.Oregon.gov

# Frequently Asked Questions



- What benefit is the public getting from changing the method of calculating annual payments?
- What do application fees and annual rent payments "cover"?
- Where do excess funds "go"?
- Please explain the revised definition for a floating recreation cabin.

### **Questions?**







Commenters have a 2-minute time limit. Please state your name and affiliation.

# Provide Written Comment

Written comments may be submitted through August 15, 2025, at 5:00 p.m. by:



#### **Email**

dsl.rules@dsl.oregon.gov



#### **Online form**

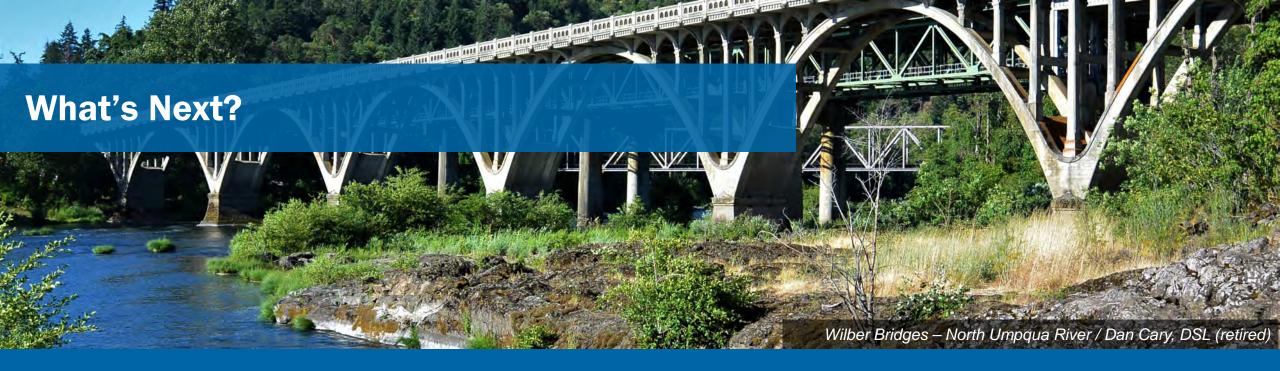
https://www.oregon.gov/dsl/Pages/rulemaking.a spx



Mail Oregon Department of State Lands

775 Summer St. NE, Suite 100

Salem, OR 97301



- DSL will review and consider all written and oral public comments.
- The proposed rules will go through an internal review and approval process.
- The final proposed rules will be presented for approval to the State Land Board at the December 2025 meeting.
- The approved rules will become effective July 1, 2026.





### **Thank You!**

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Oregon.gov/DSL

