



# Oregon

Tina Kotek, Governor

## Department of State Lands

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### State Land Board

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## State Land Board

### Regular Meeting December 3, 2025 Agenda Item 2

#### **SUBJECT**

Rangeland sale in Wheeler County

#### **ISSUE**

Whether the State Land Board should authorize the Department to initiate due diligence and inform the public about a potential sale of approximately 1,863 acres of rangeland known as "Hoogie Doogie," located north of the John Day River in Wheeler County.

East of the Willamette Meridian, the site encompasses five tax lot parcels across three Township/Ranges: Township 08 South, Ranges 23 and 24 East, and Township 09 South, Range 24 East (see map in 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.
- ORS 273.247; relating to the disposal of isolated parcels of rangeland.
- ORS 273.413; relating to the disposition of unsuitable state lands and the deposits of proceeds into the revolving account.
- 3OAR 141-067-0220; relating to the general procedures for land sales.
- OAR 141-067-0230; relating to the sales procedures for rangelands/Common School grazing land.
- Asset Management Plan, adopted by the Land Board; October 2024

## **BACKGROUND**

The site known as “Hoogie Doogie” lies approximately 3.5 miles west of the community of Spray, north of the John Day River and John Day Highway (Highway 19). The surrounding area is largely undeveloped, with adjacent lands managed by the Bureau of Land Management and various private landowners. Surrounding land uses consist primarily of rangeland, with little to no active farming.

The five parcels include:

<b>Parcel</b>	<b>Township/ Range</b>	<b>Section</b>	<b>Tax Lot</b>	<b>Approx. Acres</b>	<b>Additional Information</b>
A	T08S R23E	25,26 & 35	03300	475	DSL received an application to purchase
B	T08S R24E	30 & 31	03500	578	DSL received an application to purchase
C	T09S R24E	06	01600	39	DSL received an application to purchase
D	T08S R24E	29, 32	03300	493	
E	T09S R24E	05	00900	278	
			<b>Total:</b>	<b>1,863</b>	

The Department typically retains and leases rangeland, however the Asset Management Plan directs that parcels should be evaluated for sale when management is not feasible or performance is low. Regarding these five parcels:

- **Limited revenue through grazing leases:** The parcels are not irrigated, have no water rights, and consequently require water to be trucked in—a process rendered highly impractical by steep terrain and limited road access. Large portions of the site are unfenced, reducing its appeal for grazing and limiting lease potential. The Department did outreach to lease these five parcels in May 2019 and again in March 2025; both efforts received minimal interest and no substantive responses.
- **Land management challenges:** In recent years, wildfires have occurred in this area, including the Lone Rock fire in 2024. While the Department has not incurred any fire protection or fire fighting costs recently, there is the high potential that costs may be incurred with no income to offset them.

While the site presents management challenges and limited revenue potential for the Department, its size, remote location, and natural features may make it more suitable for private ownership and management. It could hold greater value for a private landowner capable of directly integrating it into adjacent holdings or managing it for grazing or recreation.

After the March 2025 outreach to market the lands for leasing, in April 2025 an adjacent landowner applied to purchase three of these parcels (see Appendix B), totaling approximately 1,093 acres. This request prompted staff to initiate the due diligence and appraisal process for all five unleased parcels. As part of that process, staff will evaluate whether a direct sale or market offering (auction or brokered sale) aligns best with the Asset Management Plan's direction for school land disposition.

### **NEXT STEPS AND PUBLIC INVOLVEMENT**

If authorized by the Land Board, the Department will initiate due diligence and open a 30-day public comment period on the proposed land sale. Notice will be provided to adjacent landowners, affected local, state, and federal agencies, and any local federally recognized Tribes.

The due diligence period allows the Department to:

- Order an independent appraisal of all parcels;
- Consult with real estate brokers specializing in rangeland transactions to determine whether a market offering (via auction or brokered sale) would yield the highest return for the Common School Fund;
- Evaluate the land's value to the people of the State of Oregon and to the Common School Fund;
- Obtain reports related to archaeological, environmental, and wildlife resources as needed; and
- Complete any necessary land use or administrative processes to prepare the property for sale.
- Consult with DOGAMI on potential value of minerals or potential for carbon sequestration.

Following due diligence, and if the property is under contract to sell, the Department will return to the Land Board with staff findings, recommended sale method, appraised values, and contracted sale prices. Consistent with policy, the Department will retain subsurface mineral rights in any future sale.

### **RECOMMENDATION**

The Department recommends that the Land Board authorize the initiation of due diligence for the potential sale of the Hoogie Doogie rangeland property in Wheeler County.

### **APPENDICES**

- A. Map
- B. Application to Purchase Land (#65556-LS)