E-News Winter 2012

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In this issue

- Department schedules outreach meetings
- DSL director participates in Economic Recovery Review Council
- DSL approves Port of Coos Bay permit
- Report summarizes land management activities
- Schools set to receive $3.99 million in January
- Eight local wetland inventories approved in 2011
- Wetland mitigation banking continues to expand
- South Slough gains forested acreage
- Nominations open for State Land Board Awards

Department schedules outreach meetings

Asset management, waterway rules and removal-fill permits on agenda

Starting in early January, DSL staff will hold informational meetings to gain public input on the following agency activities:

**Asset Management:** The department recently completed a draft of the plan that guides land management activities, and provides policy for selling, exchanging and acquiring land. The Real Estate Asset Management Plan (REAMP). The new plan takes a different approach from the previous plans by being less specific on individual parcels, and focusing more on policy guidance for managing DSL’s real estate portfolio. The REAMP includes specific criteria for evaluating lands for disposal and acquisition along with other procedures to guide land management decisions.

Public meetings will be held:

- Wednesday, Jan. 11 in Burns (6:30 - 8:30 p.m.)
- Wednesday, Jan. 18 in Medford (6:30 - 8:30 p.m.)
- Tuesday, Jan. 24 in Salem (2:30 - 4:30 p.m.)

More information is on the DSL website.

**Waterway Remediation and Restoration Rulemaking:** The department recently assembled an advisory committee to help draft new administrative rules governing how DSL manages restoration and remediation for contamination proposed on state-owned waterways. Committee members represent a wide variety of interests and geographic locations throughout Oregon. Their charge is to help draft rules to facilitate selling or issuing authorizations for these activities on state land; to address how to value the land; and to establish appropriate compensation for various uses or the sale of the land.

DSL has retained The Mary Orton Company, LLC, to provide convening and facilitation services for the committee, whose first meeting was held on Dec. 2 in Portland. The group will meet monthly, and their meetings are open to the public. The tentative schedule is: Jan. 17 (Salem - 10:00 a.m. at the Association of Oregon Counties, 1201 Court Street NE), Feb. 17, March 29 and April 26 - locations will be determined at the previous meeting. More information is available from Chris Castelli.

**Senate Bill 600 Rulemaking:** Staff from two DSL programs - waterway leasing and removal-fill permitting - will hold outreach meetings in March to share information about recent legislation affecting these programs. SB 600 added additional waterway leasing exemptions for riprap, drainage districts, city and county road maintenance, and voluntary habitat restoration projects; and increased from 50 to 100 cubic yards the agricultural exemption for removing sediment in streams for flood control. More information will be posted on the DSL website when meeting dates and locations are finalized.

Top of page

DSL director participates in Economic Recovery Review Council

Senate Bill 766 created the Economic Recovery Review Council, with the DSL director serving as one of five members. The ERRC administers programs to foster industrial development in Oregon, and coordinates permit processes among member state agencies. The Oregon Business Development Department (OBDD) staffs the council.
DSL’s primary role in industrial development is issuing removal-fill permits for impacts to wetlands and waterways. The ERRC program relevant to removal-fill permitting is the expedited permitting program for Industrial Development Projects of State Significance.

The ERRC website provides more information about its programs and industrial development in the state.

Department approves Port of Coos Bay permit

Multi-berth, multi-purpose marine facility proposed

The removal-fill permit for the Oregon Gateway Marine Terminal was approved by DSL on Dec. 21, 2011. The permit, submitted by the Oregon International Port of Coos Bay, authorizes removal of approximately 1.75 million cubic yards of material from dredging for excavating an access channel and slip adjacent to the Coos Bay Navigation Channel. It also authorizes impacts to 12.9 acres of intertidal habitat requiring mitigation; and disposal of dredge spoils on approximately 0.1 acres of freshwater wetland, also requiring mitigation.

“Our staff considered more than 2,000 public comments and requested additional detailed information from the port in order to make our decision,” said Louise Solliday, DSL director. “We ultimately determined that this application met the criteria by which we evaluate applications, and the proposed mitigation for impacts to Oregon waters was sound,” she said.

The department’s statutory authority is limited to ensuring the protection, conservation and best use of Oregon’s water resources, and does not extend to upland activities nor to a determination of whether a project is good for the state, Solliday said.

The port in a news release said the marine project “opens the way for development of modern marine cargo facilities, expansion of the southern Oregon coast maritime industry and increased use of the Coos Bay rail line. This permit approval further reinforces the viability of the Coos Bay’s deep-water harbor for the enhancement of the economy and quality of life in the region.”

Additional information, including a fact sheet, the DSL findings document, and the permit are on the DSL website.

Report summarizes land management activities

At the end of each calendar year, DSL provides the State Land Board with a summary report of activities, revenues and performance measures related to managing state-owned lands. The report covers all lands in the board’s real estate portfolio:

<table>
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<tr>
<th>Land Class</th>
<th>Acres</th>
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<tbody>
<tr>
<td>Forestlands</td>
<td>119,770</td>
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<tr>
<td>Agricultural lands</td>
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<tr>
<td>Rangelands</td>
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<tr>
<td>Industrial/Commercial/Residential</td>
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<td>Mineral and Energy Resources</td>
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<tr>
<td>Waterways</td>
<td>1,260,000</td>
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<tr>
<td>Special Stewardship lands</td>
<td>10,000</td>
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</tbody>
</table>

State lands generated $13,165,188 from land management authorizations during fiscal year 2011, including timber sale payments and excluding land sales - a 1 percent decrease in gross revenue over the previous fiscal year. However, when forestry revenues are removed from the total, gross revenues are up 22.4 percent. This represents a reversal of declining non-forest revenues over recent years.

A summary of the report is on the DSL website, and contains highlights of activities in each land category, special projects and asset planning. Additional information is available from John Russell, asset manager.

Schools set to receive $23.99 million in January

Common School Fund provides twice-yearly distributions

The Oregon Department of Education will send the first of two annual Common School Fund distributions to Oregon’s 197 school districts this January. The second distribution of the same amount will be sent in July, making the 2011 total CSF distribution just less than $48 million.

The fund - set up at statehood and overseen by the State Land Board - has contributed hundreds of millions of dollars for Oregon’s public schools over the past 150 years. The Department of State Lands manages the inputs into the fund, which come from land management activities. Unclaimed property assets also are held in the fund. Only the earnings from the fund are sent to schools.

“This source of local school funding is absolutely essential for our districts,” said Kris Howatt, President of the Oregon School Boards Association. “We rely on this funding when we plan and execute our local budgets, and it’s important for education advocates across the state to support and understand the Common School Fund.”

Eight local wetland inventories approved in 2011
Local wetland inventories are important tools for economic development in communities of all sizes. LWIs - maps of a community’s wetlands - help protect locally significant wetlands, and integrate wetlands and riparian-area information into important land-use decision processes.

Over the past year, DSL wetlands staff approved eight LWIs, including Arch Cape, Deschutes County (southern area), Gearhart, Harrisburg, Junction City, Mill City, Monroe and Scio. An additional one in Creswell will likely be approved before the end of January, said wetlands manager Anna Buckley.

“These completed LWIs provide much-needed data for these communities and for removal-fill applicants,” Buckley said. “With accurate data, it becomes easier to avoid wetlands when developing a project, or reduce wetland impacts, which are the goals of Oregon’s removal-fill law.”

The department completed 18 LWIs in 2010 - a record year - bringing the current total to more than 80. PDF copies of the maps and reports, as well as all approved LWIs are available on the DSL website. GIS layer shapefiles are also available upon request for all the new LWIs.

Wetland mitigation banking continues to expand

2011 was a busy year for mitigation banks, as DSL approved five new banks, and coordinated with other resource agencies on five more banks in progress.

New Banks:
- Coyote Prairie North, Eugene (approved in April)
- Mud Slough Phase 4, Rickreall (approved in June)
- Bobcat, Hillsboro (approved in September)
- Tualatin Valley Environmental Bank, Farmington (approved in May, photo above)
- Wildlands Vernal Pools, Eagle Point (approved in May)

Banks in Progress:
- Butler Bank on the Tualatin River near Scholls (likely will be approved in early 2012)
- Rood Ranch, Coos Bay
- City of Salem Stream Bank
- Two banks sponsored by ODOT: Circle Creek near Seaside, and the Greenhill bank in Eugene

There are now 23 active wetland mitigation banks.

A mitigation bank is a business venture in which a large wetland is restored to generate wetland credits for sale to offset unavoidable wetland impacts from development. Each bank has a service area in which it may sell credits, subject to approval of each removal-fill permit. State and federal regulatory agencies oversee bank plans and release credits to the banker only after the bank meets performance measures. The banker is responsible for the mitigation obligation for all credits sold.

Additional information about banks and other mitigation options, including the in-lieu fee program, is on the DSL website.

South Slough gains forested acreage

In 2010, the South Slough National Estuarine Research Reserve successfully competed for Coastal and Estuarine Land Conservation Program (CELCP) federal funds, managed by the National Oceanic and Atmospheric Administration. The program provides federal matching grants for the acquisition of coastal and estuarine lands that have significant conservation, recreation, ecological, historical or aesthetic values; or that are threatened by conversion from their natural or recreational state to other uses.

The Reserve proposed buying 1,105 acres of forested uplands, freshwater wetlands and estuarine lands in the Anderson, Wasson and Hayward watersheds that enter into the South Slough. These drainages are the primary freshwater contributors on the western edge of the slough and are directly upstream from extensive wetland and shellfish restoration projects in which the Reserve has invested significant federal and state funds over the past decade. Acquiring these properties will enable the Reserve to better protect these investments and allow it to implement projects focused on ridge-top to estuary restoration.

In December 2011, DSL finalized the purchase of two forest properties in the South Slough watershed. One 618.7-acre parcel is located at the northwest corner of the Reserve, and a second 486.1-acre parcel in the southwest corner. The parcels were purchased from Roseburg Resources Company and Plum Creek Timber.

The total cost of the two acquisitions is $2,244,000: $1,122,000 from the NOAA Coastal and Estuarine Land Protection Program, and $1,122,000 from the Gustafson Estate which bequeathed funds to the SSNERR for land acquisition. Appraisals for the properties were completed by independent appraisal firm Mason, Bruce & Girard.

In addition to these two parcels, the Reserve and DSL agreed on transferring management responsibilities for 312 acres of scattered Common School Fund trust lands within the South Slough boundary to the SSNERR Management Commission. OSL will receive a total of $1,978,000 in compensation for the surface rights of the property ($989,000 from NOAA programs and $989,000 from the Gustafson fund). The funds will be deposited in the Common School Fund.

More information is contained in the Land Board’s October 2011 meeting materials.
Nominations open for State Land Board Awards

Outstanding stream, wetland and partnership projects recognized annually

Since 2004, the State Land Board has recognized worthy environmental projects from across the state through an annual awards program. Winning projects have included dam removals, wetland restoration, state land cleanups, stream channel restoration and exemplary stewardship programs.

Watershed councils, public ports, local governments, wetland bankers, ranchers and other property owners, environmental organizations and community groups have been honored for their exemplary efforts.

This year, the board will present awards for projects completed in 2011 at their April 10 public meeting in Salem. The deadline to submit nominations is Feb. 22. More information and the nomination forms are on the DSL website, or by contacting DSL communications manager Julie Curtis.

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