



Oregon

Kate Brown, Governor

Department of State Lands

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State Land Board

Kate Brown
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Shemia Fagan
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Tobias Read
State Treasurer

State Land Board

Regular Meeting
June 8, 2021
Agenda Item 2

SUBJECT

Request for final approval to sell the surface property rights of the North Tongue Point property, approximately 15.23 acres located off Railroad Way at the eastern edge of Astoria at Township 8 North, Range 9 West, Section 11, Tax Lot 5800 in a direct sale to Bergerson Construction, Inc., LAS Application #61596.

ISSUE

Whether the State Land Board should authorize the direct sale of the North Tongue Point property in Astoria to Bergerson Construction, Inc.

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

Property Background

The North Tongue Point property is approximately 15.23 acres just off the deep-water channel of the Columbia River at the northeastern end of Astoria. The property had been part of U. S. Naval Station Tongue Point during World War II. The southernmost portion of this property was used as a landfill for paint and petroleum products during the war. In 2013, this area was covered with an earthen cap that will be maintained and monitored by the U.S. Army Corps of Engineers in perpetuity.

The Department of State Lands acquired the naval base property from the Department of Defense along with the South Tongue Point property in 1980, a total of approximately 133.43 acres of uplands for \$2 million. An additional 20.24-acre tract at North Tongue Point was later acquired from the federal government in exchange for Miller Sands Island which is used for dredge spoils.

The sale of this tract at North Tongue Point will conclude DSL's ownership of the Tongue Point upland properties. The remaining naval base acres at North Tongue Point, which included warehouses and shipping piers on 33.9 acres, were sold in 2000 for \$4 million to Crestmont, Inc. A sale to Clatsop Community College of 21.73 acres at South Tongue Point for \$826,500 was completed last fall and the remaining acreage at South Tongue Point is being sold for \$1,304,000 to the college through Columbia Land Trust as soon as a partition of the tide lands has been completed.

Overview of Property and Proposed Sale

The property is accessed from Railroad Way from Old U.S. Hwy 30 and consists of approximately 15.23 acres. The property's mineral rights were retained by a previous owner in an earlier transaction. The property appraised in late May 2021 for \$188,000.

The property is zoned Marine Industrial and General Development Shorelands with a Dredge Spoil overlay over the non-contaminated portion of the property which supports dredge spoil use. The only other allowed use of this zone is for industrial materials storage.

This property has 1.45 total acres of submerged and submersible property as well as eight acres of upland that is covered by a Declaration of Equitable Servitude, which is a deed restriction that protects the earthen cap on the landfill, severely limiting any use or development of this area. The lack of legal access from the street, small size of the parcel and deed restrictions are very limiting. For this reason, the Department recommends not retaining the submerged and submersible land.

Bergerson Construction, Inc. has been leasing land adjacent to this tract and intends to use the property for materials storage. Bergerson Construction, Inc. has undergone a lengthy Prospective Purchaser Agreement with DEQ to limit its future liability for the

contamination on the property. Due to the extreme limitations on the use of the property and its lack of potential appeal in the real estate market, the Department is recommending a direct sale to Bergerson Construction, Inc.

TRIBAL AND PUBLIC INVOLVEMENT

Because the property is located near the Columbia River, which was traditionally a gathering area for local tribes, DSL engaged with the Confederated Tribes of Siletz Indians and the Confederated Tribes of Grand Ronde before the application was accepted. Notice of the potential sale of the property was sent out July 1, 2019, and public comment was accepted through July 31, 2019. Public agencies in the area, adjacent property owners and county commissioners were also sent notice of the potential sale and notice was posted on DSL's website. No comments were received during the public comment period.

RECOMMENDATION

The Department recommends the State Land Board authorize the direct sale of the surface rights of the North Tongue Point property, a 15.23-acre parcel located at Railroad Way at Township 8 North, Range 9 West, Section 11, Tax Lot 5800 in Clatsop County, to Bergerson Construction, Inc. for the appraised value of 188,000.

APPENDICES

- A. Map of Property
- B. Land Evaluation Form
- C. Agenda Item 4 from April 9, 2019, Land Board Meeting

State of Oregon Department of State Lands

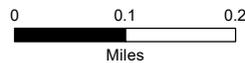


Esri, HERE, Garmin, (c) OpenStreetMap contributors, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community, Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

EXHIBIT A: 61596-LS

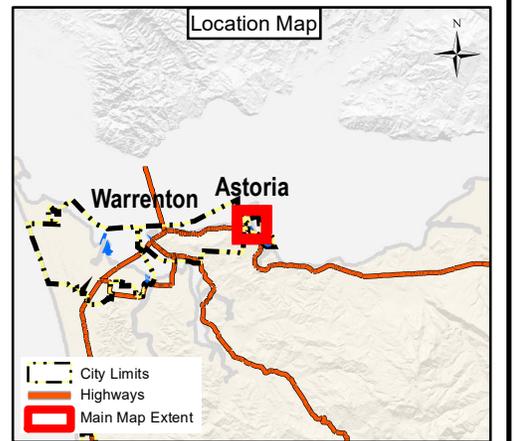
North Tongue Point
T08N R09W, Sec. 11,
Tax Lot 5800 Approx.
15.23 Acres
Clatsop County

- 61596-LS, North Tongue Point
- Sections
- City Limits 2017



Map Projection:
Oregon Statewide Lambert
Datum NAD83
International Feet

State of Oregon
Department of State Lands
1645 NE Forbes Rd. Suite 112
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www.oregon.gov/DSL
Date: 6/18/2019



This map depicts the approximate location and extent of a Department of State Lands Proprietary 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.

LAND EVALUATION FORM

1. Evaluation completed in: Office Field
2. Parcel Name: N. Tongue Point 3. County: Clatsop 4. Map & Tax Lot: 8N 9W Sec. 11, TL 5800
5. Site #: S0058553
6. LAS Parcel#: 87 (App. #61596) 7. GIS Acres: 15.23 8. DSL Land Class: ICR 9. REAMP Category: 4
10. Certified Forest: Yes No
11. Leased: No Yes Lease #: N/A Type of Use: Bare Land
12. Ownership Type: Surface Only 13. Mineral Rights: No Yes
14. Adjacent Property Owners & Use: Marine Industrial
15. Zoning: Marine Industrial w/ Dredge Spoil Overlay
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: N/A
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: N/A
26. Water Rights: No Yes Water Right Info: N/A
27. Irrigation District: N/A
28. Depth of Nearby Wells: 15'-200' with average depth of 20'
29. On-site/Distance to Existing Electrical Service and what type: On-site power
30. Electrical service provider/PUD Name: Pacific Power
31. Potential for Alternative Energy: The wind speed averages 7-7.5 miles per hour which is fair for wind energy. Astoria averages only 127 sunny days per year which is low for solar energy.
32. Access: Has legal access from easement over property to north from county road
33. Legal Access: No Yes Gov't Maintained Road: No Yes Road Name/# Railroad Way
34. Easements (to/from whom and what type): From adjacent property to north. USACE also has access and maintenance easement over our property to maintain cap over landfill.
35. Interior Roads/Trails/Condition: There is an interior road along the western edge of property that turns to the east before reaching the fenced landfill area. It is a gravel road in average condition.
36. Known Property Boundaries/Corner Survey Markers: The northern boundary is fenced as is the western boundary.
37. Nearest DSL Parcel (direct): 1.5 miles to northwest (islands)

38. Topography/Shape of Parcel: Irregular “L”-shaped parcel. The topography is slightly sloping except the northernmost five acres of the property has a five foot tall engineered earth berm to hold dredge spoils.

39. Vegetation Cover (dominant species, condition, % coverage): Himalayan blackberry, some native vegetation.

40. Site Structures/Improvements: The US Army Corps of Engineers has placed a metal fence around the earthen capped landfill on the southern eight acres of the property. There are some monitoring wells still located on the remaining property.

41. View Site/Water Features/Other amenities: On the Columbia River on the eastern edge of Astoria

42. Evidence of Prior Impacts/Activities (wildfire, crops, historic home site): The site at one time was used to deposit dredge spoils and has a five foot tall engineered berm on the northernmost five acres. There are monitoring wells that were used to detect petroleum products in the water. There is an earthen cap over the landfill at the southern end of the property.

43. Lease History: Has not been leased.

44. Current Use: Bare land with engineered berms for holding dredge spoils

45. Agriculture/Timber Potential: N/A

46. Soil Type: 95% Tropopsamments; 5% Coquille-Clatsop Complex-None of which is prime farmland soil.

47. NRCS Soil Class: 7 **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: N/A **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: \$1,281,716 **59. Tax Year:** 2020-2021

60. Estimated Market Value: \$188,000 **61. Source:** 2021 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, limited to yard storage due to limitations from dredge spoil overlay.

70. Comments: The property has severe permanent limitations on its use through a Declaration of Equitable Servitude due to a former landfill on the site, a dredge spoil zoning overlay, earthen cap over landfill and development/use restrictions due to cap. There are also 3.99 acres of identified wetlands on the property. The 1.45 acres of submerged/submersible area being sold is entirely under the Declaration of Servitude and is severely limited in use. To partition it, there would need to be access from a public street. For these reasons, the property would best benefit the CSF if sold.

71. Originators: Clara Taylor **Date:** 04/15/2021

72. Reviewer: 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.



Oregon

Kate Brown, Governor

APPENDIX C

Department of State Lands

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State Land Board

Kate Brown

Governor

Bev Clarno

Secretary of State

Tobias Read

State Treasurer

State Land Board

Regular Meeting

April 9, 2019

Agenda Item 4

SUBJECT

Request for approval to initiate due diligence for the sale and possible partition of a 15.23 acres tract at the south end of North Tongue Point in Clatsop County, located at Township 8 North, Range 9 West, Section 11, Tax Lot 5800.

ISSUE

Whether the Land Board should authorize the initial due diligence for the sale and possible partition of DSL land on North Tongue Point. (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 North Tongue Point property is on the deep-water channel of the Columbia River at the eastern end of Astoria. This tract is adjacent to a former U.S. Naval base at North Tongue Point which includes long shipping piers.

In the mid-1980's, DSL purchased this 15.23-acre tract, plus the former 33.9-acre Naval base that operated during World War II, and 130 acres at South Tongue Point for \$2 million.

On September 20, 2000, DSL sold the former 33.9-acre Naval base for \$4 million to Cresmont, Inc.

In February 2019, the State Land Board approved selling the north 21.78 acres of South Tongue Point to Clatsop Community College in a direct sale for \$826,500.

For the past ten years, DEQ and the U.S. Corps of Engineers (Corps) have worked cooperatively to clean up and monitor the southern 8 acres of the 15.23 acres tract proposed for sale. The tract had a landfill that has been capped and monitored for the past ten years. The earthen cap requires periodic inspection and maintenance by the Corps in perpetuity. A fence has been installed around the impacted area and is only accessible to the Corps.

DSL received an application from Bergerson Construction, Inc. to purchase the northern portion of the property. Bergerson Construction, Inc. currently leases space from Hyak Maritime, the current owner of the former Naval base, and has found it needs additional space for material storage.

DSL asks to perform due diligence studies on the sale of this 15.23-acre tract, and to possibly partition the northern portion of the property for the sale if it appears to be more lucrative than selling the entire parcel. An open, competitive sale process will be pursued for this property.

RECOMMENDATION

The Department recommends that the State Land Board authorize the Department to initiate due diligence studies for a sale and to potentially partition the property located at Township 8N, Range 9W, Section 11, Tax Lot 5800.

APPENDIX

A. Map of Property