

Department of State Lands

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State Land Board

Tina Kotek Governor

State Land Board

Regular Meeting August 13, 2024 Agenda Item 3 LaVonne Griffin-Valade Secretary of State

> Tobias Read State Treasurer

SUBJECT

Sale of filled lands on the Astoria waterfront.

ISSUE

Whether the State Land Board should authorize the Department of State Lands to conduct a direct sale of 0.57 acres of new, state-owned filled land to Fortuna Cannery, LLC. The property is located on the Astoria waterfront in Clatsop County at Township 8 North, Range 8 West, Section 7CA, a portion of Tax Lots 401 and 402 (see Appendix A for a site map of proposed land transaction #63360-LS).

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 274.915; relating to the sale, lease or trade of submersible and submerged lands.

OAR 141-068; relating to the sale, exchange or reservation of new lands.

BACKGROUND

Fortuna Cannery, LLC is a local business operating the Cannery Pier Hotel and Spa along the Astoria waterfront at 10 Basin Street. A current lessee of the Department, Fortuna Cannery, owns improvements on the state-owned filled lands and adjacent Oregon-owned waterway along this waterfront.

These new lands were filled between July 1969 – September 1971 to add storage and access to the docks. Fortuna Cannery later purchased these improvements, while the

state continued to retain ownership of the submerged, submersible, and filled lands. The filled lands are currently being used by the lessee as a parking area, access point, and small open space for the Cannery Pier Hotel and Spa. The Port of Astoria owns the adjacent uplands.

In June 2021, Fortuna Cannery applied to purchase the filled lands within tax lots 401 and 402 from the Department. At the October 12, 2021, meeting the Land Board approved the Department conducting due diligence for the direct sale (see Appendix B).

PUBLIC INVOLVEMENT

Following the approval to conduct due diligence, the Department circulated the proposed land sale for a 30-day public comment period from October 22, 2021 – November 20, 2021. The notice was sent to all adjoining landowners, local School District Superintendents, State and Federal wildlife agencies, local Tribes and other interested parties. The Department received one comment from the city of Astoria planner indicating the requirement to partition the subject parcel prior to the sale (see Appendix C).

STAFF FINDINGS

As a result of the due diligence review, an appraisal determined the value of the land to be \$315,715.00, which the Department believes is a fair value.

In accordance with administrative rules (OAR 141-067-0220(7)(b)), the property will be required to be partitioned from the parent tax lot to be deemed a legal lot of record. Prior to closing, the Department will require the applicant to complete a partition as stipulated in the draft Purchase and Sale Agreement (see Appendix D).

RECOMMENDATION

The Department recommends that the State Land Board authorize the direct sale of 0.57 acres of filled land in Clatsop County to Fortuna Cannery, LLC for the negotiated price of \$315,715.00.

APPENDICES

- A. Map
- B. October 2021 Land Board item
- C. Public comments and DSL responses
- D. Draft Purchase and Sale Agreement

