

OREGON
WATERSHED
ENHANCEMENT BOARD



Hybrid Meeting
Sublimity, OR
March 16, 2023

Oregon Agricultural Heritage Commission
Meeting Agenda
March 16, 2023

Business Meeting	March 16, 2023 8:30 am

Smith Creek Village Meeting Hall
20022 Silver Falls Hwy SE
Sublimity, OR 97385

The public is welcome to listen to the virtual meeting through the following methods:

- **YouTube Streaming**: https://www.youtube.com/channel/UC0dl-TOwLt4Sp--i1KEa_OA. Please note that there may be a slight delay when streaming the meeting content.
- **Phone**:
  - **Mar 16:** Dial 1 669 900 6833; When prompted, enter Webinar ID number: 878 1571 6915 and passcode: 211376
- The commission book (eBook) is available at: https://www.oregon.gov/oweb/grants/oahp/Pages/OAHC/2023-Mar-OAHC.aspx
- For each agenda item, the time listed is approximate. Anyone interested in a particular agenda item is encouraged to give ample time and listen in to the meeting at least 30 minutes before the approximate agenda item time.

Public comment
OWEB encourages written or verbal public comment on any agenda item. All comment requests should be sent to Nicole Bettinardi at Nicole.Bettinardi@OWEB.oregon.gov no later than 4:00 p.m. Monday, **March 13**.

Written comments will be provided to the commission in advance of the meeting.

Verbal comments:

- Will be limited to three minutes
- Will be heard in the public comment period (**Agenda Item D**).
- Please provide the following information:
  - Your first and last name,
  - The topic of your comment, and
  - The phone number you will use when calling the meeting. Also, note if the phone is a landline and you prefer to be scheduled for public comment early to avoid long distance phone call charges.

Agenda: Thursday, March 16th, 2023

A. Commission Member Introductions (8:35 AM)
The Oregon Agricultural Heritage Commission (OAHC) members will introduce themselves, the agency they are recommended by, and their represented interest. This is an opportunity for commissioners to share brief, relevant updates and to introduce the three newest commission members. *Information item.*

B. Review and Approve Minutes (9:05 AM)
The minutes of the August 5th, 2022 meeting will be presented for commission approval. *Action item.*

C. Overview of Agenda (9:10 AM)
Program Coordinator Taylor Larson will review the agenda for this meeting. *Information item.*

D. Public Comment (9:15 AM)
This time is reserved for the commission to receive public comments. *Information item.*

E. Conservation Covenant and Easements Grant Application Review (10:00 AM)

Staff Presentation
Grant Program Manager Eric Williams, Conservation Easement Specialist Robin Meacher and OAHP Program Coordinator Taylor Larson will provide background information on the Fall 2022 OAHP Working Lands Conservation Covenants and Easements Grant Offering applications submitted and present staff recommendations for the commission's consideration.

Commissioner Consideration and Project Prioritization Decisions
The commission will consider the grant applications submitted through the Fall 2022 OAHP Working Lands Conservation Covenants and Easements grant offering. Applications, supporting materials, and staff evaluations will be discussed. The commission will make a funding recommendation to the OWEB board. *Action item*

F. Conservation Management Plan Grant Application Review (12:45 PM)

Staff Presentation
Grant Program Manager Eric Williams and Program Coordinator Taylor Larson will provide background information on the Fall 2022 OAHP Working Lands Conservation Management Plan Grant Offering applications submitted and present staff recommendations for the commission's consideration.

Commissioner Consideration and Project Prioritization Decisions
The commission will consider the grant applications submitted through the Fall 2022 OAHP Working Lands Conservation Management Plan grant offering. Applications, supporting materials, and staff evaluations will be discussed. The commission will make a funding recommendation to the OWEB board. *Action item.*

G. Conservation Management Plan Implementation Methodology Update (1:25 PM) Program Coordinator Taylor Larson will update the commission about the implementation methodology being developed for the Conservation Management Plan grant program. Principal and Senior Economist at Highland Economics Barbara Wyse will present on progress made thus far and answer questions from the commission. *Information item.*

H. OSU Succession Planning Presentation (2:45 PM)
Program Coordinator Taylor Larson and Oregon State University's Department Head of Applied Economics, Jeff Reimer, will present the commission a draft position description for an extension farm succession planner and answer questions about the development of a farm succession program. *Information item.*

I. The Year Ahead (3:15 PM)
Grant Program Manager Eric Williams and Program Coordinator Taylor Larson will lead the commission through a discussion about the 2023 grant solicitation schedule and proposed OAHC meeting schedule. *Action item.*

J. Other Business (3:45 PM)
This item is reserved for other matters that may come up before the commission. *Information item.*

Meeting Rules and Procedures

Meeting Procedures
Generally, agenda items will be taken in the order shown. However, in certain circumstances, the commission may elect to take an item out of order. To accommodate the scheduling needs of interested parties and the public, the commission may also designate a specific time at which an item will be heard. Any such times are indicated on the agenda.

Please be aware that topics not listed on the agenda may be introduced at times during the meeting.

Oregon's Public Meetings Law requires disclosure that commission members may meet for meals when OWEB meetings convene.

Voting Rules
The OAH Commission has 12 members. Of these, 11 are voting members and 1 is a non-voting ex-officio board appointee. A majority of the voting members of the commission constitutes a quorum for the transaction of business.

More Information
If you have any questions about this agenda or the OAHC's procedures, please call Nicole Bettinardi, OAHP Grant Support Specialist, at 503-428-1804 or send an e-mail to Nicole.Bettinardi@OWEB.oregon.gov. If special physical, language, or other accommodations are needed for this meeting, please advise Nicole Bettinardi as soon as possible, and at least 48 hours in advance of the meeting.

Oregon Agricultural Heritage Commission Membership

Voting Members, *recommended by*

Chad Allen, *Board of Agriculture*
Dr. Sam Angima, *OSU Extension*
Bruce Taylor, *Fish & Wildlife Commission*
Lois Loop, *Board of Agriculture*
Woody Wolf, *Board of Agriculture*
Doug Krahmer, *Board of Agriculture*
Nancy Duhnkrack, *Land Conservation & Development Commission*
Nathan Jackson, *OWEB Board (Tribal)*
Ed Contreras, *Fish & Wildlife Commission*
Laura Masterson, *Board of Agriculture*
Russ Hoeflich, *OWEB Board (Natural Resources)*

Non-voting Members

Barbara Boyer, *OWEB Board ex officio*

Contact Information

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OAHP Program Coordinator – Taylor Larson
Taylor.Larson@OWEB.oregon.gov
OAHP Conservation Easement Specialist – Robin Meacher
Robin.M.Meacher@OWEB.oregon.gov
OAHP Grant Support Specialist
Nicole.Bettinardi@OWEB.oregon.gov

For online access to staff reports and other OWEB publications, visit our web site: www.oregon.gov/OWEB.

Oregon Agricultural Heritage Commission

Meeting Minutes: August 5, 2022

The August 5 commission meeting was held virtually.

Commissioners attending: Ken Bailey, Bruce Taylor, Doug Krahmer, Lois Loop, Nancy Duhncrack, Nathan Jackson, Barbara Boyer, Sam Angima, Chad Allen

Staff attending: Lisa Charpilloz Hanson, Taylor Larson, Eric Williams, April Mack, Nicole Bettinardi

Public attendees: Jan Lee, Nellie McAdams

A. Welcome and Introductions, and Commissioner Updates

Chair Doug Krahmer welcomed the commission and public at 9 am. Commissioners introduced themselves.

B. Review and Approval of Minutes

The minutes of Apr 19, 2022 meeting were reviewed and corrections were proposed. Motion to approve the amended minutes was made by Nathan, seconded by Lois. The motion passed unanimously.

C. Public Comment

Jan Lee, OACD, noted the importance of this program to OACD, both CE and CMP grants. OACD will be advocating for $10M investment in the program in 2023. Jan is particularly interested in carbon sequestration projects and supports updating a 2019 valuation paper to develop methodology for valuing carbon sequestration projects.

Nellie McAdams, OAT, is excited about the progress of OAHP. Nellie highlighted some items from her submitted written comments (See meeting packet).

Blue Mountain Land Trust submitted written comments (see meeting packet).

Board Discussion of Public Comments: Barbara asked about privacy concerns, since applicants are using NRCS, is this a concern. Lisa noted that federal privacy does not cross over to state law. Oregon's law favors public exposure. Bruce asked 1) alignment of grant cycles; and 2) CE terms not conflicting with ACEP/ALE. Taylor responded that we are going to have grantees attach minimum deed terms. We will provide a template. In the future, we may seek an approved NRCS template, which must be approved by the NRCS national office. Regarding timing, we have to stand up the program as fast as possible. NRCS requires match funding to be in place at time of application. Usually they are due in Feb/March. Taylor is meeting with NRCS's new CE specialist later today. Nancy asked about possibility for incorporating application changes in the future. Doug expressed support for pre-application conferences.

D. Program Updates and Timeline Review

Taylor gave a brief update to the commission regarding initial program launch activities including hiring three staff, meeting with partners and preparing upcoming solicitation.

E. Application Review

Taylor walked through the 8 criteria for CMP evaluation. Sam suggested looking at weighting the criteria in the future. Nathan pointed to original guidance documentation.

Taylor walked through the CMP and CE online applications. Commissioners requested incorporation of previously developed guidance into the application. Nancy asked about impacts to neighboring lands.

For CE, Nathan suggested moving the "holder" question up further in the application. Nancy noted that SWCDs are not eligible for accreditation.

Bruce pointed to the need to distinguish between management plans and CMPs.

The commission discussed the need for the question about community engagement. Lois noted that public funds require transparency. Doug is on the fence, but since its public money, disclosure is better. Ken suggests changing language to "may include outreach to county." Eric noted that there should be guidance about the required public hearings.

F. Other Business/Next Meeting

Barbara asked whether commissioners can observe the review team, which will be a case by case basis due to the different ways CE and CMP are reviewed. Ken asked whether applications will be available to commissioners as soon as they are received, and they will because it is public record. Lois noted concerns over privacy issues - applicants should be aware that ownership information is public.

Next meeting will be in March 2023 and determined via a doodle poll conducted by OWEB staff.

March 16, 2023

OAHC Meeting

Agenda Item D

Written Public Comment

COALITION OF OREGON LAND TRUSTS
2540 NE MLK JR BLVD, PORTLAND, OR 97212 • 503-719-4732 • OREGONLANDTRUSTS.ORG

March 16th, 2023

Oregon Agricultural Heritage Commission
Smith Creek Village Meeting Hall
20022 Silver Falls Hwy SE
Sublimity, OR 97385

Chair Krahmer, Vice Chair Taylor, and Members of the Commission:

On behalf of the Coalition of Oregon Land Trusts (COLT), thank you for the opportunity to provide public comment on the Oregon Agricultural Heritage Program (OAHP). Our statewide coalition and the many partners that work to protect our valuable farm and ranch lands thank you for your service on the OAHP Commission. We are thrilled to have a leadership body that represents expertise in agriculture *and* fish and wildlife protection and we celebrate the momentous accomplishment of the recommendations you will make today for the program's first round of applicants! A broad coalition has been working for over 6 years to get to this moment where OWEB will invest in the joint benefits of agriculture and conservation around the state. We are thrilled to be at this milestone with you.

COLT is a 501(c)(3) nonprofit membership organization that serves and strengthens the land trust community in Oregon by building connections and advancing policies that help protect our natural world—including agricultural land. We represent 32 member organizations including land trusts, soil and water conservation districts, and conservation organizations working to protect clean water, fish, and wildlife habitat across the state. Together, our members have worked to conserve over 370,000 acres of land.

COLT wants to thank OWEB staff for working hard to develop this program. Just four months after the funding was allocated, OWEB hired staff, prepared an application and guidance, and managed an initial round of applications. This is an even more remarkable feat considering that OAHP has a different set of priorities and goals and different administrative requirements than OWEB's Measure 76-funded programs that focus exclusively on habitat and/or water. We thank OWEB staff for their commitment and dedication to OAHP.

Feedback on process:
Given the short timeframe there was little time for OWEB to draft and formally vet the application or guidance with the Commission or outside experts. COLT and our members met with OWEB staff for conversations about the grant program on several occasions where we gave feedback on the application process and form. We were given verbal assurances that the public notice requirement would not be as extensive as the original guidance required. We were also told that we would have opportunities after this round to re-examine the application, guidance, and any easement template or term sheet that might accompany the program.

Going forward, we hope that the Commission and OWEB can tap into the combined experience of our staff and member land trusts to make the application process as smooth and as aligned to the principles of the OAHP statute as possible. Some of the areas where COLT would like to work with the Commission and OWEB to find better solutions include:

1. **Application Online Form:** One land trust was unable to submit their 2 applications because the online application system did not properly recognize required documents. The system also repeatedly froze and had trouble uploading documents. The applicant spoke with OWEB staff right up until the deadline to try to resolve the issue without success, and the applicant's rural wifi slowed the process. The applicant was told by OWEB that OWEB would not accept the files by email and the applications could not be considered because that would be unfair to the other applicants. We and our applicant members would have welcomed these applications to the program. We hope that the system and its guidance can prevent applications from being rejected for such technical errors, and that OWEB can waive the deadline for such no-fault delays.
2. **Public Meetings:** The application guidance indicates that OWEB will hold public meetings within the community of any OAHP-funded conservation easement in accordance with ORS 271.735 Hearing; notice. However, ORS 271.735 does not require public meetings when a private entity is acquiring the conservation easement interest, and is silent on whether public entities funding conservation easements must host public meetings. Also exceeding the statutory requirements, the guidance requires applicants to provide the names of "supporters and opponents" to the project. Public meetings and outreach can be a significant deterrent for applicants and could undermine the private property decision of landowners to sell a conservation easement. Farm and ranch landowners may not wish to undergo scrutiny for their voluntary decisions on their private lands. Given that public meetings are not required by statute and could be detrimental to the instrument of a conservation easement, we respectfully ask the Commission to consider removing this requirement. As stated above, in conversations during the application period OWEB staff agreed verbally to not enforce public notice requirements like notifying and actively engaging opponents and supporters, but staff informed us that it was too late in the application period to remove them from the text of the guidance itself. We ask that the Commission create the clarity needed on this topic.
3. **Management Plan:** A management plan that is part of an easement is intended to be distinct from "conservation management plans" as described in OAHP's Conservation Management Plan (CMP) grant program. However, the original requirements in guidance for "management plans" included in an easement are nearly identical to "conservation management plans" described in statute. We hope to work together further to clarify the purpose and contents of a management plan. It was also unexpected that the lack of a CMP in an easement was marked as a "concern" since these are 2 separate, independent, and voluntary programs.

OWEB has posted an “OAHP Working Land Conservation Easement Template 2022” online. Applicants were told this would not necessarily be required and that they could consider it a term sheet. We request that any easement template or term sheet that OWEB recommends or requires first be vetted by a work group of interested Commissioners, experts in the agricultural land protection community, and outside expert legal counsel. Our goal is that agricultural land easements in this program align and support the goals of OAHP as well as complementary funding programs like the NRCS ACEP-ALE program.

It is rare that a new grant program is created. While the first round of applications needed to be set up on a quick timeline, we now have time to vet program guidance and templates for this new and important grant program in a way that facilitates its use in an efficient and streamlined manner, while meeting the purposes set forth in statute, and ensuring compatibility with major matching grant programs like ACEP-ALE. COLT would be grateful to be a partner in that effort.

Feedback on the Recommendations:
Lastly, we want to confirm our conversations with staff that all 2023 projects are recommended for funding. The funding line after the first project is only intended to demonstrate where available OAHP funding would run out should the Commission decide to fund the first project at 100%. It is our understanding that the Commission may choose to partially fund projects, thereby spreading out the funding to more projects.

Thank you for the opportunity to comment.

In partnership,

Kelley Beamer

Kelley Beamer
Executive Director
Coalition of Oregon Land Trusts

Oregon Agriculture Heritage Commission (OAHC)
c/o Oregon Watershed Enhancement Board (OWEB)

March 13, 2023

Oregon Agriculture Heritage Commissioners:
I'm writing to keep you informed about pending legislation in the 2023 legislature, which includes funding and direction to OWEB for the Oregon Agriculture Heritage Program (OAHP). HB 2998-1, the Soil Health Bill, is scheduled for a vote in the House Committee on Agriculture, Land Use, Natural Resources, and Water on Tuesday March 14th. I've attached an information sheet about the Bill and the current version of the Bill, which has strong support from the agriculture community and the majority of Committee members.

The Bill creates the Oregon Soil Health Initiative. The purpose of the initiative is to promote soil health in this state by advancing voluntary and incentive-based soil health strategies through activities that include, but are not limited to, providing technical assistance, outreach, education, financial incentives or other resources and supporting research.

The provision of the Bill related to OWEB and OAHP is in section 2(4), which reads:
"The Oregon Watershed Enhancement Board shall:
(a) Provide grants under ORS 541.984 for the voluntary implementation of soil health practices, including the continuation or expansion of existing soil health practices and the transition to new soil health practices.
(b) Provide grants to soil and water conservation districts and other technical assistance providers to increase their capacity to provide technical assistance and equipment to agricultural producers to improve soil health."

The appropriation for the soil health grants is $500,000, which is intended as a carve out for soil health grants, through OAHP's Conservation Management Plan Implementation Grants. The appropriation for technical assistance grants for soil health is $480,000, which is intended to provide additional technical assistance grants to support soil health through OAHP's Technical Assistance Grants.

I understand that the OAHC would be involved implementation. My understanding, based on communication with OWEB staff, is that promoting soil health aligns very well with the existing OAHP Conservation Management Plan priorities and that changes to OAHP's administrative rules would not be needed, with the possible exception of adding equipment as an allowable expense for the technical assistance grants.

I will do my best to keep the Commission informed about the status of the Bill. Please let me know if you have any questions or concerns in the meantime.

Megan Kemple, Oregon Coalition to Advance Soil Health
megan@oregonclimateag.org 541-342-1537 (home office) 541-225-8807 (cell)

HB 2998-1

OREGON SOIL HEALTH INITIATIVE



Photo by NRCS Oregon

Why a Healthy Soils Bill?

Oregon's farms and ranchers are increasingly impacted by extreme weather events including drought, fire, extreme heat and flooding, all while struggling with narrow profit margins.
Healthy soils can provide many benefits for farms and ranches, including:

- resilience to drought and other extreme weather events
- economic resilience
- improved water and nutrient-holding capacity, reduced erosion, enhanced plant health
- sequestered carbon, improved water quality, and increased biodiversity and pollinator habitat

What does the Healthy Soils Bill do?

The Healthy Soils Bill will establish the Oregon Soil Health Initiative to leverage existing programs and expand resources to support farmers and ranchers with soil health practices that make the most sense for their land and businesses. The Bill is a *voluntary, incentive-based approach* that is focused on expanding strategies to advance soil health including: technical assistance, farmer-to-farmer education, financial incentives, equipment and soil testing. The Bill provides direction and funding for:

- Soil Health Specialist position at Oregon Department of Agriculture
- Soil Health Grants and Technical Assistance Grants provided by Oregon Watershed Enhancement Board
- Technical assistance to farmers and ranchers provided by Soil and Water Conservation Districts
- Extension specialist capacity for Oregon State University Extension
- Soil testing by Oregon State University College of Agricultural Sciences

Support HB 2998-1!

The Healthy Soils Bill has already garnered bi-partisan bicameral support in the Legislature. Establishing the Oregon Soil Health Initiative will increase capacity and coordinate efforts to support producers to maintain and improve soil health. HB 2998-1 will position Oregon to receive more federal funding by providing matching funds and creating structure for this work.

What soil health practices will the Initiative promote?

Whether growing fruit in Hood River or raising beef cattle in Eastern Oregon, there are soil health practices that fit every farm and ranch. Soil health practices could include:

- reduced tillage and no till
- cover cropping
- crop rotation
- rotational grazing
- mulching and application of compost
- integrated pest and nutrient management
- hedgerow and riparian plantings

Endorsed by *80 farms and ranches and*:

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SUSTAINABLE NORTHWEST

Oregon Association of Conservation Districts

OREGON ASSOCIATION OF NURSERIES

oec Oregon Environmental Council

oat OREGON · AGRICULTURAL · TRUST

FRIENDS OF FAMILY FARMERS

BEYOND TOXICS Leadership for a thriving and just Oregon

OrCAN Oregon Climate & Agriculture Network

COALITION OF OREGON LAND TRUSTS

ROGUE FARM CORPS

OREGON ORGANIC COALITION

WILLAMETTE PARTNERSHIP

American Farmland Trust SAVING THE LAND THAT SUSTAINS US

1000 friends of Oregon

For more information contact:

Megan Kemple, Oregon Coalition to Advance Soil Health: megan@oregonclimateag.org 541-225-8807

HB 2998-1
(LC 1492)
3/9/23 (STN/ps)

Requested by Representative HELM

PROPOSED AMENDMENTS TO
HOUSE BILL 2998

On page 1 of the printed bill, line 2, delete "creating new provisions; amending ORS 352.808;".

Delete lines 4 through 28 and delete pages 2 through 7 and insert:

"SECTION 1. (1) As used in this section and section 2 of this 2023 Act:

"(a) 'Soil and water conservation district' means a political subdivision of this state described in ORS 568.550.

"(b) 'Soil health' means the overall composition of soil, including soil structure, the water and nutrient holding capacity of the soil, the amount of organic matter in the soil and the continued capacity of the soil to function as a biological system.

"(c) 'Soil health practice' means an agricultural practice that is scientifically supported to improve soil health over time or is broadly consistent with any of the soil health principles of the Natural Resources Conservation Service of the United States Department of Agriculture.

"(2) There is created the Oregon Soil Health Initiative. The purpose of the initiative is to promote soil health in this state by advancing voluntary and incentive-based soil health strategies through activities that include, but are not limited to, providing technical assistance, outreach, education, financial incentives or other resources and sup-

porting research.

"SECTION 2. To achieve the purpose described in section 1 (2) of this 2023 Act, as far as is practicable and subject to available funds:

"(1) The Oregon State University Extension Service and any soil and water conservation districts that voluntarily participate in the Oregon Soil Health Initiative shall:

"(a) Provide technical assistance to agricultural producers to increase voluntary adoption of soil health practices.

"(b) Promote soil health practices to Oregon's agricultural communities by:

"(A) Conducting outreach and education, including trainings for agricultural producers to promote soil health across this state's diverse regions and production types;

"(B) Promoting farmer-to-farmer learning;

"(C) Collaborating with local partners and agricultural producers to conduct soil health demonstration projects to showcase soil health research and practices and build statewide awareness and understanding;

"(D) Highlighting existing soil health improvement efforts by Oregon farmers and ranchers; and

"(E) Supporting agricultural producers in the identification of those producers' soil health goals and in efforts to monitor success in reaching those goals.

"(c) Ensure that technical assistance, outreach and education described in this subsection are accessible on an equitable and culturally appropriate basis to agricultural producers across Oregon's diverse agricultural communities and geographies including, but not limited to, veteran farmers or ranchers, beginning farmers or ranchers or socially disadvantaged farmers or ranchers, as those terms are defined in 7 U.S.C. 2279, and farmers or ranchers who are women.

"(2) The Oregon State University Extension Service shall provide extension specialist capacity to promote soil health, with a focus on cropping systems or on geographic regions of this state where additional support and capacity are needed.

"(3) The College of Agricultural Sciences of Oregon State University shall train technical service providers in soil sample collection and provide free or low-cost soil health testing to voluntary participants.

"(4) The Oregon Watershed Enhancement Board shall:

"(a) Provide grants under ORS 541.984 for the voluntary implementation of soil health practices, including the continuation or expansion of existing soil health practices and the transition to new soil health practices.

"(b) Provide grants to soil and water conservation districts and other technical assistance providers to increase their capacity to provide technical assistance and equipment to agricultural producers to improve soil health.

"SECTION 3. The State Department of Agriculture shall establish, hire and employ one full-time equivalent position of soil health specialist. The soil health specialist shall coordinate with and support the efforts of the Oregon State University Extension Service, the College of Agricultural Sciences of Oregon State University, the Oregon Watershed Enhancement Board, soil and water conservation districts, federal agencies, tribal governments, nongovernmental organizations and any other organization to support the purpose of the Oregon Soil Health Initiative described in section 1 (2) of this 2023 Act.

"SECTION 4. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Watershed Enhancement Board, for the biennium beginning July 1, 2023, out of the General Fund, for deposit in the Oregon Agricultural Heritage Fund established under ORS 541.978, the following amounts for the following

purposes:

"(1) $500,000 for the purpose of providing grants under section 2 (4)(a) of this 2023 Act; and

"(2) $480,000 for the purpose of providing grants under section 2 (4)(b) of this 2023 Act.

"SECTION 5. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium beginning July 1, 2023, out of the General Fund, the following amounts for the following purposes:

"(1) $225,000 for distribution to the College of Agricultural Sciences of Oregon State University for the purpose of carrying out the provisions of section 2 (3) of this 2023 Act.

"(2) $480,000 for distribution to Oregon State University Extension Service for the purpose of carrying out the provisions of section 2 (2) of this 2023 Act.

"SECTION 6. In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Agriculture, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $272,234, which may be expended for the purpose of carrying out section 3 of this 2023 Act.

"SECTION 7. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.".

OREGON AGRICULTURAL TRUST

Monday, March 13, 2023

Dear Members of the Oregon Agricultural Heritage Commission:

For the record, my name is Nellie McAdams and I am the Executive Director of Oregon Agricultural Trust, or OAT, an applicant to the program. Thank you for the opportunity to provide comment on our three working land conservation easements projects submitted during OAHP's inaugural grant round. We are excited to see this program being implemented, and grateful to OWEB staff and Commissioners for your years of hard work to bring the program to fruition.

Pages 4-6 of this document give comments specific to each of our three applications - the Seely Property, O'Keeffe Ranch and Ferrell Ranch. The bullet points below through page 3 summarize several general thoughts:

- **General -** Several concerns were mentioned in the staff report that were not in the application, e.g. the resiliency of water rights under climate change, the demonstrated demand for conservation easements in the area, and the relative isolation of the property from certain agricultural commercial resources. It would be great if future cycles could better align the application/interview questions to criteria discussed in the final review.
- **Protecting, maintaining and enhancing habitat, water, and other natural resource values - Level of detail of management plan outline:** Staff communicated that the management plan outline would not need to provide a full description of the resource management practices, goals and objectives, but several comments expressed concern that there was not this level of detail.
- **Protecting, maintaining, enhancing significant agricultural outcomes - Water Availability on and Viability of Rangeland**: Several concerns were stated about ranch viability based on water security. Many Southeast Oregon ranchers graze exclusively on dryland range three seasons and overwinter on purchased hay. Ranchers may either produce or buy their hay or a combination of both; these are just different business risks - one on irrigation water availability to grow hay, and the other on the cost of hay. Comments also wondered whether ranches with water might lose it due to climate change and drought, but did not speak to evidence of a specific threat on the property. The region is now 22 years into a drought, ranchers who still have usable water are likely relatively secure. There were also concerns that some ranches were too small to be viable on their own. However, many ranchers own numerous properties, in addition to using allotments, and some of our projects are just part one of a multi-phase project. In addition, acreage alone is not the best measure of viability for rangeland in particular; instead, viability should take productivity per acre into account.
- **Organizational Capacity - Easement monitoring obligations**: Concerns were raised about our projects because our stewardship obligations would increase from 0 to hundreds or thousands of acres. While OAT is a new land trust, we now do have one easement, our program staff have over 30 years of experience stewarding conservation

easements, and we have a large stewardship fund. In general, the difficulty of stewardship monitoring is not determined so much by acreage as by easement complexity. For example, inspecting a thousand acres to ensure the field is still in production is relatively easy, but if the easement restricts where the irrigation lines are allowed, monitoring significantly increases in difficulty. Our easements are intentionally not overly restrictive on the operation, so monitoring should not be a challenge.

- **Impact to Neighboring Lands**: One statutory ranking criteria for OAHP projects is "The extent and nature of plan, covenant or easement impacts on owners or operators of neighboring lands." This is fleshed out in rule that " The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, ***if necessary***" (emphasis added). In regards to notice, the general easement statute only requires bodies of government to notify certain other bodies of government - the statute is silent about whether nonprofits like land trusts or government funders must do the same, and does not require notification of specific individuals. Our staff are not aware of incidents of harm done to neighbors by a conservation easement unless the neighbors intended to develop the land or planned to use their property in ways that conflicted with farming or open space. Neighboring properties can certainly be affected by restoration or management activities which may simultaneously occur with an easement, such as water encroachment from wetland restoration. However, these impacts occur because of the management activities or poor engineering and not the easement itself. The conservation easement itself simply limits the land uses in described areas of the property. As a practical matter, to invite neighbors to weigh in on the landowner's decision to convey a conservation easement or the easement's terms is unlikely to yield informed results, while subjecting the landowner to scrutiny over personal decisions concerning private property. For these reasons, after several in-depth conversations, OWEB verbally assured COLT members that they would not be required to notify neighbors or show proof of engaging the public if there was no demonstrable impact on neighboring properties. At that time, OWEB informed COLT that it was too late to change the written guidance, but that COLT could discuss permanent edits after this first round of applications. It seems that this verbal assurance was not communicated to reviewers, since lack of engagement and notice were listed as a concern on OAT's applications.
- **Soundness of Transaction - Appraisals**: Concerns were raised about OAT's two Lake Co. projects because the appraisals were done by a Californian appraiser (licensed in Oregon), and used California comparable sales. Lake County is on the California border and many area ranchers own or make use of leased pasture in California, so it is reasonable to include Northern California in the market area. Our appraiser, who is the sitting president of the American Society of Rural Appraisers and Farm Managers, explicitly took into account the effect of Oregon land use laws in these appraisals.

- **<u>Soundness of Transaction</u> - Attaching NRCS minimum deed terms**: Reviewers expressed concern about the NRCS minimum deed terms that were attached to our applications. This was done because all of our projects have already been approved for funding from NRCS's ACEP-ALE program, and NRCS specifically directs us to include their deed terms as an attachment in applications for match funding. That is because the process of subsequently incorporating new deed terms into the easement document adds months if not up to a year to the NRCS review time.

Lastly, while a conservation easement template is posted on the OAHP website, staff informed COLT members that applicants did not need to use OWEB's CE template and that the form was under review. We would greatly appreciate the opportunity for applicants to participate in the development of any OAHP template or term sheet, since this would be a critical feature of the program.

Thank you for the opportunity to clarify aspects of our projects and applications, and for the important work you are doing for farmers and ranchers around the state.

Very best regards,



Nellie McAdams
Executive Director
Oregon Agricultural Trust, Inc.

OREGON AGRICULTURAL TRUST

Oregon Agricultural Trust (OAT) Specific Project Comments

1) Seely Application

- Significance of Working Lands: One concern mentions the purchase by Port Westward of 1,700 acres as a threat to the long-term longevity of agriculture within the drainage district. However, while that land has been purchased by Port Westward, it has not been successfully rezoned despite several attempts, and is still in agriculture.
- Protecting, maintaining or enhancing farming or ranching on significant working land: To clarify, the intended subdivision is only to allow the separation of the two major tracts, allowing for a 162 and 223 acre subdivision.
- Protecting, maintaining enhancing habitat, water and other natural resource values on significant working land: Re: the concerns about the Columbian white-tailed deer, the Oregon Conservation Strategy's summary of the species recovery plan names agricultural fragmentation of their preferred upland oak habitats as a threat, and explains that their current location is a necessary refugia but not necessarily ideal. The species recovery plan in multiple places names the deer's ability to maintain stable and/or growing populations in these fragmented lowland habitats, and ODFW and USFWS made their designation with full knowledge of the agricultural nature of the drainage district. For the concerns related to our easement management plan, we understood that details regarding livestock stocking rates, perimeter and cross-fencing, and riparian buffers (although no natural water courses are on the property) were not requested for the management plan outline but would be in the actual management plan, which would be finalized after award.
- Protecting, maintaining, enhancing significant agricultural outcomes or regionally important values: There is a concern about the isolation of the property from the Willamette Valley in terms of access to agricultural resources. However, Clatskanie is far less isolated from resources than the average Eastern Oregon ranch. Moreover, the location is preferable for direct-to-market opportunities over many of their competitors.
- Organizational Capacity: Please see our general comments above.
- Impact to Neighboring Lands: Please see our general comments above.
- Threat of Conversion or Fragmentation: The project was rated as a high threat of conversion, however, one concern stated that the urgency of the development threat was unclear because there are no current proposals to rezone the property out of agriculture. In general, having a current rezoning proposal is unlikely for most properties that will apply for an OAHP easement/covenant, and a property might be under threat even without an active rezoning proposal.
- Soundness of Transaction: Regarding NRCS minimum deed terms, please see our general comments above.

2) O'Keeffe Ranch Application

- Significance of the Working Land: Regarding the concerns, while several of the tracts are too small to support a ranching operation on their own (not including adjacent grazing allotments), parcels such as the Sage Hen (2,255 acres), Pope Springs (1,395 acres) and Badger Hole (1,600 acres) are large enough to support small dryland ranching operations in and of themselves, supporting 40 to 65 head of livestock without any supplemental feed in a place where most ranches use supplemental feed. The average number of livestock per producer in Lake County is 65.
- Protecting, maintaining, enhancing farming or ranching on significant land: Regarding the concerns of subdivision, as discussed during the site visit, the landowner is willing to limit the subdivisions to fewer than 7. Information about the grazing allotments was not requested, but the landowner has more than 60,000 acres of nearby allotments. Regarding the need for flexible agricultural practices, there are no water rights, so flexibility would apply to the timing of grazing, pasture composition and fencing, rotation and other metrics, for which there is flexibility in the easement.
- Protecting, maintaining, enhancing habitat water and other natural resource values: Regarding the concern that details were not provided about the conflict between maintaining the property in a grassland cover and as a sagebrush habitat, that is because these two purposes are entirely compatible. The use of the property as a sagebrush/bunchgrass cover is the habitat benefit *and* the agricultural use for grazing. Regarding the concerns about a management plan outline, please see our general comments above - this information would be included in the final plan. Given the property's significance to sage grouse conservation, proximity to the Hart Mountain National Antelope Refuge, and role in pronghorn conservation it seemed to have more significant habitat value than the ranking indicated.
- Protecting, maintaining, enhancing significant agricultural outcomes or regionally important values: In regards to concerns over future impacts of drought, this property has been a viable livestock operation throughout the past 22 years of extreme drought, and there are no indications that this will change. Generally, productive rangeland is increasing in overall significance, as its lack of reliance on water rights in a drought means it is a more consistently predictable source of forage than more costly irrigated pasture which may not be irrigable in the future.
- Organizational Capacity: Please see our general comments above.
- Impact to Neighboring Lands: Please see our general comments above about notice and engagement of neighbors. The neighbor in the case of these properties is the Bureau of Land Management, from whom the O'Keeffe's also hold their grazing allotments.
- Soundness of Transaction: Re: a concern about access, since the transaction, we have confirmed that BLM is under a legal obligation to provide reasonable access for normal and ordinary agricultural use of the properties. That interpretation has been agreed to by NRCS, who has agreed that access is sufficient without a BLM agreement. Regarding the concerns that the appraisal included California properties and the comment about attaching NRCS minimum deed terms, please see our general comments above.

3) Ferrell, Justin and Jayna Application

- Significance of the Working Land: Regarding the general concern that water rights may not be secure for any producer in Lake Co. due to climate change, this particular property has viable and stable water elevations in their wells even during the current 22-year drought. Regarding the concern that the ranch could not be productive on its own, it does have high productivity center-pivots and could be a productive hay farm.
- Protecting, maintaining, enhancing farming or ranching on significant working land: The concern regarding the property's size being half the average size of a ranch in Lake County does not take into account that most of the land in Lake County is unirrigated rangeland and productive at a lower rate per acre. This property, having a high ratio of irrigated land, has greater productivity per acre than most ranches in Lake County.
- Protecting, maintaining, enhancing habitat, water and other natural resource values on significant working land: Regarding the concerns about whether there are significant wildlife values, ODFW designated the property as critical winter range, and it has both native sagebrush and foragable hay fields. As clarification, the application did not speak to water quality/quantity impacts because there is no surface water on the property.
- Protecting, maintaining, enhancing significant agricultural outcomes or regionally important values: Regarding potential impacts of climate change, it is important to note that climatic models for this region hold that precipitation will remain flat. Snowpack will be reduced, but evidence does not point to a dissipation of groundwater recharge. Applicants would appreciate it if future staff reports could consider confidentiality when including perceptions of applicants' debt load and liquidity in public docments.
- Organizational Capacity: Please see our general comments above.
- Capitalizing on State Investments: There was one concern about whether there was much demand for conservation easements in the area. This was not posed as a question in the application, but OAT is currently working with 15 landowners in Lake County on conservation easements, totalling almost 30,000 acres.
- Impact to Neighboring Lands: Please see our general comments above.
- Soundness of Transaction: Regarding the concerns that the appraisal included California properties and the comment about attaching NRCS minimum deed terms, please see our general comments above. Regarding the landowner's finances, references to multiple liens have to do with the Ferrell's phased acquisition of the property. All debt was consolidated into a single note held by Agrifinancial Services, who has agreed to subordinate. The Ferrells now own and have included within the easement area the wellhead and irrigated area included in the wellhead agreement, so while the well-use agreement document has remained on the title agreement, the Ferrells own all properties associated with it, so the agreement itself is effectively void.

Deschutes Land Trust
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Oregon Agricultural Heritage Commission
Smith Creek Village Meeting Hall
20022 Silver Falls Hwy SE
Sublimity, OR 97385

March 16, 2023

Dear Chair Krahmer, Vice Chair Taylor, and Members of the Commission,

Thank you for the opportunity to comment on the October 2022 Oregon Agricultural Heritage Program (OAHP) Conservation Covenant and Easement Grant Offering Staff Recommendations report. The Deschutes Land Trust is based in Bend and conserves and cares for the lands and waters that sustain Central Oregon so that local communities and the natural world can flourish togethers for generations to come. To date, we have protected over 18,000 acres, 8,900 acres of which are on working lands.

The grant applications before the Commission today mark a momentous step in Oregon's support for the permanent protection of our working landscapes as vital habitat for Oregon's fish and wildlife resources and cornerstones of the state's rural economies. The importance of the Commission's funding recommendation today cannot be overstated. As the inaugural grant offering for OAHP, it is imperative that the Commission and Oregon Watershed Enhancement Board (OWEB) illustrate the broad geographic, ecological, and agricultural outcomes possible with funding from this program. Many of the landowners in this grant offering have waited literally decades to fund their proposed easements and with the uncertainty of future funding for OAHP, this could be the one opportunity the Commission has to demonstrate the broad potential of this program. The Deschutes Land Trust urges the Commission to explore all funding scenarios available to them, including partially funding projects to extend the value of the grant offering.

Protecting in-tact farms, ranches and forestlands is a core focus for the Land Trust as these working landscapes enhance rural economies and community resilience and provide vital habitat needed for fish and wildlife migration and breeding. While large farms, ranches, and commercial timberlands traditionally represented the economic base of Central Oregon, the growth of other industries, particularly tourism and recreation, have contributed to a rapid growth in the region's population and growing pressure to convert and fragment working landscapes, increasing road density, fences, and traffic which can complicate and disrupt the movement of wildlife through migration corridors. The Land Trust has worked with data from various conservation partners (including the Oregon Dept. of Fish & Wildlife, The Nature Conservancy and the American Bird Conservancy) to identify key migration corridors that are at risk of fragmentation and is working to secure protection for these lands.

The Deschutes Land Trust has two OAHP projects in front of the Commission today: Aspen Valley Ranch and Pitchfork T. At 3,900 acres and 170 acres respectively these two projects represent different ends of the Central Oregon agricultural landscape, but their permanent protection shares

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the common goal of supporting rural agricultural production and protecting important fish and wildlife habitat in two of the fastest growing counties in Oregon. The Deschutes Land Trust appreciates OWEB OAHP staff's thorough review of our applications, including time spent on site visits. We'd like to take this opportunity to address some of staff's noted concerns with our projects. The following are comments specific to Aspen Valley Ranch:

1. Staff concern: On its own, the acreage in this proposed conservation easement is on the low end of what is needed to independently support a cattle operation. The property's agricultural utility is significantly benefited by its inclusion in a larger ranching operation and landholding, but the larger project is designed in a manner that essentially places four individual easements on the 15,696-acre ranch, potentially complicating management beyond the proposed easement's first-generation landowner.

   Response: The Land Trust and Aspen Valley Ranch have always intended for the entire ranch to be under conservation easement, however lack of available funding made a single easement approach unfeasible. We know this Commission is well-versed in the challenges of accessing federal easement funds with no state match to support these efforts. In fact, even with the approval of OAHP funding in 2022, a phased approach to protecting this ranch is still difficult given the uncertain future of OAHP funding. To mitigate any management challenges the current or future landowner may experience from multiple easements resulting from a phased approach, the Land Trust and landowner are exploring how to consolidate or incorporate previous easements into future phases so that eventually the entire ranch is encumbered with just one easement. In addition, if future funding allows, the Land Trust would consolidate remaining phases into one final phase.

   Of note is that the landowner has already submitted a Natural Resource Conservation Service grant for Phase 3 funding. Phase 3 is adjacent to Phase 2 and is contiguous with Forest Service grazing allotments which provide summer range for cattle. Between Phases 2 and 3 and the grazing allotments, the landowner can provide full season grazing for 300 cow/calf pairs plus bulls.

2. Staff concern: The 'developed springs' and other stock ponds on the easement are an unreliable source of water. This could mean the producer will need to rely on transporting water into various pastures for the cows.

   Response: Should the developed springs on the ranch fail due to the unavailability of water, the landowner will explore using available funding from the U.S. Department of Agricultural to develop a solar powered well for livestock watering permitted by the Oregon Water Resources Department.

3. Staff Concern: There are no current plans to develop a Conservation Management Plan as described in the OAHP.

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Response: Aspen Valley Ranch is willing to develop a Conservation Management Plan.

4. Staff Concern: The applicant did not conduct significant local outreach related specifically to the project, resulting in limited knowledge of any potential impacts to neighboring lands.

   Response: In 2019, coincident with the completion of Phase 1 of the projet, Aspen Valley Ranch hosted a meeting for state and local government representatives (including county commissioners and staff from Oregon's federal Congressional delegation) to see the ranch and discuss the landowner's vision to place the entire ranch under conservation easement. In addition, a future meeting with the Crook County Community Development team was planned for 2020 but then canceled due to covid concerns. The landowner plans to reschedule this meeting.

5. Staff Concern: There are multiple individuals holding severed mineral rights on the property. An updated PTR and title exception documents for the subject property need to be provided. The status of these mineral rights and their impacts on the conservation purpose of the conservation easement is unclear. The resolution of these outstanding rights, through quitclaim deeds or a remoteness evaluation, may be cumbersome and time consuming, delaying closing of the transaction.

   Response: The mineral reservations are subject only to oil, gas and other hydrocarbons. Since the 2007 title report provided with the application, Aspen Valley Ranch has removed one of the mineral reservations encumbering the property (Findlay, 1974) through ORS 517.180 and has plans to remove the remaining reservation using the same authority. Although the Land Trust agrees that mineral remoteness determinations can be cumbersome and time consuming, there is indication that such a determination would be favorable as is evidenced by two major companies declining to renew their mineral leases on the property.

6. The 2007 title report shows a conveyance of a timber deed in 2004, which presumably severed the timber rights to a portion of the property. More information is needed to understand if and how this affects the agricultural operations on the subject property.

   Response: This encumbrance has been removed from title.

The following are comments specific to Pitchfork T:

1. Staff Concern: Pitchfork T is 170 acres surrounded by fragmented farmlands, public lands, and rural housing development. Therefore, on its own, the property may be too small to independently have real agricultural significance in the area and may not provide a great amount of wildlife conservation due to its relatively small contribution to open space independent of adjacent lands.

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Response: Pitchfork T is indeed a relatively small ranch however conserving this property adds a significant piece of connectivity to the surrounding public lands and Land Trust protected land on nearby Whychs Creek (Rimrock Ranch and Whychus Canyon Preserves). In addition, the Landowner is investing proceeds from its operation and the sale of conservation easements into the purchase of adjacent lands, which they would like to protect. In 2023, the Landowner applied to the Natural Resource Conservation Service to fund a 450-acre conservation easement on Long Hollow Ranch, immediately adjacent to Pitchfork T. The Landowners became controlling shareholders in Long Hollow Ranch in 2022.

2. Staff Concern: The property's soils are primarily dependent on irrigation for significant agricultural production. There is no direct access to water on the property, but it is entirely irrigated from the Three Sisters Irrigation. Water shortage and drought pose a potential threat to ongoing agricultural viability of this property. Although the current landowners have an efficient system and run a water-conscious practice, increased pressure on water resources in the area and drought pose a potential threat to this property's ongoing suitability for agriculture.

   Response: Under Oregon law, direct access to water does not guarantee water availability now or into the future. The Oregon Water Code, governed in large part by the prior appropriation doctrine, allocates water based on the date of the water right (the priority date). The Three Sisters Irrigation District (TSID) has water rights and provides service for the delivery of nearly 90% of streamflow in Whychus Creek. TSID holds both senior and middle-senior water rights on the Creek and has one of the most efficient water delivery systems in the state. While natural water availability from persistent and adequate snowpack threatens the viability of irrigated agricultural throughout Central Oregon and the American West, Oregon water law does lend a certain amount of security to agricultural water rights. Absent a complete reformation of the prior appropriation doctrine, the seniority of TSID water rights and efficient water delivery system (almost all users receive water on-demand and have pressurized water) will provide reliable water to Pitchfork T now and into the foreseeable future. Climate change predictions for this region of the state show a slight increase in precipitation, though most of that falling as rain.

3. Staff Concern: There are no current plans to develop a Conservation Management Plan as defined by OAHP.

   Response: The landowner is interested in developing a Conservation Management Plan.

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In closing, Deschutes Land Trust would like to commend OWEB staff's diligence and determination in the rapid development of this OAHP grant offering in response to the Oregon legislature's allocation of funding in 2022. We've appreciated OWEB staff's communication in the development of the program and grant offering and look forward to future opportunities to work together to integrate lessons learned during this first round of applications. As the Commission weighs the applications before it today, the Deschutes Land Trust, once again, urges the Commission to explore all funding scenarios available to them, including partially funding projects to extend the value of the grant offering.

Sincerely,

Natasha Bellis

Natasha Bellis
Conservation Director

Letter of support for Application 223-7106-22616

Project Name - Aspen Valley Ranch - Rim Tract

Applicant - Deschutes Land Trust

As a long time resident of Crook County, I was asked to comment on the above numbered application. I was Planning Director from 1979-1991, land use consultant from 1991-2001, and back to Planning Director for Crook County 2001-2017. During this time period I was involved in every land use issue on rural lands. I also served on LCDC's Rural Land Advisory committee for 18 months.

The Post Paulina area has seen a signicant change over the years, with Riverside Ranch Subdivision locatd adjacent to the west as a future threat to the areal, This development proceeded land use laws, but affected the potential threats as an example of a "Committed Exception" that can be used on adjacent lands. There has been a srong interest to "rural lifestyle living that has not gone away.

The most immdiate threat is the potrntial of "legal parcelazation" on the large ranch holdings in the Post Paulina area. The ranches are a sum of smaller holdings acquired over the years.

They can be sold off notwithstanding current EFU statutory language. I know there are efforts ongoing to this purpose.

This conservation easment effort has been ongoing for years by Aspen Valley Ranch. I urge approval of the grant application to complete the phased approach taken. The potrntial threat and impacts are real when taken in total of all non farm request and the legal breakup on larger holdings.

Respectfully Submitted,

William P. Zelenka

Email: wpzelenka@gmail.com

2630 NE Tennessee Ln Prineville, OR 97754

From: Warren Seely
Sent: Thursday, January 12, 2023 5:05 PM
To: BETTINARDI Nicole * OWEB
Subject: Grant Application No. 223-7100-22521 Public Comment

I am excited to hear about this conservation easement and fully support the protection of this farmland for generations to come.

Warren Seely

From: annie mockanee
Sent: Friday, March 3, 2023 11:05 AM
To: BETTINARDI Nicole * OWEB
Subject: In Suport of Wild Rivers Land Trust Grant to Protect The Wahl Ranch

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Dear OAHP Commission,

My name is Annie Mockabee, and I live in Bandon, Oregon, 15 miles from Wahl Ranch. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Annie Mockabee
52547 Knoll Rd.
Bandon, Oregon

From: Cathy Boden
Sent: Friday, March 3, 2023 5:04 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for the protection of the Wahl Sheep Ranch

Nicole,
Greetings.
Thank you for this opportunity to share my view on preserving the Wahl Ranch North of Port Orford, on the Southern Oregon Coast.
Below is my letter for support.

March 3, 2023

Hello OAHP Commission,

My name is Cathy Boden, I live in Port Orford, and have helped the Wahl's share the history of their sheep ranch for several years.

As a Farm to School Educator in Curry County, many school classes have experienced life on a South Coast ranch because of the generosity of this family. Kinders have mingled with the bummer lambs, 4th grade have learned the complexity of running a ranch, and seeing a live birth, and 5th grade explore the greater landscape by surveying the watershed, exploring human impacts, and the needs of wildlife. Students then see the compost from the Wahl Ranch in their school garden to improve their rich soil.

Historically, the Wahl Ranch symbolizes the cultural history of the Southern Oregon Coast. For as long as we have recorded history, natives tribes and white people have lived, hunted, and harvested along this coastline.

I believe it is important to preserve this rich history of people working with the land, so we can all learn how closely we are tied to the land, in this special place. Also to observe how agriculture and wildlife can work together.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

The Wahl Sheep Ranch should be protected to preserve the natural history of our region. This place is truly a treasure.

Sincerely,

Cathy Boden

From: Cristy & Jonathan Morse
Sent: Wednesday, March 8, 2023 12:06 PM
To: BETTINARDI Nicole * OWEB
Subject: Wahl Ranch & Working Landscapes

Dear OAHP Commission,

My name is CRISTY MORSE, and I live in Coquille, OR. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community and a rancher operating in the Winter Lakes Working Landscapes project, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

CRISTY MORSE
Verdant Pastures, LLC

From: Deb B/Gary N
Sent: Tuesday, March 7, 2023 8:08 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

We live just outside Port Orford, not far from the Wahl Ranch. The Wahl Ranch has been an outstanding example of running a ranch while also preserving critical Elk River habitat, as well as creating sustainable and regenerative pastures. Protecting agricultural lands is critical for preserving the natural resources, open spaces and economy that makes our area so special. I have had the joy of birding parts of the Wahl Ranch, and greatly appreciate the importance of the ranch for wildlife.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Deborah Buitron

Gary Nuechterlein

From: Deb McNeil
Sent: Monday, March 6, 2023 4:13 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Deborah McNeil, and I write today in support of preserving the Wahl Ranch on Oregon's Dark Coast. When I first began living part time in Port Orford, fifteen years ago, the Wahl family showed me how they farm the land productively without harming the watershed and habitats for fish and wildlife. They are demonstrating that a focus on building the soil organically supports healthy flocks and protects wildlife.

The Wahls have hosted many classroom visits from local schools, teaching the students about farming in partnership with nature. Their ranch is a giant classroom for demonstrating the benefits of sustainable farming. It also contributes a great deal to the local economy.

Whenever I become anxious and discouraged about the many threats to our environment, I can look at the Wahl Ranch and know that there is still hope for our future

Please help guarantee that it will continue to be our hope by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board.

I am grateful for the time and energy you give to the OAHP commission,

Sincerely,

Deborah McNeil

Debmcneil12@gmail.com

From: Desiree Kaufman
Sent: Tuesday, March 7, 2023 7:10 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Desirée, and I live in Langlois, OR. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Desirée Kaufman

From: Fiona Day-Cofer
Sent: Thursday, March 2, 2023 5:06 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Fiona Day-Cofer, and I live in Brookings Oregon. I am writing to you today to voice my support in the preservation of the Wahl Ranch on Oregon's Dark. I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management, and protecting habitat restoration work on two tributaries to the Elk River.

Moreover, I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Fiona Day-Cofer

From: MACK April * OWEB
Sent: Tuesday, February 21, 2023 10:23 AM
To: BETTINARDI Nicole * OWEB
Cc: WILLIAMS Eric * OWEB
Subject: FW: Support for WRLT's Application to fund CE on Wahl Ranch

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Hi!

I received this PC on the Wahl Ranch. I did not save it yet, I will let you save it where it needs to be. ☺

April

April Mack
Assistant to Oregon Watershed Enhancement Board Executive Director & Board
971-345-7001 (call & text); 503-986-0199 (f)
April.Mack@OWEB.Oregon.gov

From: Natalie Ranker <nattim7072@gmail.com>
Sent: Friday, February 17, 2023 12:14 PM
To: MACK April * OWEB <April.MACK@oweb.oregon.gov>
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

Dear Ms Mack,

> My name is Natalie Ranker, and I live in North Bend, OR. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.
>
> The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.
>
> I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.
>
> Thank you for your service on the OAHP commission,
>
> Sincerely,
>
> Natalie Ranker

414 Simpson Ave.
North Bend, OR 97459

From: MACK April * OWEB
Sent: Monday, March 6, 2023 7:58 AM
To: BETTINARDI Nicole * OWEB
Subject: FW: Wahl Ranch

Good morning!

April

April Mack
Assistant to Oregon Watershed Enhancement Board Executive Director & Board
971-345-7001 (call & text); 503-986-0199 (f)
April.Mack@OWEB.Oregon.gov

From: Joetta Lawrence <joettalawrence@gmail.com>
Sent: Friday, March 3, 2023 7:40 PM
To: MACK April * OWEB <April.MACK@oweb.oregon.gov>
Subject: Wahl Ranch

Dear OAHP Commission,

My name is Joetta Lawrence, and I live in Port Orford. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Joetta Lawrence

From:	Gail Dawn
Sent:	Tuesday, March 7, 2023 3:55 PM
To:	BETTINARDI Nicole * OWEB
Subject:	Support for WRLT's Application to fund CE on Wahl Ranch

Dear OAHP Commissioners,

I live between Gold Beach and Port Orford on Euchre Creek and am interested in the preservation of the Wahl Ranch on Oregon's Dark Coast.

I urge you to take action to protect the Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board.

Thank you for your service on the OAHP commission.

Sincerely,

Gail J. Dawn
96258 Euchre Creek Rd
Gold Beach, OR 97444
541.247.0707

From: Gary Burns
Sent: Thursday, March 2, 2023 6:11 PM
To: BETTINARDI Nicole * OWEB
Subject: Letter of Support for Wahl Ranch Funding

Dear OAHP Commission,

My name is Gary Burns and I live in Port Orford. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a City Councilor, member of many boards and business owner, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Gary "Wiz" Burns
the Tree Wizard

See my wood carvings @ www.treewizwoodcarvings.com

Always with Love and Gratitude!

From: Greg Patrick
Sent: Thursday, March 9, 2023 1:19 PM
To: BETTINARDI Nicole * OWEB
Subject: Wahl Ranch

March 9, 2023

TO: Nicole Bettinard, OWEB

Please forward this to the Oregon Agricultural Heritage Program Commission

Dear Commissioners,
This letter is to support funding for an agricultural conservation easement on the Wahl Ranch in Curry County. The ranch is at the Elk River estuary and includes two tributaries, vitally important as off channel habitat for young Coho and Chinook salmon. The ranch uses regenerative ag practices that prove you can have an economically viable ag operation AND restore habitat/protect water quality. This is the kind of public/private partnership we need on the south coast to retain our rural communities. Viable ag operations are part of this area's history and provide food security for future generations. Local school groups have the opportunity to learn about animal husbandry and habitat conservation on the ranch.

I've been fishing the Elk River since the 1970's and am in full support of conserving large blocks of ownership, especially where we can retain ag based jobs while conserving or restoring desperately needed salmon habitat. I urge you to fund the Wahl Ranch application, and hope other area ranchers and farmers seek funding from this program in the future.

Sincerely,
Greg Combs
Bandon, Oregon 97411

From: Jan Hodder
Sent: Friday, March 3, 2023 4:31 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for the Wild Rivers Land Trust application to OAHP

Dear OAHP Commission,

I am the Board President of the Wild Rivers Land Trust. I am writing to encourage you to support our application to the Oregon Agricultural Heritage Program (OAHP), for funding to purchase a conservation easement to permanently protect the Wahl Ranch on the Elk River from conversion to non-agricultural uses. The southern coast of Oregon is experiencing a large influx of new developments threatening our agricultural economic sector. The Wahl Ranch has been recognized on a national level for their quality livestock production , their innovative improvement of soil conditions, and their protection of water quality and fish and wildlife habitat.

Funding from OAHP will allow the Land Trust to complete the easement purchase using the matching funds from an existing federal Agricultural Land Easement program grant award for this project. This easement will provide protection to the lower reaches of the Elk river. The Land Trust has had a strong focus on protection of the Elk watershed, emphasizing support for the recovery of Elk river Coho and Chinook salmon and this easement will add to this support.

Yours sincerely,
Jan Hodder
WRLT Board President

Jan Hodder
Oregon Institute of Marine Biology
University of Oregon
PO Box 5389
Charleston
OR 97420
541-297-0664
Packages: 63466 Boat Basin Drive

From: Jeff Jackson
Sent: Monday, January 30, 2023 9:03 AM
To: BETTINARDI Nicole * OWEB
Subject: Wahl Ranch Conservation Easement

Hello Ms Bettinardi:

My name is Jeff Jackson. I'm a professional fish biologist on the South Coast. I am writing to you in order to show my support for the proposed permanent conservation easement for the Wahl Ranch near Port Orford. I believe the OAHP is the perfect vehicle to make an easement happen. Not only would a permanent easement provide guaranteed protection for valuable fish and wildlife habitat, but the Wahl Ranch is located on one of the most intact watersheds in Oregon, making an easement even more important.

Protecting working ranches from the threat of future development is crucial to the local coastal economy, food availability and resource protection. There's going to be more demand for unique places like the Wahl Ranch in the future. Now is the time to secure Oregon's heritage by providing a permanent easement for the Wahl Ranch.

Thank you,

Jeff Jackson
Coquille, OR

From: John Shipp
Sent: Friday, March 3, 2023 11:39 AM
To: BETTINARDI Nicole * OWEB
Subject: Wahl Ranch on the Elk River

Greetings Nicole,
I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board.

March 3, 2023

Hello OAHP Commission,

I am John Shipp, Port Orford on The Dark Coast,

A dump truck stops in front of Driftwood School's new garden beds and dumps a load of compost, Wahl Ranch compost, "Pete's compost", or just" Pete's" if your local. Kids spend the day filling garden beds.

Driving out to the Wahl Ranch, well, there it is, our irreplaceable Heritage, farm and ranch land; meadows with rich green grass, up to the sheep's bellies; bird houses perched on fence posts; the meadows are divided and surrounded by trees and shrubs; a wetlands and creek, salmon and frogs and salamanders, the plants and organisms of a water course. This is agricultural land, a working sheep operation. This is land that the Wahls nurture, they never tire of improving the health of their ranch and the waters that run through it. There's a whole passel of critters that call this land home; deer, elk, coyotes, foxes, rats, mice, sheep, birds and worms, all the many bugs and organisms that live in rich healthy grassland soil. How much Farm/Ranch agricultural land do we have left? How much of it is well cared for, vibrant? The Wahl Ranch is a wonderful example of regenerative ranch land, precious, it's our future.

The new school garden beds have been filled by the hands of many kids, but not yet planted. There's a sound, giggling, chattering, laughing, feet, running, skipping, trotting, excitement, my, my, here come the kindergarteners headed straight at their new school garden; they are organized, mostly, and stand next to the garden beds; each kid is given a handful of seed, they push, wiggle, snuggle these seeds into the "Pete's", they have planted into a little bit of the Wahl Ranch for their first time, but probably not the kid's last.

Thank you OAHP Commission for all of your hard work!

Sincerely,

John Shipp

From: southforkjudy@gmail.com

Sent: Friday, March 3, 2023 9:28 AM

To: BETTINARDI Nicole * OWEB

Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Judith Jackson, and I live in Bandon on the southern Oregon coast. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because believe in healthy communities and healthy watersheds.

As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefit through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife.

The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board.

By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission. I appreciate your consideration.

Sincerely,

Judith Jackson

780 9th St. SW

Bandon, OR 97411

March 7, 2023

Oregon Agricultural Heritage Program Commission

Dear Commissioners,

Thank you for years of effort to create, and then secure funding for the Oregon Agricultural Heritage Program (OAHP). I write today in support of the Wild Rivers Land Trust (WRLT) application to preserve the outstanding values of the Wahl Ranch in Curry County.

The OAHP seeks to support working lands while also maintaining or enhancing fish and wildlife habitat and other natural resource values. The Wahl property and ranch operation are an ideal fit for the OAHP. As fourth generation ranchers, current owners have demonstrated a clear commitment to the land. Beginning in the 1960s they've worked diligently to enhance the abundant natural resources of the ranch. They've partnered with many organizations, agencies and individuals to enhance the two Elk River tributaries on the ranch. They've enhanced the ocean shore by restoring habitat for dune-nesting shorebirds. Approximately a quarter of the ranch is dedicated to habitat conservation purposes – all of which will become permanent if you fund this proposal.

Most impressive, in terms of OAHP funding, is that at the same time they've eliminated livestock access to roughly a quarter of the ranch, agricultural productivity on the remaining land has increased! Using "mob" grazing, and managing for improved soil heath, meat production is at least four times what it was before the conservation areas were fenced and protected. But not just four times what it was in 1960, productivity is four times what you would find on a present-day lamb operation using conventional ranching methods. Mob grazing results in healthier pasture and livestock. Less is spent on pesticides and fertilizers. Increased production typically means buying more land, but as ag land becomes ever more expensive, the ability to demonstrate major increases in production with less land is hard to over-state.

Funding this proposal meets program goals to conserve economically viable agricultural operations and high-value natural resources. Another objective is for OAHP to act as matching funds for the federal agricultural land conservation easement program. The Natural Resource Conservation Service awarded five-million-dollars toward this project, previously unheard of in Oregon! OAHP funds are necessary to leverage the federal grant and ensure the land remains dedicated to agricultural production. Without this funding, future risk of subdivision to "ranchettes" or conversion to resort development will continue to increase. An agricultural conservation easement ensures soils of statewide significance remain available for ag use, ensures an economically viable operation is passed to the next generation, and ensures conservation of vital habitat for endangered Coho salmon. It also acknowledges the importance of agriculture to south coast communities and demonstrates these easements are a viable tool for other ag producers in the area.

The Wahl family has been practicing resilient farming long before that became a buzz phrase. They've demonstrated how to restore habitat and improve water quality while increasing productivity! This is the merging of values called for in OAHP legislation, it exists on their ranch today, we will not need to wait a decade or more to see results. Please, fully fund the Wahl Ranch proposal.

Respectfully,

Kammie Bunes
WRLT Board Member
PO Box 1576
Bandon, Oregon 97411

From: Karen Meyer
Sent: Thursday, March 2, 2023 4:00 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Karen Anspacher-Meyer, and I live in La Grande, Oregon I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As someone who has spent decades visiting Oregon's south coast, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes the area so special. I've seen the changes in the rural landscape due to development, and I am a strong supporter of preserving agricultural lands / working landscapes to protect the land from subdivision, development and conversion to non-ag uses.

I am a documentary filmmaker and I have produced several films on conservation of the south coast. In the late 1990s I met Georgina Wahl when I interviewed her about protecting the headwaters of the Elk River as wilderness. She was a strong conservation advocate and she introduced me to her family. I maintained the contact over the years and witnessed first-hand from them and their neighbors that the Wahl Ranch is a vital part of the community, providing both economic benefits through its contribution to the local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in the region and is widely recognized for their success in sustainable and regenerative pasture management.

It would be an absolute crime to lose the Wahl Ranch and see it converted to non-agricultural uses.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to the community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Karen Anspacher-Meyer
Executive Director, Green Fire Productions
Cell: 503-709-5467
www.greenfireproductions.org

KALMIOPSIS AUDUBON SOCIETY
P.O. Box 1265 • Port Orford OR • 97465

To: Oregon Agricultural Heritage Commission
Re: Wild Rivers Land Trust application for OAHC/OWEB funding to support working lands-habitat conservation at Wahl Ranch
Date: Feb. 28, 2023

Submitted c/o: Nicole.Bettinardi@OWEB.oregon.gov

Dear OAHP Commission members:

I am writing on behalf of the Kalmiopsis Audubon Society. Our group has more than 400 members in Curry County who support conservation of habitat for birds, fish, and wildlife. Recognizing the important role that working lands play in habitat conservation, we strongly support the Wild Rivers Land Trust application for OAHP/OWEB funding to secure a conservation easement for the 775-acre Wahl Ranch, and we urge you to recommend this stellar application for full funding.

The Wahl Ranch is a remarkable place! The Wahl family has stewarded their ranch at the mouth of Elk River for five generations. For the past several decades, the current generation has worked with great dedication and success toward the integrated goals of improving ranchland for significantly increased sheep production while also improving conservation of habitats needed by birds and fish. They've done this through innovative, active management of their sheep and pasturage, and also of the riparian and wetland habitats on their ranch.

In brief, the Wahl family's active management of animals and pasturage has entailed rotating sheep through pastures every day and adding a diversity of forage plants that has improved both soil condition and animal nutrition. In particular, by increasing the organic matter in their soil, they have added greatly to the depth of forage plant root systems, which has increased nutrient value of forage, water retention capacity of ranch soils, and also carbon sequestration.

The Wahl family's active management of ranch areas with high conservation values has entailed fencing of riparian zones to exclude sheep and also active restoration of two tributary streams, the beach area, and wetlands. Restored streams and wetlands on their ranch have not only improved water quality but also provided important habitat for threatened coho, waterbirds, and wildlife. Their beach has afforded habitat for threatened western snowy plovers, and their pastures also afford habitat for many species of grassland birds, including some that winter on the ranch and others that breed on the ranch.

Through integrated land management, the Wahl Ranch produces high quality lamb, some of which is purveyed locally under the "Wild Rivers Lamb" label and is truly cherished as a special local food by our community. It is featured at local markets and restaurants and exemplifies a truly sustainable local food product associated with excellent quality and stewardship —and with hope that the next generation can carry stewardship and agriculture forward. Local lamb is a vital to our local economy and our community's culture of valuing local farms and ranches.

Ranchlands in our region are now coming under increasing pressure to convert away from traditional agricultural uses toward golf courses or tourist destinations. These pressures will only grow, which is why the Wahl family's forward-looking approach to conserving productive, agricultural land–with its attendant conservation values—for future generations is so critically important.

With a conservation easement, the Wahl ranch will be protected from pressures to convert to non-agricultural uses. This will help local agriculture persist in our community. In addition, it will enable the family's exemplary land stewardship and thoughtful investments in habitat restoration to continue. It's important to underscore that investments in conservation at Wahl ranch are part of a much larger, decades-long conservation effort spanning the entire watershed of the National Wild and Scenic Elk River.

Our organization has long supported forest conservation efforts in the public land headwaters of the National Wild and Scenic Elk River, but through time it's become abundantly clear to us that to conserve our local salmon runs into the future, we also need to support conservation of private working lands in the lower river, where both threatened coho and chinook need rearing habitat to complete their life cycles. The Wahl Ranch has two lower Elk River tributaries that provide critical off-channel rearing habitat for coho in winter and cold water for chinook in summer months.

The Wild Rivers Land Trust is an able partner in this project, and we hope that the effort to secure a conservation easement on Wahl Ranch will in the future help to catalyze additional ranchland conservation projects, with the aim of supporting and sustaining the cultural "ecosystem" of local agriculture and farms in our region.

Finally, it is also important to note that the requested OAHP/OWEB funding will help to match a federal Land Easement program grant that has already been awarded for this project.

For all these reasons, we wholeheartedly urge your recommendation of this important agricultural conservation project for full funding.

Sincerely,

Ann Vileisis
President, Kalmiopsis Audubon Society

From: Action Printing
Sent: Tuesday, March 7, 2023 7:28 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Kathi Lindsay and I live in Port Orford. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Kathi Lindsay

From: laurie prouty
Sent: Tuesday, March 7, 2023 11:13 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Laurie Prouty and I live at 1035 13th St. in Port Orford. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

The Wahl Ranch has contributed greatly to our community. I manage the community garden in town for folks to rent garden beds. Every year, Pete Wahl delivers a beautiful load of sheep compost for the gardeners to use for free. The Wahl Ranch has also allowed our local schools to visit their farm during lambing, creating a wonderful connection for our children to see first hand what farming is about.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Laurie Prouty

USDA United States Department of Agriculture Forest Service Rogue River-Siskiyou National Forest
Powers Ranger District
42861 Highway 242
Powers, OR 97466
541-439-6200

File Code: 2520
Date: March 2, 2023

Oregon Agricultural Heritage Program (OAHP)
775 Summer St NE
Salem, OR 97301

RE: Wild Rivers Land Trust Application – Wahl Ranch Conservation Easement

Dear OAHP Review Team,

This letter is to convey that Powers Ranger District-Fisheries Program on the Rogue River-Siskiyou National Forest supports the Wild Rivers Land Trust grant application to permanently protect the Wahl Ranch from conversion to non-agricultural uses, as well as permanently protect the important fish and wildlife habitat on the property.

The Wahl Ranch project supports similar projects in both the Wild Salmon Center -Elk River Salmon Action Plan and Forest Service - Elk River Action Plan. Both of these documents were written with a small team of state, federal, and NGO partners that seeks to accelerate coho recovery.

In summary, projects like this will greatly advance the long term strategic plan for Elk River Watershed.

Karla M Cottom

Karla M Cottom
Fisheries Biologist

Printed on Recycled Paper

From: M Humphrey
Sent: Saturday, March 4, 2023 3:52 PM
To: BETTINARDI Nicole * OWEB
Subject: Letter of Support for Wahl Ranch Funding

Please provide funding to Wild Rivers Land Trust to protect Wahl Ranch and Elk River and its fish populations.

Thank you,
Margaret Humphrey
Port Orford, Oregon

From: Pamela Berndt
Sent: Thursday, March 9, 2023 9:22 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Pamela Berndt, and I have lived in Port Orford for nearly 20 years. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special. I know that once these areas of land are converted for different use, such as housing or business development, they rarely if ever convert back to open range ranch and working lands. These undeveloped lands are essential for capturing carbon that contributes to climate changes.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Pamela Berndt

--
Pamela Berndt :l: 5DotArts, LLC
Web & Graphic Design
Tradeshow & Event Services
mobile: 541.253.1260
email: 5DotArts@gmail.com
PO Box 103, Port Orford, OR 97465

when the power of love replaces the love of power, the world will know peace

From: peg reagan
Sent: Monday, February 27, 2023 2:43 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

---

Hi Ms Bettinardi.

I am writing in support of the Wahl Ranch in Curry County.

I own 160 acres of forest land which also has a conservation easement with Wild Rivers Land Trust. It would be great if we can add the Wahl Ranch to the lands protected by conservation easements on the South Coast.

I hope their application will be approved.

Thanks.

Peg Reagan

97305 Signal Butte
Gold Beach OR. 97444

971 226-2004

Sent from my iPhone

From: Sylvia Ernst
Sent: Friday, February 17, 2023 1:28 PM
To: BETTINARDI Nicole * OWEB
Subject: Protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board.

Dear OAHP Commission,

My name is Sylvia Ernst, and I live in Langlois, Oregon. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of ecologically mindfully worked agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

As a resident of this area, I have had the privilege of witnessing the natural beauty and the unique local economy that makes our community so special. It is a place where small businesses thrive, families grow, and where the land is a precious resource that we must preserve and protect for generations to come.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

The Wahl Ranch's commitment to sustainable and regenerative pasture management is a shining example of responsible land stewardship, and the impact of their efforts can be felt throughout our community and beyond. They are not just preserving the land, but they are also preserving the wildlife, the fish, and the natural resources that are the foundation of all our existence.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

In conclusion, I would like to express my sincere gratitude for your service on the OAHP commission. Your decision to support the preservation of the Wahl Ranch would bring immeasurable benefits for the preservation of our pristine environment.

With best regards - Sylvia Ernst

From: RON AND MARY PUHL
Sent: Friday, March 3, 2023 9:45 AM
To: BETTINARDI Nicole * OWEB; Nick Puhl; bogron; gregpuhl@gmail.com
Subject: Re Grant Application No 223-7104-22600, Wahl Ranch Conservation Easement

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March 3, 2023

Oregon Watershed Enhancement Board
Oregon Agricultural Heritage Program
775 Summer St NE Suite 360
Salem, OR 97301-1290

Attn: Nicole.Bettinardi@OWEB.oregon.gov

Re: Grant Application No. 223-7104-22600, Wahl Ranch Conservation Easement

To the Members of the OAHP Board,

We are the adjacent land owners to the Wahl Ranch along the east side of their property and the portion of their south boundary along the Elk River.

We support the granting of the requested $4,008,000 of OWEB funds to purchase the Conservation Easement for the Wahl's ranch.

As the third and fourth generations of owners of our family's ranch on Elk River, we also believe in keeping ranchlands protected into future generations.

Please contact us if you have any questions.

Sincerely,

The Puhl Family

Mary Anne Puhl
Ronald D Puhl
Nicholas A Puhl
Gregory A Puhl

Puhl Family Contact: Mary Anne Puhl

PO Box 807, Port Orford, OR 97465
Email: bogron@harborside.com
Cell: 541-253-6600

From: Steve Lindsay
Sent: Tuesday, March 7, 2023 9:30 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Steve Lindsay, and I live in Port Orford. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Steve Lindsay

From: Steve Miller
Sent: Tuesday, March 7, 2023 12:33 PM
To: BETTINARDI Nicole * OWEB
Subject: Letter of Support for Wahl Ranch Funding

Dear Ms. Bettinardi,

I wish to submit these written comments to the Oregon Agricultural Heritage Commission supporting its recommendation of a Wild Rivers Land Trust application for funding to protect The Wahl Ranch to the Oregon Watershed Enhancement Board and my sincere thanks for your assistance with this request:

My name is Steve Miller. Please accept my comments in support of the Wild Rivers Land Trust's application to the Oregon Agricultural Heritage Program for a grant to protect the future of the Wahl Ranch in Curry County on the Southern Oregon Coast. I have had the good fortune to live and work in the Elk River watershed for several years I will always cherish this wild and beautiful landscape. I have also come to admire how residents have recognized the special character of this place and often shaped their livelihoods connected to the land in ways that protected and enhanced important fish and wildlife habitat in the watershed and have averted a tendency to subdivision development and conversion of agricultural lands to non-agricultural use.

Standing out as such an example is the Wahl Ranch located along the lower reaches of the Elk River. The Wahl Ranch is a working ranch providing important economic benefits through its practices modeling outstanding agricultural methods that are both commercially productive of lamb, wool and other products and recognized for success in sustainable and regenerative pasture management. With these business successes, the Ranch has protected one-fourth of its 775 acres as fish and wildlife habitat which supports recovery of the Elk River coho and chinook salmon. These measures also protect two important Elk River tributaries and the habitat restoration work completed there.

I sincerely urge you to act to protect The Wahl Ranch with a recommendation of the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. The Wahl Ranch is centered in a beautiful, yet wild and remote agricultural landscape along the lower Elk River, which is the great appeal of the place. But this also highlights the need to ensure that these many benefits will continue into the future.

I also want to thank you for your work with the OAHP Commission.

Sincerely,

Steve Miller

From: Bill Divens
Sent: Friday, February 17, 2023 10:25 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for recommending WRLT's application for funding of the Wahl Ranch Project

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Dear OAHP Commission,

My name is Bill Divens, and I am a fishing guide in Gold Beach, Oregon 40 min. south of this property. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special. Sustainable ranching practices as employed by the Wahl Ranch keep vital fish habitat clean and natural along the Elk RIver, one of Southern Oregon's great salmon and steelhead river.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Best Regards,
Bill Divens
Owner and Guide
Salmon King Lodge Guide Service
Voice & Text 530-941-2398
Rogue and Nearby Rivers
Gold Beach, OR

From: Natalie Ranker
Sent: Friday, February 17, 2023 12:01 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear Ms Bettinardi,

My name is Natalie Ranker, and I live in North Bend, OR. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Natalie Ranker

414 Simpson Ave

North Bend, OR 97459

From: Tracy Lord
Sent: Thursday, February 23, 2023 6:40 AM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Dear OAHP Commission,

My name is Tracy M Lord, and I live in Ashland, OR. I'm interested in the preservation of the Wahl Ranch on Oregon's Dark Coast because I believe in healthy communities and healthy watersheds. As a member of the local community, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and economy that makes our area so special.

The Wahl Ranch is a vital part of our community, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I urge you to take action to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. By taking this step, we can ensure that the Wahl Ranch will continue to provide these important benefits to our community for generations to come.

Thank you for your service on the OAHP commission,

Sincerely,

Tracy Lord

96359 Dawson Road
Brookings, OR 97415-9716
27 Feb 2023

Oregon Agricultural Heritage Program Commission
Nicole.Bettinardi@OWEB.oregon.gov

Dear OAHP Commission,

My name is Dennis Triglia, and I am a retired biological research scientist living in Brookings, Oregon in southern Curry County. Preservation of the 775-acre Wahl Ranch situated on the Elk River in Oregon's Dark Coast is critical in our rural area for the health of our watersheds, our residents, native flora and fauna. As a local community member for the past 9 years, I understand how important the protection of agricultural lands is for preserving the natural resources, open spaces and local economy that make our little coastal corner of the state so special. In full transparency, I also serve as Secretary of the Board of Directors for the Wild Rivers Land Trust. In this capacity, I am excited to witness firsthand the stringent evaluation of potential new projects by our Conservation Committee as the opportunities arise within our service area.

The Wahl Ranch is a vital part of northern Curry County, providing both economic benefits through its contribution to our local agricultural industry and ecological benefits through its preservation of important habitat for fish and wildlife. The Wahl Ranch has been a model for outstanding agricultural practices in our region and is widely recognized for their success in sustainable and regenerative pasture management.

I humbly request that action is taken to protect The Wahl Ranch by recommending the Wild Rivers Land Trust's application for funding to the Oregon Watershed Enhancement Board. This would allow them to purchase a CE to permanently protect the ranch from conversion to non-agricultural uses. Their application will protect nearly 25% of the ranch as wildlife habitat, would protect two tributaries to the Elk River and would support the recovery of coho and chinook salmon in the Elk River. Their strategy is a good balance between supporting working ranch land while concurrently maximizing the conservation value of the ranch. In so doing, the Wild Rivers Land Trust can ensure that the Wahl Ranch, which has operated for over four generations, will continue to provide these important benefits to our community for generations to come.

Thank you for your time and your service on the OAHP Commission,

Sincerely,
Dennis Triglia

From: Mark Greenfield <markgreenfield333@gmail.com>
Sent: Monday, February 20, 2023 10:09 AM
To: BETTINARDI Nicole * OWEB
Subject: Wahl Ranch

Dear Nicole:

I am writing in support of Wild Rivers Land Trust's application to OWEB's Oregon Agricultural Heritage Program for funding to purchase a conservation easement for the Wahl Ranch along the southern Oregon coast. My wife and I had the privilege of visiting this ranch late last summer, and we were most impressed by the care that has been given to it to improve and maintain its soil and water quality and wildlife habitat while still operating as a working livestock ranch.

As a director on the boards of two statewide conservation organizations, and as a donor to several land trusts in Oregon, I have developed a very personal interest in advocating for the protection of well-managed properties that both provide economic benefit to the property owner and the community and also restore, maintain and enhance wildlife habitat. I have seen many examples of damage that has occurred on agricultural lands that have been overgrazed or otherwise poorly managed to the detriment of both livestock and wildlife, including fish. But I have also visited properties throughout Oregon where restoration has occurred to improve the circumstances for both, including a number of properties subject to conservation easements. With the Wahl Ranch, the owners have taken great care of the ranch both to support their livestock operation and improve fish and wildlife habitat, and it shows.

I very strongly support a conservation easement on this property to maintain fish and wildlife habitat and to protect it from conversion to non-agricultural uses. This is especially important given the property's proximity to the Elk River Estuary and two tributaries to that river. I urge a favorable recommendation of the Wild Rivers Land Trust application for funding for the Wahl Ranch to the Oregon Watershed Enhancement Board.

Thank you.

Mark Greenfield
14745 NW Gillihan Road
Portland, Oregon 97231
503-227-2979
markgreenfield333@gmail.com

Swanson Ecological Services, LLC

"Land management for people and the environment"

February 27, 2023

Dear OAHP Commission,

My name is Matt Swanson, and I run a small business on the southern Oregon coast that develops and implements watershed restoration and natural resource management projects for clients such as watershed councils and soil and water conservation districts. I am writing to express my strong support for the Wild Rivers Land Trust's application to the Oregon Agricultural Heritage Program, for funding to purchase a conservation easement on the Wahl Ranch in the Elk River watershed.

Since 1998, I have had the pleasure of working on the Wahl Ranch to restore critical habitat for ESA listed coho salmon, as well as a wide range of other native fish, wildlife, and plant communities. The Wahl Family was an early adopter of voluntary watershed restoration on the southern Oregon coast, and they've been a leader in livestock management practices that restore soil health and protect water quality, while also increasing livestock production. The Wahl Ranch embodies the concept of a "working landscape", and their operation has inspired other producers to adopt similar management practices.

The 775-acre Wahl Ranch is a very productive and strategic property for agriculture and fish and wildlife. It is located in northern Curry County, where livestock ranching, crop and berry farming, and family-owned forestlands still dominate the landscape and account for a substantial portion of the local economy. The ranch includes key tributary streams and segments of the Elk River estuary, which provide critical winter rearing habitat for coho salmon, as well as valuable habitat for Chinook salmon, steelhead, cutthroat, and lamprey. The ranch also provides key habitats for migratory songbirds, shorebirds, and waterfowl; red-legged frogs, western pond turtle, and other amphibians/reptiles; and numerous mammals, including beaver, otter, elk, and potentially martens.

Considering the location of the Wahl Ranch, there will likely be immense financial pressure to subdivide the property into estates at some point in the future. Doing so would make it difficult to sustain a working landscape, and it would jeopardize the integrity of the existing fish and wildlife habitat. Conversely, placing an easement on the ranch will protect the agricultural and ecological resources, and presumably lower the property value so future generations can afford to own and work the land. And, the Wahl Ranch can serve as an example to other landowners on the south coast who are interested in agricultural conservation, in much the same way that the ranch has served as an example of voluntary watershed restoration and new livestock management practices.

Over the last 25 years, I've worked on a majority of the farms and ranches in Curry County. While a number of properties stand out, the Wahl Ranch, in my opinion, will yield the greatest return for the Oregon Agricultural Heritage Program at this time. I strongly recommend that you fund the project.

Sincerely,

Matt Swanson – Principal
Swanson Ecological Services, LLC

From: Carl King <ckking1943@gmail.com>
Sent: Friday, February 17, 2023 11:13 AM
To: BETTINARDI Nicole * OWEB
Subject: Wahl Range on Elk River

I live in Nesika Beach, just north of Gold Beach and not far from the Elk River. I am writing to you in support of the Wild Rivers Land Trust's application to the Oregon Agricultural Heritage Program (OAHP), administered by the Oregon Watershed Enhancement Board (OWEB), for funding to purchase a conservation easement to permanently protect the 775 acre Wahl Ranch from conversion to non-agricultural uses.

The Wahl Ranch has operated over four generations. In the 1960s they began emphasizing increased production and livestock health while improving soil conditions, water quality, and fish and wildlife habitat. The success and viability of the ranch has been recognized on a national level.

The proposed restriction will not only protect the ranch from future development, it will two important tributaries to the Elk River and a portion of the Elk River Estuary.

Protecting investment in habitat restoration work on two tributaries to the Elk River.

Protecting roughly 1/4 of the ranch as fish and wildlife habitat areas.

Supporting the recovery of Elk River Coho and Chinook salmon, among other fish species

Providing the required matching funds for an existing federal Agricultural Land Easement program grant award for this project.

March 7, 2023

Dear OAHP:

I am writing this letter to support the Wild Rivers Land Trust Wahl Ranch application and urge you to recommend funding to the Oregon Watershed Enhancement Board.

As a wildlife biologist for both the Oregon Department of Fish and Wildlife as well as The Nature Conservancy for 45 years I recognize the importance of this ranch to the Wahl family, the local community, the local economy and to conservation.

The Wahl family has truly “walked the walk” in managing their ranch as one of the largest sheep operations on the Oregon Coast while protecting critical natural resources. Located on the South coast the ranch includes critical salmon streams and a portion of the Elk River estuary. This area is also a critical migratory bird stop over for many species of birds migrating along the Oregon Coast.

I have sat on two different Board of Directors with members of the Wahl family and know their commitment to agriculture, the local economy, their family and to conservation. Having watched the development of the Oregon Agriculture Heritage Program over the years, I feel this proposal is exactly the type of project the program was meant to secure. The Wahl family has been innovative in removing gorse from the ranch, implementing and refining new grazing techniques to protect soil and pasture grasses all while promoting conservation measures to help improve salmon and migratory bird populations. Approving this proposal will ensure that the Wahl ranch stays in agriculture, will remain as habitat/open space and will not be sub-divided.

Again, I urge you to move this application forward to the Oregon Watershed Enhancement Board with a “Do Fund” recommendation.

Thankyou

Steve Denney

Wildlife Biologist

From: seabreeze@harborside.com
Sent: Wednesday, March 8, 2023 7:05 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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Hello.

I am writing in support of Wild Rivers Land Trust and The Wahl Ranch. This ranch has been an important/actually vital part of our North Curry CountyCommunity for generations. Their conscious decision to practice sustainable ranching and protect their/our natural resources has been essential to our way of life. Additionally they provide an example of how ranches can survive and thrive while taking care of the land. I think we all are remarkably fortunate that The Wahls are such dedicated stewards of their land. Their dedication is not just to "their" land.
Their dedication is to the land , animals they raise, the habitat that surrounds them and the way of life in North Curry County.
Pete Wahl was a long time member of what was originally The Elk River Land Trust (now Wild Rivers). While we were a small group (I was a founding member), we worked quietly and with dedication towards a very long term plan. We often said it would be 100 years before true progress would be seen. Of course , the Trust has progressed more quickly.
This Rural American plan will be such an important and well deserved step towards protecting the Wahl Ranch from division , subdivision, and misuse.The opportunity to improve our local fisheries, estuary, wildlife habitat, water quality and way of life in our community is clearly essential.

Thank you for the opportunity to speak to the importance of this moment.

Sincerely,

S. Gayle Wilcox
34 year Resident of Port Orford
Owner Sea Breeze Florist
Founding member of Elk River Land Trust
Retired Fire Chief VolunteerPort Orford Fire
Retired Director and Lead Tech Port Orford Volunteer Ambulance

Retired Director and Lead Tech EMT Intermediate Port Orford Volunteer Ambulance

Bob Morrow
Langlois, Oregon

March 6, 2023

Oregon Agricultural Heritage Commission
775 Summer St NE #360
Salem OR 97301

RE: Support for Wild Rivers Land Trust Wahl Ranch funding application

Dear Members of the Oregon Agricultural Heritage Commission,

Please move forward with the protection of one of the most unique wild rivers in America by recommending that the Oregon Watershed Enhancement Board fund the Wild Rivers Land Trust application.

Located at the mouth of the Elk River the Wahl Ranch is a piece of history and a fish hotel for threatened species. Whether it will remain an example of progressive agricultural practices consulted by ranchers from around the globe may just reside in your decision.

By recommending this application you will be moving to secure the north shore of the mouth of the Elk River in a manner that helps to realize the original vision of a summit to sea stacks wild river on the Oregon Coast.

Please help to obtain the matching funds that will secure one of the last pieces of the Elk River Watershed by recommending the WRLT application to OWEB.

Sincerely,

Bob Morrow
Resident of Langlois, Oregon

February 16, 2023

OAHP Commission
775 Summer St NE #360
Salem, Oregon 97301

RE: OWEB Grant Application No. 233-7104-22600

Dear Nicole Bettinardi,

Wild Salmon Center (WSC) would like to express its strong support for the Wild Rivers Land Trust (WRLT) application (OWEB Grant Application No. 233-7104-22600) to purchase a conservation easement on the 775-acre Wahl Ranch.

In 2015, WSC partnered with WRLT, state (OWEB, ODFW, ODEQ) and federal (NOAA, USFS) agencies and other non-profit organizations (TNC, CWP, WRCA) to develop the Elk River Strategic Action Plan (SAP) for Coho Salmon. The goal of this plan was, and is, to increase the functioning of ecological processes that are vital to ESA listed Oregon Coast Coho through habitat restoration projects and the protection of high priority areas. The Wahl Ranch is located along the lower Elk River and contains several high priority low gradient perennial tributaries (i.e., Swamp and Cedar Creeks) that are essential habitat for the Elk River population of OC Coho. Over the past eight years, WSC (in cooperation with the NOAA Restoration Center) has invested $275,271 in high value restoration projects on the Wahl Ranch's Cedar and Swamp Creeks. These funds were used to leverage an addition $150,000 of funding from OWEB. WSC currently has an additional $208,865 in funding pending for Swamp Creek (phase II).

A conservation easement on the Wahl Ranch will ensure that the restoration projects (current and future) will continue to improve the ecological functioning of these essential OC Coho salmon habitats, while at the same time protecting the long history of agricultural practices on this property. Additionally, this conservation easement will safeguard the agricultural heritage of the Wahl Ranch from future subdivision, development, and conversion to non-agricultural uses.

WSC strongly supports WRLT's application for a conservation easement on the Wahl Ranch. We appreciate the opportunity to support anadromous fish conservation and our valued partnership with WRLT.

Best Regards,



Tim Elder
Southwest Oregon Program Manager
Wild Salmon Center

INTERNATIONAL HEADQUARTERS
721 NW Ninth Avenue, Suite 300 • Portland, Oregon 97209 USA • tel: 503.222.1804 • fax: 503.222.1805
info@wildsalmoncenter.org • www.wildsalmoncenter.org

From: Yemaya Wind
Sent: Thursday, March 2, 2023 4:39 PM
To: BETTINARDI Nicole * OWEB
Subject: Support for WRLT's Application to fund CE on Wahl Ranch

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I totally support the idea to fund CE on the Wahl Ranch in Langlois on the southern Oregon coast.
It's a magnificent area and definitely should be protected.
Thankyou for making this happen.
Sincerely Yemaya Wind
Bandon
OR

STAFF REPORT

Oregon Agricultural Heritage Program

March 16, 2023 OAHP Commission Meeting

Tina Kotek, Governor

ITEM E – October 2022 OAHP Conservation Covenant and Easement Grant Offering Staff Recommendations

To: Oregon Agricultural Heritage Commission
From: Eric Williams, OWEB Grant Program Manager
Taylor Larson, OAHP Program Coordinator
Robin Meacher, OAHP Conservation Easement Specialist

Introduction

This staff report provides an overview of the October 2022 OAHP Conservation Covenant and Easement grant solicitation and outlines staff recommendations for commission consideration.

OAHP Conservation Covenants and Easements – October 2022 Offering Background and Summary

In March 2022, the Oregon Legislature approved $5 million in funding for the Oregon Agricultural Heritage Program. The commission recommended allocating $4,314,553 to the Working Land Conservation Covenant and Easement funding opportunity. The OAHP Conservation Covenant and Easement Program provides funding to eligible entities to support the acquisition of conservation covenants or easements on working lands in Oregon. The rest of the $5 million investment was allocated to conservation management planning grants ($150,000) and program operations ($535,447).

The Governor's Recommended Budget for OWEB was released at the end of January. State agencies must support the Governor's Budget. The Governor's Recommended Budget for OWEB reallocated available OAHP funds, reducing the amount available for grants, and increasing the operations budget so that the program can operate for the full biennium. With anticipated interest revenue and carry forward, $4,200,000 is available for grants. The Governor's Recommended Budget continues OAHP staffing capacity in the 2023-2025 biennium without allocating new funds. With $66,308 requested (and recommended) for Conservation Management Plans, $4,133,692 is available for Conservation Covenant and Easement grants.

The conservation covenant and easement grant solicitation opened in August 2022 and closed on October 31, 2022. Seven applications were received, requesting a total of $5,489,817. All applications requested funds for the purchase of perpetual conservation easements. There were no applications for termed covenants. The applications are summarized in the table below. Application evaluations are included as Attachment A.

Based on technical review, all applications were recommended for funding and a ranked list is included in the table below.

Application Review Process

The working land conservation easement applications were reviewed in accordance with administrative rules for the program, adopted in 2019. The process utilizes technical experts to evaluate agricultural and natural resource values and outcomes and project soundness as defined in the application evaluation criteria in the administrative rules. Each application was reviewed by a team of experts with specific knowledge of the type of working land and natural resource values described, as well as statewide experts in land use and soil science. All applicants were provided the opportunity to host site visits for their project review teams.

A team consisting of staff, OWEB's due diligence contractor, and the Oregon Department of Justice conducted project soundness reviews. The reviews included identifying transaction soundness concerns and whether those concerns are likely to be resolvable in the 18-month timeframe allowed for closing transactions after the OWEB Board awards funding. Organizational capacity was evaluated by OWEB's due diligence contractor and OWEB staff, utilizing the review criteria included in the administrative rules.

Technical feedback from review team members, OWEB's due diligence contractor, and DOJ was used by OWEB staff to develop the application evaluations in Attachment A. Staff assigned a high, medium, or low score to each of the primary application review criteria described in administrative rule. The scores were aggregated and used by staff to develop the prioritization and funding recommendation presented in the table below.

Application review also included a public engagement process soliciting public comment by interested parties per administrative rule 698-015-0120. Staff provided the governing bodies of cities and counties with jurisdiction in the area of the proposed covenant or easement acquisition, as well as affected governmental agencies and tribes, with written notice of the Commission's intent to consider written and oral comments provided at the meeting where the applications are considered. Written comments received prior to the Commission meeting are included in the Commission Packet. All testimony, including any oral testimony received by the Commission will be summarized in the staff report to the OWEB Board at the April 25-26, 2023 meeting.

Recommendation

Staff recommend the Commission recommend the OWEB Board award $4,008,000 to fund application 223-7014-22600 with OWEB's standard funding conditions for acquisitions provided in Attachment B as well as project specific conditions developed in coordination with OWEB's due diligence contractor and DOJ as described in Attachment C.

Project Name	Applicant	OWEB Request	Application No.	Recommendation
Wahl Ranch	Wild Rivers Land Trust	$4,008,000	**223-7104-22600**	**Fund**
Funding Line				
Aspen Valley Ranch – Rim Tract	Deschutes Land Trust	$286,280	**223-7106-22616**	**Fund**

Seeley Farm Phase 1	Oregon Agricultural Trust	$276,297	**223-7100-22521**	**Fund**
Pitchfork T	Deschutes Land Trust	$129,175	**223-7105-22611**	**Fund**
O'Keefe Ranch	Oregon Agricultural Trust	$277,776	**223-7101-22522**	**Fund**
Ferrell, Justin and Jayna	Oregon Agricultural Trust	$223,056	**223-7102-22523**	**Fund**
Hagen	McKenzie River Trust	$289,233	**223-7103-22597**	**Fund**

Attachment A

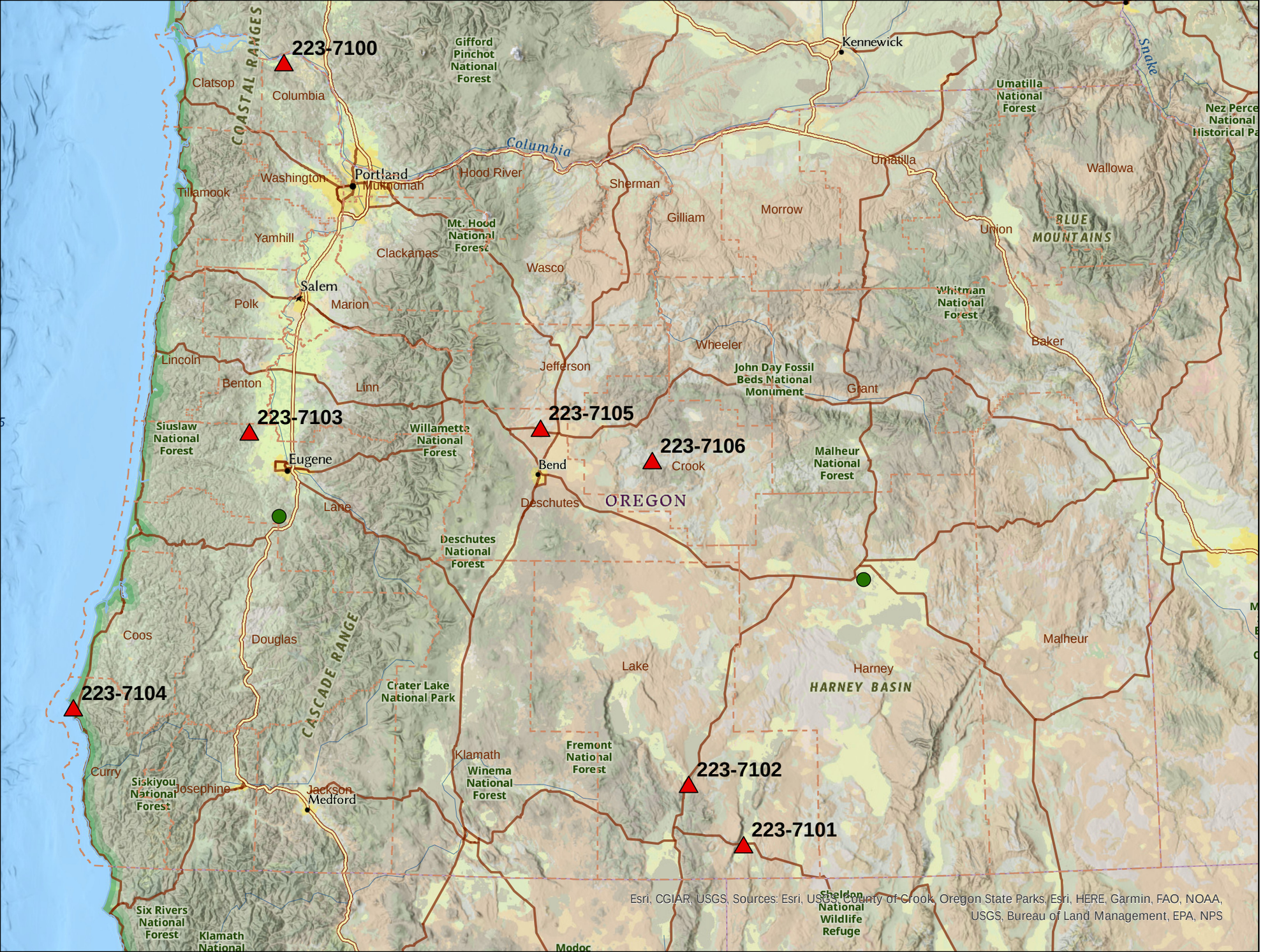
OAHP Working Land Conservation Easement 2022 Application Evaluations

Attachment B

OWEB Standard Funding Conditions for Acquisitions

Attachment C

Project-specific Funding Conditions



Attachment A

Proposed Conservation Easement Projects

Fall 2022 OAHP Applications

Project Type

- Conservation Easement
- Conservation Management Plan
- Counties

OREGON WATERSHED ENHANCEMENT BOARD

775 Summer St, NE Suite 360
Salem, OR 97301-1290
(503) 986-0178
https://www.Oregon.gov/OWEB/

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Miles

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7104-22600	**Project Type:**	Conservation Easement
Project Name:	Wahl Ranch Conservation Easement		
Applicant:	Wild Rivers Land Trust		
Region:	Southwest Oregon	**County:**	Curry
OWEB Request:	$4,008,000	**Total Cost:**	$10,323,000

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The Wahl Ranch Conservation Easement Project is the purchase of a conservation easement on the 775-acre Wahl Ranch, located on the southern Oregon coast in the lower Elk River watershed. The Ranch is located about three miles north of Port Orford, about ½ mile west of Hwy 101, and immediately southeast of Cape Blanco, which is the western most point in Oregon and one of the most western points in the contiguous United States of America. The Project will perpetually protect 775 acres, including ~250 acres of fish and wildlife habitat, ~1.1 miles of the Elk River including the Elk River estuary, large portions of two low-gradient tributaries to Elk River, several wildlife ponds, and 0.6 miles of Oregon coastline.

This project presents an opportunity to protect a large family ranch and an ecologically critical piece of this remarkable landscape for generations to come. The Ranch is in a 20 mile stretch of scenic coastline consisting of ten ranches owned by eight families interspersed with public parks and natural areas. It is the longest stretch like it left on the Oregon coast, and is known as the "dark coast" by sailors for lack of lights from development. None of the ten ranches has converted out of ranching in four generations, but significant residential and commercial development pressures have now reached Oregon's south coast. The project will also ensure that investments made by the Ranch to restore and protect ecological areas supporting fish and wildlife are secured, including major restorations on Cedar and Swamp Creeks, with additional restoration work planned for both.

Partners include the Wahl Ranch, Wild Rivers Land Trust, The Conservation Fund and the Natural Resources Conservation Service through their Agricultural Conservation Easement Program. The project supports the recommendations of the Southern Oregon Northern California Coast recovery plan and the Elk River Strategic Action Plan for Coho Salmon Recovery.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the application's technical review team, and OWEB's due diligence contractor.

SIGNIFICANCE OF THE WORKING LAND; EASEMENT SPECIFICS

Summary of staff's assessment of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The application describes the property as a locally and regionally important agricultural operation, and that the operation is internationally known.
- The ranch is Curry County's first designated century farm and has been in the same family since 1874 (148 years) demonstrating the land's ability to support a variety of viable agricultural operations through changing economic conditions.
- The property is positioned in a critical area of the Elk River that provides habitat for humans, livestock and wildlife. While the threat of development is variable, the need for conservation in this area of the Elk River will always be high and a project of this size with these resources can help the area get ahead of the curve.
- The property hosts a diversity of habitats including coastal conifer forest, coastal bluffs, riparian areas, coastal dune/beach/estuary, and wetlands.
- Approximately 30% of the property is designated for fish and wildlife habitat supporting the long-term integration of agriculture and habitat values.
- The property is comprised of a large tract of agriculturally and ecologically productive land. The project parcels are part of a large multi-generational operation that has demonstrated sustainable animal husbandry and land stewardship for decades.
- The property supports a leading ranch operation in the region that provides employment and contributes to the local social fabric of the rural community, offering a prime example of how watershed restoration and ranching can co-exist.
- Two of the streams on the property, Cedar and Swamp Creeks, offer high-quality Coho salmon overwintering and rearing habitat in the Elk River system.
- The property contains approximately one-third of the Elk River estuary, which is a limited and important resource to many species of concern in the Elk River Watershed. Interior portions of the Ranch include approximately 59 acres of freshwater wetland including emergent marsh and lowland riparian woodland. These wetlands and riparian areas are fenced off from grazing and there have been several restoration and protection projects in cooperation with the Curry Watersheds Partnership over the past few decades to restore the fish habitat functions to these systems.
- The lower Elk River is a key corridor for migrating birds and has high plant and animal diversity, leading the Elk River to be recognized as a globally Important Bird Area in 2019.

Concerns

- The application presents the regional significance of the property in its current operation, but there is little discussion regarding the ability of the property to support alternative agricultural commodities and whether the agricultural significance would remain if the current use ceased.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) The potential viability of the property for agriculture; and
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- The proposed conservation easement eliminates the possibility of subdivision, residential development and limits non-farm uses, reducing the potential for future conversion and fragmentation of the property, facilitating the likelihood that the property will remain in agricultural use.
- The property is currently an intact working ranch with existing water rights leased to the State. The pastures do not currently require irrigation due to the climate in this coastal area, as well as how they are currently managed. This demonstrates that the viability of the operation will not require reactivating the water rights to

irrigation from the current instream lease in the immediate future. The existence of irrigation rights provides for continued agricultural viability should operations need to change or a change in the overall climate of the area.

- The proposed conservation easement will maintain the ability of the property to continue in productive agricultural use by allowing flexibility in the type of agricultural commodity that can be produced and solidifying the right to conduct agricultural operations across the property. The land has served as a sheep ranch, but also has the soils and water needed to potentially grow crops or other livestock in the future.
- Currently, the property has farm infrastructure that supports the sheep operation, which will be a continued allowable use once the proposed conservation easement is in place, but there is no onsite residence to support the operator itself. The proposed easement will allow the development of one homesite, not associated with a subdivision right, further supporting the ease of running the operation where it is located.
- The proposed conservation easement would significantly reduce the real estate value of the land, making it more affordable for an agricultural operator to purchase by removing speculative value around development potential.
- Proceeds from the sale of the proposed conservation easement would address financial needs of the Ranch partners, allowing them to continue implementing additional maintenance, enhancement and restoration projects.

Concerns

- Absent a transaction agreement and more detailed conservation easement draft defining commitments and terms, a discussion regarding the landowners' decision making, both during the transaction and during the LLC's ownership of the property, would have provided more clarity on the commitment from the parties and the specifics of easement administration.
- The proposed conservation easement does not empower the land trust to require ongoing agricultural use of the property.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The proposed conservation easement maintains the property as a large intact ranch with approximately 30% of the ranch designated as reserves for fish and wildlife habitat benefits. The primary beneficiary species include aquatic species and Pacific Flyway migratory bird species. The landowners plan to continue restoration actions to enhance these benefits on the property.
- The proposed conservation easement would protect important habitat features for a variety of species including rearing habitat for SONCC Coho in Swamp and Cedar Creeks, habitat for Chinook, Coho, and other aquatic species in the Elk River estuary, and a Pacific Flyway migratory bird area of significance.
- The agricultural operation is managed in a way that protects water quality by utilizing rotational grazing and maintaining riparian buffers. These practices are intended to be encompassed in the proposed conservation easement itself, either by the utilization of the Habitat Management Zones to maintain the riparian buffers, or the intended management plan. There is no indication of water quality problems associated with the current agricultural practices.

- The ranch has leased the water rights associated with the property to the State to support aquatic species conservation, demonstrating a commitment to the ongoing conservation of the water resources of the property.
- The property is within a large stretch of the Oregon coast known as the "dark coast" for lack of lights from development. The proposed conservation easement would remove the risk of fragmentation and conversion of this property. The property could reasonably be divided into multiple units, fragmenting the natural resources and potentially reducing the comprehensive approach to restoration and habitat maintenance.

Concerns

- The proposed conservation easement is intended to build the current management regime into the ongoing operations of the land, which is labor intensive, requiring a similarly motivated landowner into perpetuity, which may be challenging.
- More detail supporting the specific history, partners, and funding for the restoration work would have been valuable to confirm claims regarding fish population response and determine whether specific actions are appropriate to carry forward into the management plan.
- The application includes statements regarding the importance of the water resources for Coho salmon, such as "Swamp Creek consistently produces the highest number of Coho smolts of any winter rearing habitat in the Elk River watershed," but does not provide evidence or source information for these claims.
- The management plan outline provided in the application lacks detail regarding the specific approach to managing the agricultural resources in a manner that will sustain the significant natural resource values.
- The application has little discussion on the extent to which the proposed conservation easement would lead to water quality improvements such as water temperature reduction or enhanced manure and bacteria control.
- The application claims that the past and planned restoration work on the property supports the Oregon's Agricultural Water Quality Management Program, but there is no detail provided as to which specific actions support specific goals in the program in this region.
- Certain allowable uses in the proposed conservation easement template (e.g., renewable energy development) may conflict with the specific agricultural and natural resource values on the site. While the applicant intends to use the OWEB provided template, more detail on the specific reserved rights acceptable to the landowner and the land trust would have provided a better understanding regarding the specific interaction between flexibility and maintaining the resources.

PROTECTING, MAINTAINING, ENHANCING SIGNIFICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))

(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and

(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The landowners and their family have been managing this land for agriculture for nearly 150 years. There is a strong dedication and commitment to preserving the property as a working land and the existing ranching operation is viable and a leader in the region.
- The current operation, a large-scale sheep operation, is unique in an area dominated by small calf-cow operations. The ongoing viability of this operation is supported by the landowners' extensive work developing the soil health and organic matter content across the property's pastures.
- The Wahl Ranch is a key part of the area agricultural infrastructure needs, supporting the businesses that provide resources to area farms and ranches.

- The proposed conservation easement would protect a significant working property in the region, considered a keystone parcel to the region's agricultural base, maintaining a landscape that has remained mostly intact. The proposed conservation easement will limit subdivision and conversion of the subject parcel, which will ensure that the land is available for agricultural use beyond the current landowner, maintaining a large amount of acreage for continued contribution to the agricultural land base.

Concerns

- The proposed conservation easement retains rights to another residence, with no description of siting restrictions. There is no detail in the application regarding discussions with the landowner to ensure placement of the house is not detrimental to conservation of the significant natural resources and/or agricultural operations.
- The proposed easement does not guarantee that the property will remain in agricultural use (i.e., potential wildlife habitat), though it does make ongoing agricultural use more likely because of the land management restrictions.

ORGANIZATIONAL CAPACITY

Low	*Medium*	*High*

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)

(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;

(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;

(c) The financial capability of the organization to steward conservation covenants and easements over time;

(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and

(e) The strength of the organization as measured by effective governance.

Strengths

- Wild Rivers Land Trust (WRLT) is accredited by the Land Trust Alliance Land Trust Accreditation Commission, which means they have met the highest national standards for excellence and conservation permanence.
- WRLT is the main land trust that serves the southern coast area and is developing the relevant expertise and track record of a land trust with a proven approach to accomplishing conservation transactions and to hold, monitor, and steward complex conservation easements.
- The Conservation Fund's commitment to partnership in the project adds additional capacity to the organization's ability to complete the transaction and fundraising needs.
- The applicant utilizes TerraFirma insurance for its conservation investments.

Concerns

- The project budget has a gap of $1,200,000 to fund the purchase of the conservation easement. The application states there is a commitment by the applicant, Wild Rivers Land Trust, and The Conservation Fund, to launching a private fundraising campaign to close this gap. There is no detail provided about the timing, feasibility, or organizational capacity of either organization to conduct such a significant campaign within the 18-month funding window. There is no discussion around contingencies if this campaign is unsuccessful, creating uncertainty about the overall likelihood of success of the project as currently designed.
- The application lacks clarity regarding the transaction mechanics and roles and responsibilities between the organizations. It appears the applicant is intended to be the long-term holder of the conservation easement, but The Conservation Fund is managing the transaction. As the applicant will be the recipient of any OAHP award and party to any grant agreement, a thorough description of the roles and transaction mechanics would have provided more clarity as to the overall capacity of the two groups working together to manage a project.

- The proposed conservation easement will nearly double the number of acres in the applicant's conservation portfolio, a significant jump in stewardship obligation. Additional detail would be helpful to determine that the land trust's stewardship fund is maintained in a manner that is not outpaced by its stewardship obligations, including a funding plan considering that the project needs additional unaccounted for acquisition dollars as well as stewardship funding.
- The application does not describe whether conservation of agricultural land is in its organizational mission, vision, or other organizational documents.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the agreement, with a preference for longer term agreements;

(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;

(d) Consistency with local comprehensive plans and statewide planning goals;

(e) The potential for setting an example that will encourage additional working lands projects in the region; and

(f) The existence and implementation of a conservation management plan.

Strengths

- The project proposes a perpetual conservation easement.
- The proposed project could set a precedent for other working ranches in the Elk River area, serving as an "early-adopter" model for the other seven local ranching families along this stretch of coast facing similar development pressures and generational transfer.
- The proposed conservation easement builds upon previous conservation investments, guaranteeing the preservation of the outcomes of extensive conservation and watershed restoration projects that have occurred on the land, primarily funded with public dollars.
- The project described in the application is consistent with the local comprehensive plan and statewide planning goals.
- The property is zoned Forestry Grazing (FG). The purpose of the Forestry Grazing Zone is to implement the forest land policies of the Curry County Comprehensive Plan, to implement Statewide Planning Goal 4 with respect to protection of working forest lands, to implement the agricultural land policies of the Curry County Comprehensive Plan and to implement Statewide Planning Goal 3 with respect to protecting intermixed farm and forest land.
- The Wahl family is well known locally and are considered community and agricultural leaders in their field.

Concerns

- There is no Conservation Management Plan as defined by the OAHP currently associated with the project and the application does not describe plans to develop one.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The application describes the extent to which it attempted to understand potential impacts on neighboring landowners through outreach to community groups, adjacent neighbors, federal and state national resource agencies. It further describes an intention to continue outreach activities.

- Wild Rivers Land Trust applied to the OWEB Land Acquisition funding opportunity in 2021 for funding to place a conservation easement on the Wahl Ranch. As a part of that application process, they reached out to eight adjacent neighbors, Curry County, Curry Watersheds Partnership, Oregon Department of Fish and Wildlife, National Marine Fisheries Service, Natural Resources Conservation Service, US Forest Service, Wild Rivers Coast Alliance, Kalmiopsis Audubon Society, Trout Unlimited, Native Fish Society, Oregon Department of Parks and Recreation, US Fish and Wildlife Service, Bureau of Land Management and the Curry Soil and Water Conservation District.
- The applicant discussed agricultural conservation easements and the proposed Wahl Ranch project with the board of the Curry Soil and Water Conservation District.
- As a part of the public comment period associated with the applicant's previous application to the OWEB Land Acquisition Program, it received written comments from the Coos-Curry Farm Bureau and the Curry County Planning Department. The applicant responded to each of these letters to provide clarifying information about various aspects of the project.

Concerns

- There is no conservation management plan associated with the project, and therefore the applicant does not describe engagement efforts and any efforts to address impacts.
- It appears the community engagement done to date has been responsive to funder needs and not necessarily proactive.
- Despite the outreach, the application is unclear on whether any potential impacts were raised in discussions with neighbors.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- The property is within a section of Oregon coast that is relatively undeveloped but facing pressure from a variety of non-agricultural uses including golf courses and residential development. There are 8 ranching families that own 10 ranches along the 30-45 miles of coastline. There is pressure to subdivide, sell, and/or develop these lands that will likely increase in the future.
- Subsequent heirs to the property will likely face steep taxes at the time of generational transfer increasing the pressure to sell off fragments of the ranch.
- Climate change will lead to population density shifts, economic changes and continued development that will threaten continuous landownership patterns on the Oregon South coast as competing needs for available private lands will grow.
- The application discusses the major threats, including subdivision, nonfarm dwellings and commercial recreation, such as golf course development. Oregon Department of Agriculture concurs that these threats are real and ongoing.
- Speculative land values relating to nonfarm development potential is driving development and conversion pressure along the south coast, the cumulative impacts of which are detrimental to the ability of farms and ranches to operate and the availability of agricultural infrastructure.
- There are significant gravel resources on the property that the landowner intends to extinguish development rights to with the proposed conservation easement. Future circumstances may lead the current landowners or a future landowner to an alternative outcome absent the removal of these rights through the proposed conservation easement.

Concerns

- More specific information about development trends and the number of approved applications for non-farm uses in the area would have allowed a more thorough understanding of the rate and scale of conversion to non-farm use threatening the region's working lands and this property specifically.

SOUNDNESS OF TRANSACTION

Low	*Medium*	*High*

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- A conservation easement is the proposed property interest to be acquired, which is an appropriate legal tool in this instance. The applicant is using the OWEB conservation easement template. The proposed easement creates agricultural, building envelope, and habitat management zones, each with its own permitted uses and restrictions, which is a good framework for this kind of easement.
- The Wahl family recently consolidated ownership of the land from a partnership composed of eight siblings to an Oregon limited liability company, via a bargain and sale deed recorded on November 16, 2022, with instrument number 2022-03959. This is a positive step because it unified the ownership group into one single entity. The AmeriTitle preliminary title report from September 7, 2022 does not include this change, since it predates the conveyance.
- There are no access issues. The property has access via McKenzie Road, a public road, which connects to US Highway 101.
- There are no apparent boundary issues with the property.
- There are six certified water rights on the property, five being for irrigation. The irrigation rights totaling 401.9 acres currently are leased at no cost for instream use with the Oregon Department of Water Resources. The instream lease is renewed every five years. The sixth water right is for livestock use. The conservation easement allows WRLT to act to retain the validity of the water rights if the landowner fails to do so. If this were the case, WRLT's preference would be to continue the instream lease with OWRD.

Concerns

- The estimated easement purchase price of $10,000,000 lacks substantial justification, raising concerns as to whether the appraisal will support the expected purchase price. This concern was raised during the review of the project in a previous application to OWEB's land acquisition program and the current application still lacks sufficient detail regarding the foundations for the purchase price and the landowner's commitment if the appraisal results in a lower value.
- The overall mechanics of the transaction and the partnership between Wild Rivers Land Trust and The Conservation Fund are uncertain. While it is not uncommon for a project not to have a transaction agreement at this stage, the expectations and obligations of each party is unclear, including the obligations of the landowner. It is unclear whether the applicant, Wild Rivers Land Trust, or The Conservation Fund will be the initial grantee of the conservation easement, or if The Conservation Fund intends to transfer its interest in the conservation easement to WRLT, necessitating a conveyance agreement, and additional title insurance.
- Uncertainty exists surrounding the nature of rights and ramifications of a historic colonial burial site present on the property. The issue is not thoroughly explored in the application materials and is a concern that was raised in a previous application to OWEB's land acquisition program. A quiet title action, as identified in the application, may not be sufficient to settle the issue and additional due diligence and legal analysis is needed to determine the extent of the issue and the application would have benefited from a detailed path toward resolution to provide confidence that the issue can be resolved in the 18-month OWEB timeline.

EVALUATION SUMMARY

The property is part of a century farm that has been in the same family since 1874. Over the years it has supported various agricultural operations, changing overtime as the landowners/operators have responded to changing market conditions. The land has supported the farm business, contributed to the local economy by providing jobs, and contributes to the scenic quality of the southern Oregon Coast. The property hosts significant natural resource values, including productive agricultural soils, habitat reserves that include riparian areas along the Elk River and tributary streams, coastal bluffs, forests and wildlife ponds. The Elk River is a significant source of Coho salmon habitat, with Cedar and Swamp Creeks (both on the property) offering high quality overwintering and rearing habitat. The property also hosts one-third of the Elk River estuary.

There is significant threat of conversion given the pressures facing large oceanfront landowners on the southern Oregon coast. There is significant potential for land division and the current zoning allows several uses that would have negative impacts on the significant agricultural and natural resource values – including certain divisions and residential uses as well as destination resorts, landfills, and aggregate exploration and extraction. The easement will prohibit the development of more than one residence, and the restrictions on subdivision will also function to maintain and protect the connectivity of habitat across the working land, facilitating ongoing compatible management and restoration opportunities due to unified ownership throughout the stream channels. The proposed easement is not designed with affirmative obligations to continue farm uses, but agricultural productivity is built into the purpose and supported by the restriction of non-agricultural uses.

Given the uncertainty over the suggested easement value, it is unclear whether the landowner would accept a purchase price below the amount proposed in the application. Even with the NRCS funding and if awarded OAHP funding, the project will have a funding gap of $1,200,000, intended to be raised through a private fundraising campaign, details of which are not identified. The mechanics of the transaction are not clearly described, including whether The Conservation Fund or Wild Rivers Land Trust will initially purchase the conservation easement and the rights and obligations of the two parties under this grant proposal and the project mechanics in general. Further complicating the transaction is lack of clarity regarding the status of title to ½ acre referenced in a historic deed as the site of a historic grave.

Overall, the project presents a significant property for agricultural and natural resources values, facing well documented threat of fragmentation and conversion, and a proposed conservation easement that would address these issues. The working land in the proposal is significant in scale, in its contribution to the working landscape of its region, and for its natural resource values. The proposed conservation easement protects the resources, facilitates ongoing viability of the agricultural operation and sustains the viability of the property for agriculture.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7106-22616	**Project Type:**	Conservation Easement
Project Name:	Aspen Valley Ranch – Rim Tract		
Applicant:	Deschutes Land Trust		
Region:	Central Oregon	**County:**	Crook
OWEB Request:	$286,280	**Total Cost:**	$701,021

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The proposed Aspen Valley Ranch, Rim Tract Conservation Easement (Project) is located in Crook County near Post, Oregon. The Project sits among other large ranches and public land in an undeveloped valley, consisting primarily of upland rangeland and valley-bottom cultivated farmlands, stretching from Post to Paulina, OR.

This valley is an important wildlife corridor for pronghorn antelope, Rocky Mountain elk, and mule deer and includes critical winter range for the latter two species. Native sagebrush uplands also provide important greater sage grouse habitat, and the Project includes one known lek site. The Nature Conservancy's report on Resilient Terrestrial Landscapes has identified most of the Project as "resilient private land," supporting moderate to moderate-high Topoclimate Diversity, which provides high resiliency in the face of climate change.

The area around Aspen Valley Ranch has been subject to conversion and fragmentation pressure for many years due to its proximity to Prineville and the relatively low proportion of private lands in Crook County. Evidence of this includes a residential subdivision, which lies a couple of properties to the west of Aspen Valley Ranch, and an increase in low-density residential development from the division of larger ownerships.

Protection of this area from development is crucial to protecting habitat connectivity between the Ochoco and Maury Mountains and maintaining Crook County's agricultural community. The Land Trust proposes to work with Aspen Valley Ranch, LLC to implement a conservation easement on 3,907 acres of Aspen Valley Ranch, known as the Rim Tract. This Project is the second phase of a four-phase project that seeks to place a conservation easement over the entire Aspen Valley Ranch. Phase I, the Butte Tract, was completed in 2019.

Project partners include Natural Resources Conservation Service, Rocky Mountain Elk Foundation, ODFW, Crook County SWCD and the Crooked River Watershed Council.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the project's technical review team, and OWEB due diligence contractors.

SIGNIFICANCE OF THE WORKING LAND; EASEMENT SPECIFICS

Summary of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The property subject to the proposed conservation easement is 3,907 acres of undeveloped rangeland situated in the Post-Paulina corridor, which contains some of the most intact large ranches and farms in the region.
- The property is near or adjacent to other protected working lands and federally managed natural resource land (USFS), contributing to a conservation and agricultural foothold in the Post area.
- The property is within an important travel corridor for multiple species of concern including pronghorn and rocky mountain elk, and provides winter range for mule deer and elk.
- The property is one of the northern most extents of remnant sage grouse habitat and provides a large, intact tract of legacy sage brush stands.

Concerns

- On its own, the acreage in this proposed conservation easement is on the low end of what is needed to independently support a cattle operation.
- The extent to which sage grouse currently utilize the property has not been documented.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) The potential viability of the property for agriculture; and
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- The application describes a proposed conservation easement that would prohibit or restrict subdivision of the property, reducing the potential for fragmentation of the working landscape.
- The proposed conservation easement would eliminate or restrict uses that would conflict with agricultural use, while specifically reserving rights to conduct agricultural activities, primarily those that support ongoing ranch activities and livestock grazing.
- The proposed conservation easement will reduce the fragmentation of the 3,700+ acres within the proposal, adding to the connectivity between neighboring ranches with strong wildlife habitat values (Bonneview Ranch, Shotgun Ranch and the Nature Conservancy's Juniper Hills Ranch), contributing significantly to the aggregated amount of land available for ongoing rangeland use.
- The property is adequate in size to support ranching and has soils consistent with maintaining forage coverage, providing the foundation for ongoing viability of the property for agriculture.

Concerns

- The property's agricultural utility is significantly benefited by its inclusion in a larger ranching operation and landholding, but the larger project is designed in a manner that essentially places four individual easements on the 15,696-acre ranch, potentially complicating management beyond the proposed easement's first-generation landowner.
- Infrastructure supporting the property is located outside the proposed conservation easement area, which may result in this property being isolated from vital infrastructure. This may impact long-term viability of the land to support profitable agriculture.
- Additional agricultural uses that may be conducted on the property are not discussed, and the limited water resources, topography, and soils may limit the land's ability to provide more than forage for livestock. This could reduce the viability of the operation if raising beef cattle is no longer economical and other agricultural uses are not supported.
- The proposed conservation easement does not empower the land trust to require ongoing agricultural use of the property.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The property is within mapped mule deer, sage grouse low density, and pronghorn winter ranges, and is host to habitat for other sage brush obligate land birds like the sage sparrow and sage thrasher.
- The proposed conservation easement will reduce or remove risk of conversion and fragmentation of the wildlife habitat on and around the property, aiding in maintaining and protecting plant and wildlife habitat and migration corridors. The property adds to the connectivity between neighboring ranches with strong wildlife habitat values (Bonneview Ranch, Shotgun Ranch and the Nature Conservancy's Juniper Hills Ranch), and the Ochoco National Forest and the Maury Mountains, providing important wildlife connectivity from higher elevation to lower elevation habitat types.
- The proposed conservation easement supports the implementation of the ODFW Oregon Conservation Strategy (OCS), by maintaining high priority patches and improving habitat connectivity.
- The continued use of the property as rangeland supports the sagebrush habitat present on the property through the grazing practices described in the proposed management plan. The applicant states the management plan will specifically include a grazing plan that includes utilization of rotational grazing, a practice that aids the maintenance of native vegetation communities.
- This property has been actively involved with ODFW, NRCS, and Crook SWCD projects aimed at enhancing the landscape for ranching and wildlife by restoring thousands of acres of habitat through removal of western juniper and improving springs. Much of the restoration work that has been completed is compatible with the Management Objective identified in Ochoco National Forest Land and Resource Management Plan and/or best available science and guidance.

Concerns

- The application lacks detail regarding the interaction between the proposed easement and the management plan, and the extent either will address the interaction between allowable agricultural practices and wildlife and plant conservation values.
- The application describes several significant botanical resources on the property, but the specific vegetation objectives, other than those related to forage, are undefined and will need to be further established if a purpose of the project is to maintain botanical diversity.
- There is a gap along the Crooked River between Phase 1, protected in 2019, and the proposed project area that could result in fragmentation of management objectives if future conservation projects in that area do not come to fruition.
- The application lacks detail on whether there are goals regarding management opportunities to build climate change resiliency measures and restoration opportunities into the project area to support water quality and quantity objectives.

PROTECTING, MAINTAINING, ENHANCING SIGNIFICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	Medium	High

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))

(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and

(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The property is of adequate size to support a ranching operation on its own and is adjacent to an additional 3,755-acre conserved rangeland parcel.
- The proposed conservation easement will limit subdivision and conversion of the subject property, which will ensure that the land is available for agricultural use beyond the current landowner, maintaining a large amount of acreage for continued contribution to the agricultural land base.
- Coupled with the first phase of the project, executed in 2019, the project adds significantly to the long-term availability of agricultural land in the region.
- The property's soils are not unique on their own, but support the uses highlighted on the property – the maintenance of sagebrush and grassland vegetation communities to support a variety of botanical, wildlife, and agricultural forage needs.
- The property is currently associated with an operation that has additional farm infrastructure, primarily barns and corrals, as well as the homestead. The project proposes to allow limited infrastructure on the proposed easement, specifically a corral. This supports maintaining an unfragmented and unobstructed landscape for use by livestock and wildlife.
- The project has a grazing permit on the Ochoco National Forest which has an Annual Operating Management Plan and identifies the number of head of livestock they are allowed to run on the public lands. This plan also provides cumulative value to the project area and increases the value of the agricultural operation beyond just the capacity of the project area, supporting the economic viability of the operation.

Concerns

- The property marginally meets the threshold of acreage needed to support a viable ranch operation on its own.
- The proposed easement does not guarantee that the property will remain in agricultural use (i.e., potential wildlife habitat), though it does make ongoing agricultural use more likely because of the restrictions of land management activities.
- Drought conditions may present a challenge to maintaining forage production. Future drought conditions remain uncertain. The property is in a water-limited landscape, given the general climate, persistent drought in eastern Oregon and lack of water rights. Continued increase in aridity may limit the landscape's potential for sustaining cattle.
- The 'developed springs' and other stock ponds on the easement are an unreliable source of water. This could mean the producer will need to rely on transporting water into various pastures for the cows.

ORGANIZATIONAL CAPACITY

Low	Medium	High

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)

(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;

(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;

(c) The financial capability of the organization to steward conservation covenants and easements over time;

(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and

(e) The strength of the organization as measured by effective governance.

Strengths

- Deschutes Land Trust (DLT) is accredited by the Land Trust Alliance which means they have met the highest national standards for excellence and conservation permanence.
- DLT stewards over 8,000 acres of land in conservation easements, demonstrating a commitment to, and a track record of, following best practices for conservation acquisitions, land and easement stewardship, and organizational and financial governance.
- The applicant has a proven track record of accomplishing conservation transactions and demonstrates a general approach to funding conservation easement stewardship that is typical of land trusts of its size.
- The land trust utilizes Terrafirma Insurance, which provides support for the legal defense of a conservation easement up to $500k for each claim.

Concerns

- The applicant does not describe in the application whether conservation of agricultural land is in its organizational mission, vision, or other organizational documents.
- The application is inconsistent regarding the expected annual stewardship obligations and associated costs. The narrative describes an annual cost reasonable for an easement of this nature, though the uploaded documentation is possibly for a project other than the subject and would be substantially higher for the project described in the application.
- Clarification and additional detail is necessary to determine that the land trusts stewardship fund is maintained in a manner that is not outpaced by its stewardship obligations.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;
(b) The duration and extent of the agreement, with a preference for longer term agreements;
(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;
(d) Consistency with local comprehensive plans and statewide planning goals;
(e) The potential for setting an example that will encourage additional working lands projects in the region; and
(f) The existence and implementation of a conservation management plan.

Strengths

- The project budget demonstrates a diverse funding stream, with multiple public and private partners contributing financially to the purchase of the conservation easement.
- The project proposes a perpetual conservation easement.
- The proposed easement is intended to build on the conservation of 3,755 acres of land protected with a conservation easement in 2019 by the same landowner and in the immediate vicinity. The proposed project is considered the second phase of a four-phase project, eventually resulting in the conservation of the full 15,000 deeded acres owned by the current landowner.
- The applicant demonstrates the project's consistency with Crook County's approach to Statewide Planning Goal 3.
- The land trust refers to the project area as their Post-Paulina focus area and continues to actively discuss conservation projects with neighboring landowners. The applicant suggests that continued success with this landowner will demonstrate the value of working lands conservation, which could lead to additional projects in the area.
- The property in the proposal has historically received funding from both state and federal entities to accomplish important restoration goals and objectives and sets an example for neighbors in the watershed to do similar work.

- Based on ongoing conservation initiatives, such as the Mule Deer Initiative, the project provides a platform to continue to leverage additional conservation dollars.

Concerns

- There are no current plans to develop a Conservation Management Plan as described in the OAHP.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The application describes that the local community is knowledgeable of the land trust's relationship with the landowner and its plans for additional conservation in the Post-Paulina area.
- The applicant states it is unaware of any opposition to the project outside the general opposition to public funding to acquire any interest in property.

Concerns

- The long-term benefits of additional investments and any negative impacts along with ways to mitigate them were not described in detail. The applicant did not conduct significant local outreach related specifically to the project, resulting in limited knowledge of any potential impacts to neighboring lands. The application does not identify any impacts the easement would have on owners or operators on neighboring lands and the land trust did not discuss any attempts to determine impacts.
- The land trust did not discuss any attempts to determine impacts and states that they did not do any community engagement around this proposed project.
- There is no conservation management plan associated with the project, and therefore the applicant does not describe efforts to address impacts.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- The property is located within Crook County which experienced the greatest percentage of population growth in central Oregon in 2021. This increased population growth poses a risk of potential loss not only of working lands for agriculture but also the benefits they provide to wildlife dependent on upland habitats.
- Low density residential is the most prominent type of development in the area, which contributes to disruption of neighboring farms. A nearby low-density residential subdivision demonstrates the development trends in the area and provides an example of an alternative trajectory for this property without permanent protection.
- A significant amount of the Crook County is in public land ownership, leaving less land available for development, putting greater pressure on the remaining private landowners.
- While the current landowner does not currently have any intention of subdivision or conversion, it can be assumed that the trends in the county and region could extend to the property if under a different ownership or if the current landowner were presented with need/desire to liquidate any of their land.
- There are multiple uses (solar energy, wind energy, solid waste facility, etc.) allowed on the property under current zoning that could negatively impact the viability of the property for agriculture and negatively impact water quality and wildlife habitat.

Concerns

- The proposal references the "sage brush subdivisions" in the form of Riverside Ranches and Paulina Ranches as evidence of the potential future for Aspen Valley Ranch without the proposed conservation easement. These subdivisions, however, were prior to the establishment of land use planning in the area and the property's current zoning is much more restrictive.
- There is a lack of detail regarding the present trends of development in the area and specific threats to the property.

SOUNDNESS OF TRANSACTION

Low	*Medium*	*High*

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- The transaction mechanics appear to be relatively sound, though specifics of the transaction itself, beyond the proposed conservation easement terms, were not provided.
- The applicant provided a copy of an offer to the landowner, which describes the financial terms of the proposed conservation easement, but specifically states it is not a binding commitment by either party, rather a description of intent. A binding commitment will be required as part of OWEB's standard funding conditions incorporated into the grant agreement if the project is awarded funding.
- There are no access issues with the property. A significant portion of the eastern boundary of the property borders Newsome Creek Road, which is apparently a public road that connects to State Highway 380. According to the applicant, the property has four points of legal access via Newsome Creek Road.

Concerns

- The land trust states that the Phase I easement on the Aspen Valley Ranch was used to estimate the proposed purchase price, since that portion of the ranch is similar in character to the subject property. Whether the final appraisal will support the purchase price is uncertain.
- There are multiple individuals holding severed mineral rights on the property. The applicant provided a preliminary title report from January 11, 2007 (Title Number 0080054), and based on the tax lots listed, it is unclear if it includes all or more than the subject property. Two title exceptions pertain to oil, gas, and other mineral rights granted or reserved to the individual holders recorded in deeds in multiple deeds from 1955, 1958, 1968, and 1974, respectively. Title Exceptions 22 and 23 are statements of a claim of mineral rights in two recorded deeds in 1990. The application does not include the corresponding exception documents. An updated PTR and title exception documents for the subject property need to be provided. The status of these mineral rights and their impacts on the conservation purpose of the conservation easement is unclear. The resolution of these outstanding rights, through quitclaim deeds or a remoteness evaluation, may be cumbersome and time consuming, delaying closing of the transaction.
- The 2007 title report shows a conveyance of a timber deed in 2004, which presumably severed the timber rights to a portion of the property. More information is needed to understand if and how this affects the agricultural operations on the subject property.

EVALUATION SUMMARY

The 3,907 acres of Aspen Valley Ranch in this proposal, known as the Rim Tract, is part of a larger ranching operation that sits within a mosaic of federally managed lands and other conserved working lands. The property contributes to the region's agricultural landscape and builds upon previous conservation investments targeted at preserving agricultural spaces while protecting habitat for species of concern – primarily the greater sage grouse, pronghorn antelope, and mule deer. The property has the foundations of a productive range property – soils capable of growing forage for livestock – and is large enough to support a viable ranching operation. The property provides an important corridor between high quality habitat for multiple plant and wildlife species. There is a moderate level of threat of conversion to non-farm uses, either residential or extractive uses such as mining or energy development.

By restricting future subdivision and eliminating uses incompatible with agriculture, the proposed conservation easement would protect the ability of the property to remain viable for agriculture into the future. The viability of the property for agriculture on its own is somewhat limited by its size and lack of infrastructure. Water scarcity may prove a limiting factor to viability if extended drought occurs into the future. The application does not discuss a mechanism for the land trust to intervene if agricultural use is no longer employed on the property, and the draft easement does not include detail on this issue.

The restriction on subdivision and uses incompatible with agriculture will also protect and maintain the significant wildlife and other natural resource values present on the property. This will maintain the property in a condition that will continue to contribute to significant habitat connectivity, supporting the implementation of the Oregon Conservation Strategy and other natural resource plans in the area. The proposed easement will incorporate a management plan that will address grazing impacts and other management objectives, though the amount of detail in the management plan outline did not provide sufficient information to understand the applicant's approach to vegetation management beyond forage production. The project area itself provides important habitat connectivity between public and private lands, for mule deer migration, elk and pronghorn, and several other wildlife species, and the proposed conservation easement would guarantee it continues to do so. Overall, the project area has been a key area for providing habitat connectivity between public and private land and has been instrumental in maintaining and restoring shrub steppe and bunchgrass ecosystems.

The property is situated among other large ranches within the Post-Paulina Valley and in conjunction with other protected working lands, will contribute substantial acreage to the agricultural land base. The suitability of the soils, slope and water availability for growing forage supports livestock production—a critical component of the ranching economy in the region.

Deschutes Land Trust (DLT) is an experienced entity with a significant track-record in implementing conservation land acquisitions in Central Oregon since 1995. To date, DLT has conserved 8,900 acres through fee title acquisition and 8,200 acres through conservation easements. DLT is also accredited by Land Trust Alliance, which means DLT has met the highest national standards for excellence and conservation permanence. Overall, the transaction appears to be a relatively standard conservation easement transaction, though there is a lack of detail regarding the transaction document itself and the draft conservation easement appears to be a draft of the easement executed in Phase 1 of the project. There are no concerns regarding access to the property or boundary issues, but further title examination is needed to fully understand the exceptions to title relevant to the subject parcel and any potential impacts to the agricultural and habitat uses of the property. The mineral interests, as evidenced by the preliminary title report submitted by the applicant, are complex and include reservations held by the federal government, and more importantly, interests severed and conveyed among private individuals. Further evaluation and explanation are needed to fully understand the risks associated with these rights and the potential avenues for resolution.

The proposal presents a diverse funding plan for the transaction itself, demonstrating an ability to leverage multiple funding sources to fund the purchase price. The project builds on multiple other conservation investments in the region, including restoration, land preservation, and enhancements to the agricultural infrastructure. The applicant's approach to stewardship funding calculations is reasonable, though the accompanying documentation to support the figure needed to administer the easement is confusing and does not appear to apply to this project. The applicant did not describe its approach to funding the stewardship need for this conservation easement, only its general approach to funding stewardship needs across its conservation portfolio.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7100-22521	**Project Type:**	Conservation Easement
Project Name:	Seely Farm Phase 1		
Applicant:	Oregon Agricultural Trust		
Region:	North Coast	**County:**	Columbia
OWEB Request:	$276,297	**Total Cost:**	$429,896

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The Seely Farm Phase 1 conservation easement project is located in Clatskanie, Columbia County. This conservation easement project will permanently preserve 385 acres of high value farmland and keep it in active agricultural management. The property is located within the Beaver Drainage Improvement Company's operating region and has well-maintained infrastructure and sufficient water rights to ensure ongoing agricultural use.

The Seely Farm, like many neighboring properties, is threatened by rezoning of local farmland to industrial use by Columbia County. This project area is adjacent to Port Westward, which has been a prospective site for coal export terminals, oil-by-rail trans shipment facilities, a fracked gas-to-methanol refinery, and - currently - a biofuel refinery and export terminal. Each of these development proposals and associated rezones have been hard fought by the local farming community due to concerns of direct and indirect negative impacts on farming and water management on the lands surrounding Port Westward.

In addition to ongoing production of agricultural products, this conservation easement will protect the habitat of the Lower Columbia white-tailed deer, a Federally-threatened species, and numerous avian and amphibian species of state concern listed later in this application. The property also contributes to the network of protected lands in the lower Columbia River region of the Pacific Flyway used by 150,000 migrating shorebirds for migratory and breeding habitat. Oregon Agricultural Trust is the project manager and will be the long-term conservation easement holder.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the project technical review teams, and soundness review from OWEB due diligence contractors.

SIGNIFICANCE OF THE WORKING LAND

Summary of staff's assessment of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The property subject to the proposed conservation easement is 385 acres, which is about seven times larger than the average farm in the area and will serve as an anchor for future conservation easement projects on nearby farms.

- The property has unique, highly productive soils with high biomass. The high capability of the soil coupled with drainage infrastructure and available irrigation water enables the property to produce high value commodities such as mint, blueberries, and cattle. Climate change may increase the "growing degree days" making the site suited to a wider range of intensive crops in the future.
- Approximately 2,700 acres of land in the area is serviced by the Beaver Drainage Improvement Company which maintains infrastructure utilized to manage excess water during periods of high precipitation and provide irrigation water during the dry summer months. All farms in the area are interconnected to the system. The property is a significant land base within that system, supporting the ongoing functionality of the District, facilitating this and adjacent land to continue producing agricultural products.

Concerns

- The Port of Columbia County has purchased ~830 acres of PA-80 land (a zoning designation of Primarily Agriculture, meaning an agriculture district with a minimum lot or parcel size of 80 acres) to add to its Port Westward Industrial Park, which totals 1,700 acres adjacent to the Seeley Property. That would remove 15% of the 5,800-acre irrigation District from agricultural zoning and potentially challenging the Beaver District's capacity to manage for agriculture and likely remove more land from agriculture with a large mitigation requirement within the District. If agricultural land continues to be transitioned to other uses within the irrigation district, the district itself may struggle to function, eliminating much of the drainage and water management capacity benefitting the property in this proposal.
- There is little evidence specific to this property provided in the application regarding the significance of natural resource values associated with fish and wildlife habitat – specifically the Columbia white tailed deer, which is identified by the applicant as a species of concern that has been identified on the site.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) The potential viability of the property for agriculture; and
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- The proposed conservation easement would reduce subdivision of the property, allowing one division rather than the four potentially allowed under the current zoning, maintaining a larger than average acreage in agricultural use. This reduces fragmentation of the property itself, but also can help support ongoing agricultural use of neighboring land by continuing the pattern of land use that supports farm uses over a large area.
- The property has high productivity soils, ample water resources and infrastructure—all of which support the long-term potential viability of the property for agriculture.
- The applicant mentions that the easement would allow the owner to reduce their debts and reinvest in the operation, supporting the ongoing economic viability of the operation.
- The proposed conservation easement protects this property from conversion to uses other than agriculture, which helps the Beaver Drainage District remain viable as an entity. Otherwise, the District may not be able to adequately maintain the water management infrastructure that supports the agricultural production on the land, resulting in increased pressure on neighboring properties to convert to non-agricultural uses, fragmenting the agricultural landscape in the area.
- The proposed conservation easement utilizes affirmative obligations to maintain agricultural use on the property, triggering intervention if agricultural use ceases on a significant portion of the property for a duration of 3 years. The land trust (OAT) also includes easement provisions that provide them with a right of first refusal and the option to purchase at agricultural value, as well as the right to lease the land to resume agricultural use. These provisions, if activated by the land trust (the easement provides the right but not the obligation for the land trust to activate these provisions) significantly increase the likelihood that the land will remain in agricultural use regardless of the landowner. It also encourages any future transfer of ownership to be to an agricultural operator.

Concerns

- Limited subdivision of the property will be allowed under the terms of the easement, but there is not sufficient detail in the application to determine where and what any resulting property configuration will be if the right is activated and the resulting impacts on the agricultural values.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The proposed conservation easement would keep highly productive agricultural soils, that also contribute to water filtration and microbial habitat, from being converted to non-agricultural use.
- The proposed conservation easement would maintain the status quo for wildlife natural resource values on the property through guaranteeing continued agricultural uses. Maintaining agricultural conditions on the site would provide greater habitat and water quality opportunities for many bird and mammalian species, including the federally endangered Columbia white-tailed deer, as compared to the impacts that may result from industrial or residential developments.
- The property is within the ODFW Oregon Conservation Strategy Columbia River-Blind Slough Swamp Conservation Opportunity Area. This COA encompasses the Julia B Hanson Refuge for Columbia white-tailed deer and Lewis and Clark National Wildlife Refuge, the lower Columbia River region of the Pacific Flyway and is important to migratory and wintering waterfowl. The Federally endangered Lower Columbia population of the Columbia white-tailed deer has been observed in the area. The proposed conservation easement would maintain the property in open space, providing a larger contribution to the connectivity of wildlife habitat for terrestrial and avian species than residential or industrial use.

Concerns

- There is a lack of detail regarding the project's potential impacts on water quality and how the proposed conservation easement may mitigate or exacerbate those impacts, given the ample surface water resources present on the site.
- The application does not address the extent to which the proposed conservation easement would address Oregon's Agricultural Water Quality Management Program goals.
- As open space, the property provides habitat connectivity, but lacks high-quality habitat itself for Columbia white-tailed deer, migratory birds, and aquatic species.
- Columbia White tailed deer, specifically the Columbia River Distinct Population Segment (DPS) is strongly associated with riparian habitat along the lower Columbia, and habitat fragmentation due to agricultural and residential development is specifically called out in the Oregon Conservation Strategy as a limiting factor for habitat. The OCS recommended actions regarding Columbia White tailed deer, are to restore and manage floodplain wetlands and tidal wetlands. The application does not address how the project will benefit the species other than the continued availability of open space provided by the agricultural use at the current level. Specifically, there is little detail to demonstrate that the agricultural practices will not conflict with this habitat and there is nothing presented that demonstrates how the applicant intends to balance potential conflicting goals regarding the agricultural use and the habitat needs for the deer.
- The application, the draft of the proposed conservation easement, and the management plan outline lack sufficient detail to determine the extent to which the landowner and applicant are committed to a conservation easement that will maintain the natural resource goals presented in the application – primarily regarding livestock stocking rates, perimeter and cross fencing, and promotion and maintenance of riparian buffers.

PROTECTING, MAINTAINING, ENHANCING SIGNIFICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))

(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and
(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The property has ample water, productive soils, mild topography and is well suited to a variety of high-value crops. The property could support a variety of agricultural products—including short-term high value crops (vegetables or other) and livestock grazing.
- Cattle (beef and dairy) from the Beaver Drainage District area have historically been important to the region. The current cattle operation is revitalizing this use under management that appears sensitive to the challenges of maintaining a grazing regime that supports the unique soil and water resources considering the high organic content in the soil, high water table and substantial annual rainfall leading to high amounts of surface water throughout the seasons.
- The sub-irrigation available on the property produces high rates of spring through fall forage growth, leading to high rates of weight gain of grazing cattle and the ability to grow winter feed.
- The proposed conservation easement would strengthen the viability of the subject operation and helps maintain the land base of farming operations within the drainage district, where a critical mass of "members" is needed to maintain the District as a functioning entity providing water management critical to all agricultural operations within the drainage district.
- The property is part of the largest agricultural land base in Columbia County and is a buffer between the industrial ownership of the nearby Port and the surrounding agricultural uses. Conservation of the property as a working land will be a significant contribution to the long-term conservation of the agricultural land base.

Concerns

- Currently, the property is not growing the productive forage that is the focal point for the outcomes associated with the current management. It will take time to get the fields transitioned from the recent poplar harvest into high-quality pastures that produce the valuable soil and water quality outcomes sought by the project.
- Management limitations due to the transition from poplar plantation toward pasture establishment, such as maintaining an appropriate stocking level to not damage the soil resources, may limit the short-term income potential of the property.
- While the land is suitable to a wide variety of crops, it is isolated from the farm infrastructure in the Willamette Valley and other ag-based regions of the state. There are currently few other cattle producers in the region, limited custom operators for plowing and planting, no nearby equipment repair operations, and no nearby farm supply sources. This requires the operation to be highly self-sufficient and/or able to absorb the costs of traveling for these resources.
- The property is reliant on the Beaver Drainage District to manage its water infrastructure. If the District were to fail to operate its system of ditches and pumps, maintaining the viability of the farm would become challenging.

ORGANIZATIONAL CAPACITY

Low	*Medium*	*High*

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)
(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;
(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;
(c) The financial capability of the organization to steward conservation covenants and easements over time;
(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and
(e) The strength of the organization as measured by effective governance.

Strengths

- Though not accredited with the Land Trust Accreditation Commission, the land trust implements practices like one that is eligible for accreditation. OAT also describes sound governance principles in the application.
- OAT is the only agricultural land trust working on a statewide basis. They have a staff of seven employees with extensive experience in acquiring and stewarding conservation easements for agricultural purposes. This property is within one of the applicant's specific investment zones in their Farm and Ranch Protection Plan, demonstrating that the applicant is

committed to stewarding this easement and establishing a significant foothold for agricultural conservation in the region through the successful implementation of this large project.

- The organization shows a commitment to easement stewardship by establishing a stewardship fund of $500,000 prior to the organization holding its first easements. The fund is invested and has a stated target return rate of 6%. The applicant intends to grow the stewardship fund with each easement it acquires.

Concerns

- Oregon Agricultural Trust is a relatively young land trust and does not yet hold any conservation easements.
- The acquisition of this conservation easement will significantly increase the organizations stewardship obligations, going from 0 to hundreds of acres to monitor.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;
(b) The duration and extent of the agreement, with a preference for longer term agreements;
(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;
(d) Consistency with local comprehensive plans and statewide planning goals;
(e) The potential for setting an example that will encourage additional working lands projects in the region; and
(f) The existence and implementation of a conservation management plan.

Strengths

- The applicant has secured a 50% funding match of for the project through the NRCS ACEP-ALE program.
- The landowners have committed to providing $16,600 to a stewardship fund for the property.
- The project proposes a perpetual conservation easement.
- The project is consistent with local and state goals for environmental protection, enhancement of water quality and providing habitat for wildlife.
- The project is consistent with the Oregon Conservation Strategy and would provide an example of the benefits of utilizing long-term conservation tools.
- The project is consistent with the PA-80 ag zoning.

Concerns

- There is no Conservation Management Plan as defined by the OAHP associated with the property.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The applicant discussed the project with leadership at the Beaver Drainage District and the District expressed its support for the project.
- The proposed conservation easement on Seely Farm Phase 1 land would help protect the infrastructure necessary to support many farms in the area.

Concerns

- The applicant did not conduct significant local outreach, outside the leadership of the Beaver Drainage District, resulting in limited discussion of any potential impacts to neighboring lands in the application.
- There is no conservation management plan associated with the project, and therefore the applicant does not describe efforts to address impacts.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- The application clearly describes the industrial expansion nearby the property, including a biofuels refinery currently in permitting on land currently used for agriculture. This demonstrates a demand for industrial land in the area, which could eventually lead to the subject property's conversion to such use if the ownership changes or the goals of the current owners change. The adjacent landowner, the Port of Columbia County, recently signed a 30-year lease with an organization to develop a biofuels refinery on property adjacent to the Seely property.
- Columbia County supported the increased development of the Port Westward facility by approving the rezoning of 837 acres owned by the Port from Exclusive Farm Use (EFU) to Resource Industrial Planned Development. This demonstrates a trend toward elevating non-farm uses on agricultural lands.
- There is land in the area that will likely generationally transition in the next decade. The presence of larger blocks of land are important for many of the crops that fit this area.
- While the PA-80 zoning provides some level of security from fragmentation, there is the potential for the property to be divided into up to four separate parcels, each with a homesite, if the appropriate development standards are met.

Concerns

- The urgency of the development threat is unclear, as there are no immediate proposals to rezone the property outside of agricultural land designation.

SOUNDNESS OF TRANSACTION

Low	*Medium*	*High*

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- The overall approach to the conservation easement is sound. In addition to keeping the land in agricultural use and limiting subdivision to one additional lot with a residence, the easement also grants OAT the right to lease the property for an agricultural purpose if it is unused for agriculture by the current and future owners.
- There is a deed of trust that will need to be subordinated to the proposed conservation easement and the applicant states the financial institution is willing to do so.
- There are no apparent boundary issues.
- There are no apparent access issues, though access rights across the unencumbered section of the landowner's property may be necessary to have access to the easement area.

Concerns

- The draft conservation easement accompanying the application is confusing, particularly in relation to the required NRCS terms that are attached as an exhibit to the document. The proposed conservation easement will need substantial revisions prior to OWEB approval.
- The applicant used a general formula to estimate the purchase price, which may not be supported by an appraisal.

EVALUATION SUMMARY

The property is 385 acres of farmland with uniquely productive soils in the lower Columbia River drainage that is part of a larger farm operation and the first phase of an expected 1000-acre conservation project. The property is an agricultural anchor in the area, particularly because of its contribution to maintaining the land base within the Beaver Drainage District, which provides crucial water management services to a significant amount of farm operations in the immediate region. Ongoing interest of the nearby Port of Columbia to purchase and rezone land to industrial uses indicates a trend toward conversion to non-agricultural uses in the area and puts pressure on the property and adjacent agricultural operations.

The property contributes to an overall network of open space and habitat sites in the vicinity. There is limited wildlife habitat directly onsite, though the property is part of a network of open space utilized by Columbia white tailed deer and migrating birds traveling along the Pacific Flyway. The property has significant soil resources, consisting of prime agricultural soils with high organic matter, making them highly productive agriculturally, as well as providing water

storage capacity. The application does not contain significant detail regarding the proposed easement's approach to maintaining habitat for the Columbia white tailed deer, despite the species being identified as a significant natural resource value of the property. Specifically, there is little detail to demonstrate that the agricultural practices will not conflict with this habitat and there is nothing presented that demonstrates how the applicant intends to balance conflicting needs regarding the agricultural use and the habitat needs for the deer.

The proposed conservation easement will reduce subdivision of the property, maintaining a larger than average acreage in agricultural use, providing important open space. This reduces fragmentation of the property itself, but also can help support ongoing agricultural use of neighboring land by continuing the pattern of land use that supports farm uses over a large area. The proposed conservation easement includes provisions that facilitate ongoing agricultural use, including affirmative requirements to maintain farm use on the property and allows the land trust to step in to facilitate that requirement. The easement will prohibit conversion to non-agricultural uses, reduce infrastructure that does not support the agricultural purposes, and eliminate uses that would have significant adverse impacts to the soil and water resources that support a productive agricultural operation.

A discussion of the interaction between the use of the property for migrating birds and the necessity to drain the land to make productive for agricultural use would have been useful to determine how the value of the property for migrating birds would be protected or maintained. The application gives a general description that the area where the property is located is important to migrating birds, but the specific use and the benefits from maintaining the property as working land are not discussed in sufficient detail to determine what impacts the project will have on this natural resource value.

More detail regarding the location and configuration of the limited allowable division of the property and the permitted residential uses, both before and after the subdivision, and a discussion on how these uses will interact with the stated goals of unfragmented agricultural land would have been helpful. The easement draft's allowable uses also include a building zone, the location and size of which is not discussed further in the application. The building zone would allow for uses such as animal feeding operations, residential, and additional infrastructure. There is limited discussion regarding these uses and the impacts to the values of the working land or the viability of the farm operation and the management plan outline does not include a level of detail to fully evaluate how the protection of the significant agricultural and natural resources will balance with these allowable uses.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7105-22611	**Project Type:**	Conservation Easement
Project Name:	Pitchfork T		
Applicant:	Deschutes Land Trust		
Region:	Central Oregon	**County:**	Deschutes
OWEB Request:	$129,175	**Total Cost:**	$387,189

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The proposed Pitchfork T Conservation Easement (Project or Pitchfork T) is located in Deschutes County between the City of Sisters and community of Terrebonne, Oregon. Although the land immediately surrounding the Project remains primarily in agricultural production, it is located within a fast-growing area of the county where landownership is becoming increasingly fragmented due to its proximity to the Cities of Sisters, Redmond and Bend, the low proportion of private lands available in the County and the aging population of farmers. The Project is proximate to BLM and U.S. Forest Service managed land—including the Crooked River National Grasslands—as well as two Deschutes Land Trust Preserves (see uploaded map).

The Property is within a core wildlife migration area for elk and a declining mule deer population and is mapped as having a relatively high probability of use during migration. Although the Project is not, in isolation, sufficient to support large game, it represents a potential "foothold" or starting point for future acquisition projects that would collectively represent meaningful habitat conservation, improving impeded wildlife movement and helping to connect migrating wildlife with larger, undeveloped landscapes.

Development or fragmentation of the Project area would further impede wildlife use and migration and compromise Deschutes County's rural, agricultural community. The Deschutes Land Trust will work with the landowners to implement a conservation easement on 170 acres of Pitchfork T that would prohibit development of the property and include a management plan that prescribes regenerative grazing and farming practices, and wildlife friendly fencing. This Project is the first phase of an intended two-phase project that seeks to place a conservation easement over neighboring landowner land holdings, further enhancing wildlife habitat and agricultural communities.

Project partners include NRCS, Metolius Winter Rang Working Group, UVE.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the project technical review teams, and soundness review from OWEB due diligence contractors.

SIGNIFICANCE OF THE WORKING LAND; EASEMENT SPECIFICS

Summary of the project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The property subject to the proposed conservation easement is one of the larger agricultural tracts in the area between Sisters and Redmond that remains in primarily farm use. The average farm in Deschutes County is 91 acres and this property is 170.5 acres.
- The property has relatively senior water rights serviced by the Three Sisters Water District, which relies on modernized piping irrigation infrastructure.
- The property functions as open space that provides a foundation for the maintenance of soil resources, pasture and rangeland, and a wildlife migration corridor.
- An easement on the property could serve as a starting point for additional conservation opportunity within the area to permanently protect the corridor, connecting federal lands through private lands conservation easements, supporting the goal of the Metolius Winter Range Group – a collaborative group working to improve habitat for wildlife utilizing the winter range that overlays the project area.
- The property has the foundations for a productive agricultural operation – productive soils, water infrastructure, and access to markets. Most soils on the property are classified as "prime farmland if irrigated" indicating that any future farms will be on good soil, especially given the care and soil-centric practices by the current producers.
- The current landowners are committed to producing local food in a sustainable manner. They are involved in the community through their business selling to local restaurants and CSA members. Ensuring the property remains available for agriculture through an easement will help support the continuation of cattle production or other agricultural practices contributing to the local food economy.

Concerns

- Pitchfork T is 170 acres surrounded by fragmented farmlands, public lands, and rural housing development. Therefore, on its own, the property may be too small to independently have real agricultural significance in the area and may not provide a great amount of wildlife conservation due to its relatively small contribution to open space independent of adjacent lands.
- The property's soils are primarily dependent on irrigation for significant agricultural production.
- There is no direct access to water on the property, but it is entirely irrigated from the Three Sisters Irrigation District. Although they have an efficient system and run a water-conscious practice, water shortage and drought pose a potential threat to this property.
- Significance of the property for ungulates and as an agricultural stronghold is dependent on the acquisition of easements on neighboring lands and a complimentary management scheme across any future conservation across the landscape. This makes desirable outcomes in terms of agricultural viability and wildlife habitat dependent on factors outside the scope of this specific project, including the need for future funding.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) *The potential viability of the property for agriculture; and*
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- The proposed conservation easement would eliminate any future potential to subdivide the property, prohibit conversion to non-farm uses, and reduce the amount of additional infrastructure allowed on the land. This would facilitate, though not guarantee, continued farming or ranching on the property by eliminating the right to conduct most other uses.

- The proposed conservation easement would specifically reserve the right to conduct agricultural activities, which will be further elaborated on in a management plan that will be incorporated into the conservation easement.
- The land itself has been in active production for decades, demonstrating its ability to support viable agricultural activities regardless of the operation's value-added activities. The property has the basic components needed to be viable for agriculture – productive soils, water infrastructure, and access to markets.
- The land's water rights are part of the Three Sisters Water District, which provides water through a pressurized pipe system, significantly reducing water loss due to evaporation and seepage.
- The proposed conservation easement would specifically reserve the right to conduct agricultural activities, facilitating continued use of the property for local food production, which is growing in popularity in the urban environment around Bend, supporting the viability of the farming operation.

Concerns

- If the larger conservation vision described in the application does not come to fruition, the property could become isolated open space within a relatively fragmented area. This could reduce the viability of the property for agricultural use by increasing potential conflicts with increased residential uses nearby.
- Water shortage and drought pose a potential threat to ongoing agricultural viability of this property. There is no direct access to water on the property and it is entirely reliant on irrigation water from the Three Sisters Irrigation District.
- A discussion of decision making, both during the transaction and during the LLC's ownership of the property would have provided more clarity on the commitment from the parties and the specifics of the proposed easement's administration.
- The proposed conservation easement does not empower the land trust to require ongoing agricultural use of the property.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The proposed conservation easement would reduce conversion and fragmentation of this property, aiding in connectivity between the federal land on the Deschutes River and Whychus Creek, a core migration area for large game, primarily mule deer and elk. The property is not directly adjacent to the federal land but is connected via additional open space – either pasture or rangeland.
- The project supports the goals of the Metolius Winter Range Group – a collaborative group working to improve habitat for wildlife utilizing the winter range that overlays the project area -- by connecting federal lands through conservation easements on private lands.
- The proposed conservation easement and current management practices are aligned with the Upper Deschutes Agricultural Water Quality Management Area Plan.
- Current management includes actions that support soil health and water quality and quantity efforts, and these actions are intended to be included in the management plan accompanying the conservation easement.

- Protecting the property from conversion, would at bare minimum, conserve the soil and have water availability benefits regardless of the management practices.
- The management plan described by the applicant would maintain flexibility for the landowner to respond to changing environments, both economic and natural, and is intended to include goals and objectives for maintaining the important natural resource values identified on the property.

Concerns

- Pitchfork T is a relatively small property surrounded by fragmented farmlands, public lands, and rural housing development. On its own, the property may not provide a great amount of wildlife conservation value to ungulates due to its size.
- The application highlights how large game species would benefit from the proposed easement but does not describe how management practices associated with the proposed easement would impact other wildlife species.
- A large portion of the property is irrigated agriculture, which contributes little to the wildlife habitat of the property beyond open space. It is unclear how the proposed conservation easement or the resulting management plan will address any potential wildlife and livestock conflicts and how monitoring will be used to identify impacts.
- The application lacks detail to support the stated effects of soil health principals and water management techniques intended to be incorporated into the management plan.

PROTECTING, MAINTAINING, ENHANCING SIGNIFICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))
(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and
(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The property sits within an area of increasing fragmentation, making it part of a potential stronghold for continued availability of agricultural land within the region. This property could be a catalyst for additional conservation of nearby agricultural land.
- The operation itself is significant in its participation in a local food economy, supporting agricultural education, training new farmers, providing a canvas for research on non-conventional farming practices, and hosting farm-to-table events, along with a farm store. Much of this activity does not take place directly on the property to be conserved, but the property supports these activities by providing adjacent local ground to contribute to the operation.
- The proposed conservation easement would complement an existing, viable farm property owned and managed by the same entity, allowing for expansion of the livestock aspects of the operation. The property provides grazing land for the business's herd that is close to other aspects of the farm business, reducing reliance on leased land.
- The operation is relatively close to the communities of Redmond, Sisters, and Bend, which provide urban areas with a market for locally raised agricultural product.
- The parcel's suitability for pasture and range is supported by its productive soils and flat topography, which also help reduce the possibility of significant erosion that could degrade water quality.

Concerns

- The property is marginally large enough to function on its own as a viable agricultural operation. The conservation easement will only apply to this property, not all land utilized in the operation, and does not bind the two. The nearby property is the core of the operation, and the extent to which this property would be significant without it is not well detailed in the application.
- The conservation of this parcel is intended to be the start of a broader effort, which could make a significant contribution to the agricultural land base if successful, but if not successful would result in a small parcel isolated among rural residential uses.
- There is no direct access to water on the property, rather it is entirely dependent on water supplied by the Three Sisters Irrigation District, which transfers water from Whychus Creek. Although the current landowners have an efficient system and run a water-conscious practice, increased pressure on water resources in the area and drought pose a potential threat to this property's ongoing suitability for agriculture.

ORGANIZATIONAL CAPACITY

Low	*Medium*	*High*

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)

(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;

(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;

(c) The financial capability of the organization to steward conservation covenants and easements over time;

(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and

(e) The strength of the organization as measured by effective governance.

Strengths

- Deschutes Land Trust (DLT) is accredited by the Land Trust Alliance which means they have met the highest national standards for excellence and conservation permanence.
- DLT stewards over 8,000 acres of land in conservation easements, demonstrating a commitment to, and a track record of, following best practices for conservation acquisitions, land and easement stewardship, and organizational and financial governance.
- The applicant has a proven track record of accomplishing conservation transactions and demonstrates a general approach to funding conservation easement stewardship that is typical of land trusts of its size.
- The land trust utilizes Terrafirma Insurance, which provides support for the legal defense of a conservation easement up to $500k for each claim.

Concerns

- The application does not describe whether conservation of agricultural land is in its organizational mission, vision, or other organizational documents.
- The application is inconsistent regarding the expected annual stewardship obligations and associated costs. The narrative describes an annual cost reasonable for an easement of this nature, though the uploaded documentation is possibly for a project other than the subject and would be substantially higher for the project described in the application.
- Clarification and additional detail would be helpful to determine that the land trusts stewardship fund is maintained in a manner that is not outpaced by its stewardship obligations.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the agreement, with a preference for longer term agreements;

(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;
(d) Consistency with local comprehensive plans and statewide planning goals;
(e) The potential for setting an example that will encourage additional working lands projects in the region; and
(f) The existence and implementation of a conservation management plan.

Strengths

- The project leverages match money from the NRCS ACEP/ALE program for the purchase of the conservation easement.
- The project proposes a perpetual conservation easement.
- As the first working land easement in the area, the proposed project would establish a conservation foothold in the region.
- The property's zoning is for exclusive agricultural use and the application describes how the conservation easement is consistent with the "spirit" of that zoning designation by preserving the land base for agriculture.
- The project area has a grazing permit on the adjacent Crooked River National Grassland which has an Annual Operating Management Plan and identifies the number of head of livestock allowed to run on the public lands. This plan also provides cumulative value to the project area and increases the value of their ag operation beyond just the capacity of the project area.

Concerns

- There are no current plans to develop a Conservation Management Plan as defined by OAHP.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The applicant has communicated their intentions to place a proposed easement on the property to the Metolius Winter Range Group and they have expressed their support.
- The applicant states they are unaware of any opposition to the project.

Concerns

- There is no conservation management plan associated with the project, and therefore the applicant does not describe efforts to address impacts. The applicant states that they did not do any community engagement around this proposed project.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- The property is in an area experiencing high population growth rates, which puts pressure on agricultural lands by attempted conversions and fragmentation of the landscape leading to conflicting uses across the geography.
- Due to the population growth in central Oregon, this property and area are highly valued in economic and development terms, with encroaching low density residential development putting pressure on the larger landholdings.
- This area, which was once a rural farming/ranching area, has become highly fragmented, impacting winter habitat and habitat connectivity.

- The area is under threat from land division, development of nonfarm dwellings, intensive recreational development and proposed rezoning of land for rural residential and recreational development.
- The applicant describes a pattern of attempted reclassification of farm zoned lands by Deschutes County. The current landowners may not have intentions of capitalizing on any potential for conversion or fragmentation of the land, as demonstrated by their commitment to the conservation easement application; however, the landscape around them suggests that future owners without such commitment may push for a change of use of the property.

Concerns

- Much of the land in this area is no longer valued as contributing to the agricultural land base due to the nature of the reduced size of the fragmented properties, suggesting a trajectory away from agricultural uses in the area that the proposed conservation easement may not be able to alter on its own**.**

SOUNDNESS OF TRANSACTION

Low	*Medium*	*High*

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- The transaction mechanics appear to be relatively sound, though specifics of the transaction and the terms of the proposed conservation easement itself were not provided.
- The applicant submitted a copy of the offer presented to the landowner describing the financial terms of the purchase of the conservation easement. The offer does not address any additional terms relating to the transaction.
- The applicant submitted a letter of intent that includes general proposed easement terms as well as a description of the due diligence needs associated with the conservation easement. While the letter of intent is not binding, it describes the parties' intentions surrounding the basics of the conservation easement and funding needs.
- There are no access issues, there is direct access to the property from a public road.
- There are no apparent boundary issues with the property.

Concerns

- Significant follow up is needed related to title and vesting matters. The preliminary title report provided has numerous exceptions without accompanying documentation and vesting needs to be confirmed.

EVALUATION SUMMARY

The significance of the agricultural, natural resource, and social values of the working land are substantially tied to the current management practices and the business associated with the property. The property is an above average sized parcel for the immediate area and surrounded by fragmented farmlands, public lands, and rural housing development. The tract is in the northern part of Deschutes County commonly known as the Lower Bridge area. This part of the county is generally more viable for long-term agricultural operations than areas located to the south and southwest. The level of fragmentation of farmland in Deschutes County is high, and this property could represent a starting point for conservation of adjacent land, resulting in the ultimate conservation of a significant amount of pasture and range. On its own, however, the property may be too small to independently alter the trend of fragmentation and development across the region and does not provide a great amount of wildlife habitat conservation due to its relatively small contribution to open space independent of adjacent lands.

The proposed conservation easement is designed to address the most significant threats to the working lands and natural resource values on the property, eliminating the ability to subdivide and the right to conduct activities inconsistent with agricultural use. These restrictions reduce the likelihood of conversion of the property and reduce fragmentation of use across the neighboring parcels. Ultimately, the proposed conservation easement as described in the application would leave the property at baseline for ongoing agricultural use and natural resource values.

The property provides open space and connectivity between high quality wildlife habitat but doesn't provide high quality habitat itself. The soil health and water quality/quantity management practices, along with the control of invasive plant species resulting from current management practices are intended to be incorporated into the management plan accompanying the easement. The proposed conservation easement will maintain the property as open space and facilitate management that aims to build soil health and biomass for retention of carbon, water resources, and the sustained ability to grow crops.

The applicant is an experienced entity with a significant track-record in implementing conservation land acquisitions in Central Oregon for decades. The applicant is accredited by Land Trust Alliance's Land Trust Accreditation Commission, which means it has met the highest national standards for excellence and conservation permanence. There are no significant concerns regarding the applicant's ability to successfully complete this transaction pursuant to OWEB's requirements and timelines.

Additional detail would be useful to understand the specific path toward fully funding the stewardship need for this conservation easement, as the applicant provided only a general description of its stewardship funding approach. The approach is typical, utilizing a combination of funds from its Stewardship Fund and unrestricted funds for general operation to pay for its stewardship activities, often supplementing these funds with additional grant funding for stewardship management and restoration activities. The Stewardship Fund generates income to support annual stewardship costs. However, the current balance of its Stewardship Fund is not provided in the application, rather a general intention to grow the fund, but additional detail would have provided more confidence that the applicant is positioning itself to ensure its stewardship obligations do not outpace its funding.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7101-22522	**Project Type:**	Conservation Easement
Project Name:	O'Keeffe Ranch		
Applicant:	Oregon Agricultural Trust		
Region:	Central Oregon	**County:**	Lake
OWEB Request:	$277,776	**Total Cost:**	$911,549

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The O'Keeffe Ranch, LLC project is composed of 6,511 acres in multiple non-contiguous tracts around the town of Adel in Lake County. It is a Phase 1 of a hopefully 2 or 3 phase acquisition process. The properties, though technically not contiguous are connected by the O'Keeffe's grazing allotments and are part and parcel of their summer grazing strategies. The O'Keeffes are seeking a sale of conservation easement to preserve a century-old family ranching operation, and help ensure their economic sustainability for the long term by reinvesting the proceeds into further pasture, economically stabilizing the operation for the future and reducing their reliance on leased pasture.

The property is composed of high-quality native rangeland for grazing, and is significant to the conservation of sage grouse and pronghorn. It is within an area with a significant history of ranching, lying on both sides of the Warner Valley, and the town of Adel and is contiguous with resources of a high conservation concern, being near to the Hart Mountain Antelope Refuge, the Fish Creek Rim and the Warner Mountains, with many other buttes, canyons, and ephemeral wetlands besides.

OAT is seeking match funding for a Natural Resources Conservation Service (NRCS) Agricultural Lands Easement - Grasslands of Special Significance (ALE-GSS) conservation easement, for which those matching funds have already been awarded. Parties and partners limited to the transaction would be the O'Keeffes, Oregon Agricultural Trusts, NRCS and OWEB

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the project technical review teams, and soundness review from OWEB due diligence contractors.

SIGNIFICANCE OF THE WORKING LAND

Summary of staff's assessment of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The property subject to the proposed conservation easement is comprised of large non-contiguous tracts of agriculturally and ecologically productive land that is part of a larger operation that includes federal grazing allotments, and as a unit is nearly three times the size of the average operation in Lake County. The project parcels are part of a large multi-generational operation that has demonstrated sustainable animal husbandry and land stewardship for decades.
- The parcels, especially combined with the allotments currently under the same management, are significant for the species listed, as they are comprised mostly of sagebrush rangeland with native perennial bunchgrasses—providing habitat for wildlife species of concern such as sage-grouse, pronghorn antelope, and mule deer.
- The property supports a leading ranch operation in the region that provides employment and contributes to the local social fabric of the rural community.
- The parcels represented by this project are strategically located in places that, if lost to development or converted to non-agricultural uses, would significantly fragment available rangeland, significantly altering the region's agricultural future.
- The parcels of interest rank highly for resilience to conversion and wildfire, due to the quality of management, according to the Rangeland Analysis Platform. The soil classes across the tracts are appropriate for the ongoing use as rangeland and there is little evidence of conflicting area land uses that could hinder the ability to ranch and the effectiveness of the operation. These parcels have been managed as rangeland for decades (since 1905) and contain valuable forage that support substantial agricultural productivity and wildlife habitat.

Concerns

- On their own, the seven individual tracts that make up the property are likely too small to support a viable operation independently and are dependent on off-site infrastructure.
- The property lacks access to the water needed to support a viable ranching operation independent of the infrastructure and water associated with an off-site established operation.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) The potential viability of the property for agriculture; and
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- Limited residential building will be allowed on the tracts (total of 2 across the entire project area), providing an opportunity for onsite residence of an operator or associated farm labor, reducing the likelihood of conversion to non-farm use and facilitating the transfer of ownership to an agricultural operator.
- The proposed conservation easement restricts uses that would allow for the conversion of the property to uses incompatible with the agricultural values.
- The proposed conservation easement utilizes affirmative obligations to maintain agricultural use on the property, triggering intervention if agricultural use ceases on a significant portion of the property for a duration of 3 years. The land trust (OAT) also includes provisions that provide them with a right of first refusal and the option to purchase at agricultural value, as well as the right to lease the land to resume agricultural use. These provisions, if activated by the land trust (the easement provides the right but not the obligation for the land trust to activate these provisions) significantly increase the likelihood that the land will remain in agricultural use regardless of the landowner. It also encourages any future transfer of ownership to be to an agricultural operator.

Concerns

- The amount of subdivision allowed across the property appears to be intended to facilitate the purchase of each tract (there are 7 tracts included in the application and the ALE Minimum Deed Terms allow for the property to be conveyed as 7 separate parcels) at an "obtainable" agricultural scale based on the average operation size (approximately 1,900 acres) in Lake County. It is unclear whether each independent tract could support a viable operation on its own, especially given the remoteness of each tract included in the project, potentially resulting in "orphaned" tracts that are not integral parts of any operation.
- The application lacks detail on the allotments that are associated with the current operation. Additional detail would allow for a more thorough understanding of how the allotments may interact with each individual parcel, since each can be conveyed and managed independently of the main operation under the terms of the easement.
- The property is to be protected as grassland of special significance under the NRCS ALE minimum deed terms, which limits the type of agriculture that is compatible with grassland, pasture, and grazing. This could be challenging if the land trust to chooses to activate its rights to require affirmative agricultural use if the most likely use, livestock grazing, becomes uneconomical.
- The application includes conflicting statements on how the goals of maintaining the property as rangeland (which is the foundation of the applicant's description of the significance of the working land) and the need for flexibility of agricultural practices will be addressed.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The project is consistent with the ODFW Oregon Conservation Strategy in that it sits within two Conservation Opportunity Areas and conservation easements are a recommended action in those COAs.
- The proposed easement would restrict uses of the various tracts that conflict with sagebrush habitat, which is an Oregon Conservation Strategy habitat.
- The applicant included the minimum deed terms from ACEP/ALE as part of the proposed conservation easement. The minimum deed terms limit the agricultural uses to grassland uses as defined by NRCS, including grazing, production of hay, harvest for hay and non-crop seed production, mowing, construction of fire breaks, conducting fire pre-suppression and rehabilitation activities, and conducting common grazing practices, including cultural practices.
- The project maintains habitat connectivity by limiting conversion to uses that are incompatible with the needs of the two primary species identified as significant to this proposal – sage-grouse and pronghorn. Movement and migration corridors will be more permanently protected by maintaining this land cover. Many of the project parcels are within what is currently one of the most intact and functional large scale migration corridors in the state, and preservation of this open space is critical for continued function.

- The application states the project's proposed management plan will meet the requirements of NRCS ACEP/ALE funding, which will require the grazing and other land uses to be compatible with the habitat needs for sage-grouse, specifically.
- The proposed conservation easement supports several conservation efforts and plans including the SAGECON effort and land management plans for the federal lands surrounding most of these private lands.
- The proposed conservation easement supports the protection and maintenance of the wildlife habitat on and around the property. Keeping these lands in native sagebrush habitats and protecting the mesic and meadow habitats will enhance overall habitat values with the surrounding Federal lands for not only sage-grouse and several other sagebrush obligate species, but for other publicly important wildlife species such as pronghorn and mule deer. The 233 acres of mesic habitats described in the proposals are limited within the existing landscape and are of critical importance to a host of species, but especially as brood rearing habitats for sage-grouse.

Concerns

- There are conflicting details throughout the application and the draft conservation easement regarding the easement project's approach to maintaining a predominantly native grass land cover and maintaining the sagebrush habitat type across the protected property if there are conflicting needs with the agricultural operation. The management plan outline presented does not add clarity.
- The application identifies multiple water resources present on the property, primarily intermittent streams. The application identifies the watersheds incorporated in the project area – Camas Creek and Sagehen Creek watershed, Lower Twelve Mile and Twenty Mile Creek watersheds, Piute, Fish Creel and Guano Creek watersheds. However, it does not discuss the state's Agricultural Water Quality Management Program, and how, or if, the project supports the goals of the program.
- A grazing management plan is required by the federal funder (NRCS) under the grasslands of special environmental significance designation. The application and the attached outline for the management plan do not provide adequate detail to determine the extent that resources are intended to be protected, maintained, or enhanced, beyond relying on what is required by NRCS.

PROTECTING, MAINTAINING, ENHANCING SIGNIGICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))

(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and

(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The landowner and their family have been managing these lands for agriculture for over 100 years. There is a strong dedication and commitment to preserving working lands and the existing ranching operation is viable and a leader in the region.
- The proposed conservation easements would solidify the rangeland grazing uses common on adjacent federal lands, increasing the long-term compatibility and viability of both land ownerships to continue as productive rangeland.
- The parcels are strategically located in places that provide access and connectivity to federal grazing lands. If one of more parcels were lost to development or converted to non-agricultural uses, it would fragment available rangeland, inhibiting the ability to move stock across the landscape, significantly altering the region's agricultural future.

Concerns

- If a parcel (or parcels) become severed from a ranching operation with infrastructure and available water, they may not be able to support a viable agricultural operation.
- The property is in a water-limited landscape, given the general climate, persistent drought in eastern Oregon and lack of water rights. Due to ongoing drought in the West, water availability may limit the landscape's potential for sustaining cattle.

ORGANIZATIONAL CAPACITY

Low	*Medium*	*High*

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)

(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;

(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;

(c) The financial capability of the organization to steward conservation covenants and easements over time;

(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and

(e) The strength of the organization as measured by effective governance.

Strengths

- Though not accredited with the Land Trust Accreditation Commission, the land trust implements practices like one that is eligible for accreditation. OAT also describes sound governance principles.
- OAT is the only agricultural land trust working on a statewide basis. They have a staff of seven employees with extensive experience in acquiring and stewarding conservation easements for agricultural purposes. While this property is not in one of OAT's Investment Zone, OAT is committed to stewarding this easement and establishing a significant foothold for agricultural conservation in Lake County through the successful implementation of this large project.
- The land trust's project management staff have considerable experience implementing conservation transactions and stewarding conservation easements.
- The organization shows a commitment to easement stewardship by establishing a stewardship fund of $500,000 prior to the organization holding its first easements. The fund is invested and has a stated target return rate of 6%. The applicant intends to grow the stewardship fund with each easement it acquires.

Concerns

- Oregon Agricultural Trust is a relatively young land trust and does not yet hold any conservation easements.
- The acquisition of this conservation easement will significantly increase the organizations stewardship obligations, going from 0 to thousands of acres to monitor.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the agreement, with a preference for longer term agreements;

(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;

(d) Consistency with local comprehensive plans and statewide planning goals;

(e) The potential for setting an example that will encourage additional working lands projects in the region; and

(f) The existence and implementation of a conservation management plan.

Strengths

- The project is consistent with the SageCon effort and Oregon Conservation Strategy and would provide an example of the benefits of utilizing long-term conservation tools.
- The project proposes a perpetual conservation easement, solidifying the efforts and many of the management strategies employed by the landowner that have been beneficial for rangeland management and sage-grouse.
- The project includes NRCS ACEP/ALE funds, which will require a grazing plan for this project, and the applicant intends to build the management strategies into the ongoing operation of the landscape.
- The project is consistent with planning goals, specifically Statewide Planning Goals 3, 5, and 6.
- The applicant is leveraging NRCS funding (75% match) and has the potential to set an example in the local area for future conservation easements.

Concerns

- There is no Conservation Management Plan as defined by OAHP currently in place for the property and the applicant states there are no present plans to develop one.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The applicant states it is unaware of any opposition to the project.

Concerns

- The long-term benefits of additional investments and any negative impacts along with ways to mitigate them were not described in detail. Due to landowner preference, the applicant did not conduct significant local outreach, resulting in limited knowledge of any potential impacts to neighboring lands. The application does not identify any impacts the easement would have on owners or operators on neighboring lands and the land trust did not discuss any attempts to determine such impacts.
- There is no conservation management plan associated with the project, and therefore the applicant does not describe efforts to address impacts. The application states that they did not do any community engagement around this proposed project.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- While significant residential development in this area is unlikely, energy development and mining are potential threats to long-term agricultural use.
- Lake County has seen an increasing trend over the last 15 years with non-agricultural development of isolated parcels, supported by the number of non-farm dwellings approved by the county. This proposal would facilitate these parcels remaining in agricultural use.
- Lake County is second only to Deschutes County in terms of the number of nonfarm dwellings approved on EFU land in Oregon. Lake County is also susceptible to large footprint energy generation development.

Concerns

- Each independent tract is part of the working-whole of the operation, and the property is already fragmented in that it sits as scattered inholdings within Bureau of Land Management ownership. Without the associated grazing allotments, each individual parcel would be isolated from the others, fragmenting the operation.
- The level and urgency of threat is poorly described in the application.
- Urgency is lower here compared to other, more desirable and less isolated locations for both residential and commercial development.

SOUNDNESS OF TRANSACTION

Low	*Medium*	*High*

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- The approach to the conservation easement is sound, with the land trust providing for ongoing agricultural use, limiting home construction across the tracts, and limiting subdivision within the tracts. The proposed easement also grants the land trust the right to lease the property for an agricultural purpose if it is unused for agriculture by the current or legal owners.
- There are no apparent boundary issues and most of the tracts are legally described in manner that is consistent with the proposed boundary of the conservation easement. Most of the neighboring properties are owned by the federal government, presenting limited risk of encroachment on the easement area.
- There are no financial encumbrances on the property, eliminating the need for any subordination or payoff negotiations that could slow the project.
- Ownership is simplified through the consolidation into an LLC.

Concerns

- There are several mineral reservations benefitting the federal government and the State of Oregon and the risk of these rights being exercised is unclear. Obtaining a release from the State of Oregon and conducting a mineral remoteness assessment to understand the risk related to the federally held rights may delay the project.
- Access to most of the tracts will require access agreements with Bureau of Land Management (BLM). BLM's willingness to grant NRCS and OWEB with the needed access rights for easement monitoring purposes is unclear.
- The proposed purchase price is based on an appraisal from a California-based appraiser, who used four "After" comparable sales from California and only two from Oregon to determine the hypothetical "after" value. The development restrictions from an agricultural conservation easement in California might have a greater market value than in Oregon, based on our comprehensive land use laws. This issue will need to be addressed by the OWEB appraisal review.
- Based on the age of the appraisal, the OWEB review appraiser might request that it either be updated or replaced.
- The draft conservation easement accompanying the application is confusing and cumbersome, particularly in relation to the required NRCS terms that are attached as an exhibit to the document.

EVALUATION SUMMARY

The 6,511-acre property is part of the landowner's century-old family ranching operation and supports significant agricultural values and significant contributions to habitat for sage-grouse and pronghorn antelope. The extent to which the proposed conservation easement will enhance, protect, maintain those resources lacks clarity throughout the proposal, and the level of threat of conversion or fragmentation is not well described.

The property lies on both sides of the Warner Valley and is near the Hart Mountain Antelope Refuge, and amidst federal grazing lands where the landowners hold grazing allotments. The connectivity for both range uses and wildlife are unique in this part of the state and the contribution to habitat and agricultural values are significant beyond the benefits to Lake County. The property supports the current agricultural operation in providing needed summer range and provides resiliency to the impacts of climate change for both rangeland and habitat needs.

The approach to the proposed conservation easement provides flexibility in the agricultural uses, building potential, and allowable division of the property, helping facilitate ongoing use by an agricultural operator tied to the area. The proposed terms do limit the agricultural uses to those compatible with grassland – which is defined broadly – but could still be financially limiting if in the future the value of running livestock across this landscape is uneconomical. The proposed easement's allowance for the individual tracts to be sold independently of each other has both positive aspects and potential challenges. The easement terms would apply regardless of ownership, facilitating continuation of compatible uses and the ease of moving cattle across the landscape; however, each independent parcel is likely too small and isolated to support an operation on its own, requiring the parcel be tied to a larger operation or risk the piece becoming an "orphaned" parcel that is not operated in conjunction with the surrounding landscape. The agricultural values and outcomes are supported by the proposed easement's grant of rights to the land trust to require ongoing agricultural use and the right to lease the land out irrespective of the owner if agricultural use ceases for a given amount of time. This gives the land trust more certainty around the use of the property, helping facilitate coordinated management, even if under fragmented ownership.

The extent the proposed conservation easement protects and maintains natural resource values is not well described in the application, instead requiring reviewers to piece together the protections required by NRCS through its designation of the property as a grassland of special significance. The project supports implementation of the Oregon Conservation Strategy and the Oregon SageCon effort by facilitating continued connectivity of open grassland in areas important for sage-grouse, pronghorn antelope, and other upland birds and mammals. It appears that the intent of the project is to maintain the rangeland characteristics and encourage the ongoing proliferation of sage-steppe habitat cover, but the application lacks clarity in this regard, instead asking OWEB to rely on the assumption that the NRCS requirements for easements funded through Grassland of Special Significance designation will guarantee this outcome. The management plan outline submitted with the application does not provide sufficient detail for the land trust's approach to the interaction between the natural resource and agricultural values. Without further detail, it is unclear whether the easement, even with the Minimum Deed terms and resulting management plan, will maintain the sagebrush habitat type across the protected property. The application requires reviewers to make assumptions regarding the land trust's approach to maintaining wildlife habitat across the landscape, specifically regarding the potential conflict inherent in the draft easement terms relegating natural resource and habitat values to lower status than current and potential intensified agricultural use.

The project overall is a relatively straight forward conservation easement transaction, though the terms of the transaction were not described in detail. The landowner is an LLC, though it is unclear the level of commitment of all parties and what level of agreement is needed among the parties to complete the transaction. A discussion of decision making, both during the transaction and during the LLC's ownership of the property would have provided more clarity on the commitment from the parties and the specifics of easement administration. OAT's described approach to protecting ongoing agricultural use of the property is strong. In addition to keeping the land in agricultural use, limiting home construction, and limiting subdivision of the property, the easement also grants OAT the right to lease the property for an agricultural purpose if it is unused for agriculture by the current and future owners. The main concern is having OAT prepare a conservation easement that coherently integrates the easement terms required by NRCS with OWEB's requirements for meeting the purposes of the OAHP. The draft conservation easement accompanying the application is not based on the OWEB CE template and is a bit confusing and cumbersome, particularly in relation to the required NRCS terms that are attached as an exhibit to the document.

The title shows multiple severed mineral reservations, held by the United States and the Oregon State Land Board. At the very least a mineral remoteness report is necessary to evaluate the likelihood that marketable minerals are present on the property and any potential risk to the conservation purposes of the project.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7102-22523	**Project Type:**	Conservation Easement
Project Name:	Ferrell, Justin and Jayna		
Applicant:	Oregon Agricultural Trust		
Region:	Central Oregon	**County:**	Lake
OWEB Request:	$223,056	**Total Cost:**	$405,615

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The Ferrell property is in Valley Falls, Oregon, immediately underneath the Abert Rim. The parcel is the home ranch parcel for the Ferrell's ranching operation and is used as winter pasture and for summer hay production. The Ferrells are interested in selling a conservation easement for multiple reasons: They would like to silence the potential speculative interest in their land created by the existence of a historic subdivision on their property, especially given their scenic location and easy road access; ensure that their land stays in agriculture for the benefit of their family and community, and to gain access to liquid capital to increase their pasturage and pay down debt, increasing the diversity of grazing opportunities and the resiliency of their ranching business in the long term.

The conservation easement is an ACEP-ALE Standard easement, intended to protect the property from conversion to non-agricultural uses or uses which may harm its potential for agriculture in the long term. The property would be used in keeping with any potential utilizable form of agriculture so long as it did not harm the long-term viability of the agricultural resources thereon.

The property has already received a 50% funding agreement from NRCS via their ACEP-ALE easement program. There are no other identified partners

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the project technical review teams, and soundness review from OWEB due diligence contractors.

SIGNIFICANCE OF THE WORKING LAND

Summary of the project's responsiveness to the application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The property subject to the proposed conservation easement is 514 acres of farmland comprised entirely of prime agricultural soils—soils of this quality, at this scale, are not common in Lake County.
- Secure groundwater rights allow the property to be one of the most productive agricultural properties in the region.

- The property can produce high quality hay/alfalfa and livestock, which are major contributors to the local economy of Lake County.
- Groundwater rights exist for irrigation on this and adjacent lands for a place of use encompassing 260 acres with a priority date of 2012 (130 acres of which is used on this property), and a further 70 acres with a date of 2016. This is not a ground water limited aquifer.
- The property is at the base of Abert Rim which is a popular sight on the Oregon Outback Scenic Highway and one of the most identifiable geological features in Lake County.
- The property provides a lower elevation location for calving, an asset to a farm or ranch in this region as it provides flexibility and a safer place for calving operations than reliance on more remote high-country areas with more extreme weather conditions.
- Though smaller than average for an agricultural property in this region, its attributes as a "home ranch" make it valuable to any operation, which could provide opportunities for other operators if the landowners no longer choose to own and manage the land.

Concerns

- The size of the property (514ac.) is smaller than the average farm in the region (1,983 acres). On its own, the acreage in this proposed conservation easement is likely not large enough independently support a viable cattle operation.
- The property on its own does not provide significant, high-quality habitat and is not adjacent to protected, high-quality habitat.
- The water right that facilitates the utilization of the prime soils for significant agricultural outputs is legally secure, but the future of groundwater and surface water availability in Lake County is uncertain given ongoing drought and changes in the water regime due to climate change.

PROTECTING, MAITAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) The potential viability of the property for agriculture; and
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- The proposed conservation easement would eliminate subdivision rights and reduce the allowable uses to only those consistent with agricultural use of the property. These requirements together eliminate the potential for fragmentation of the working land and the likelihood of conversion to a non-agricultural use on the property itself.
- The proposed conservation easement would support the potential agricultural viability of the property by protecting the ability to farm on these high-quality soils with associated ground water rights for irrigation. Additional infrastructure onsite and within the proposed conservation easement currently supports the type of commodity produced onsite (hay and cattle) – improvements consist of a hay barn and two equipment barns, a residence, and a groundwater fed center pivot irrigation system.
- The proposed conservation easement provides for the development of additional farm infrastructure, including housing infrastructure, supporting the potential for onsite residence of the farm operator and associated farm labor.
- The proposed conservation easement would likely decrease the value of the land, resulting in a reduced tax burden on the estate. While this is highly particular to the individualized finances of the landowner, the potential for conservation easements to reduce the estate tax is generally acknowledged as a benefit of easements in facilitating transfer of ownership to the next generation by reducing the need to divide or sell the property to pay the taxes associated with settling the estate.

- The proposed conservation easement utilizes affirmative obligations to maintain agricultural use on the property, triggering intervention if agricultural use ceases on a significant portion of the property for a duration of 3 years. The land trust (OAT) also includes provisions that provide them with a right of first refusal and the option to purchase at agricultural value, as well as the right to lease the land to resume agricultural use. These provisions, if activated by the land trust (the easement provides the right but not the obligation for the land trust to activate these provisions) significantly increase the likelihood that the land will remain in agricultural use regardless of the landowner. It also encourages any future transfer of ownership to be to an agricultural operator

Concerns

- The property is half the size of average agricultural properties in the region, and the scale of protected working lands resulting from this easement may not be sufficient to alter the direction of land use in surrounding private lands.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The project meets the objectives of the Oregon Mule Deer Plan by maintaining mule deer winter range and supports the implementation of the ODFW Oregon Conservation Strategy by protecting open space for wildlife to move between nearby Conservation Opportunity Areas. There is considerable use by mule deer year-round, especially during winter months, and some use by bighorn sheep.
- The proposed conservation easement would maintain habitat connectivity by limiting conversion to uses that are incompatible with the needs of migrating wildlife, including the two primary species identified as significant to this proposal – mule deer and bighorn sheep. Movement and migration corridors will be more permanently protected by maintaining this land cover. Though not directly adjacent to other protected areas, the property is within a network of land managed for wildlife, sitting between Bureau of Land Management land and just north of US Forest Service land.
- The property is at the base of the Abert Rim, a prominent feature along the Oregon Outback Scenic Byway and a major part of the natural landscape of Lake County and important to the local community. The limited development allowed in the proposed conservation easement would contribute to the preservation of the view of Abert Rim as a scenic amenity for the people of Lake County and Oregon generally.
- The proposed conservation easement does not require the current agricultural use persist, but maintaining the land as 'open space', guarantees that even if farm practices change to a crop cover that is less beneficial for wildlife than its current use as forage production, the benefit to wildlife generally will be maintained by eliminating irreversible conversion and fragmentation.
- The landowner is currently implementing a conservation plan that is consistent with the goals of the state Agricultural Water Quality Program.

Concerns

- The application provides little detail regarding the approach to utilizing the management plan to support natural resource and agricultural values on the property. The application lists soil resources and big game forage as natural

resource values important to the property, but the draft easement and the nominal outline of the management plan do not provide detail on the approach to managing these values alongside agricultural values.

- The proposed easement aims at maintaining healthy sage-steppe vegetation communities beneficial to native wildlife. The proposed easement terms are flexible on type of agricultural use, which is good for agriculture, but could have impacts on the positive outcomes for mule deer and big horn sheep if the current agricultural use changes. The application is unclear how the project will incorporate wildlife values and the draft easement does not stipulate that managing for wildlife is a purpose or an independent conservation value, suggesting the benefits to these species are potential by-products of the primary purpose, which is to preserve the agricultural use of the property.
- On its own, the property may not provide a great amount of wildlife conservation value to ungulates due to its size.
- The application does not address how the proposed easement would address issues of water quality and/or quantity.

PROTECTING, MAINTAINING, ENHANCING SIGNIFICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))

(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and

(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The property subject to the proposed conservation easement is flat, with sufficient access, productive soils, and onsite infrastructure to support the agricultural operation. The proposed easement has flexibility for additional infrastructure and for the type of agricultural use allowed, which supports an onsite operation and the parcel's desirability as an addition to an off-site operation. The maintenance of small-scale residential use, limited in amount and location, adds to the likelihood of owner-operator management and supports potential employee housing for an operation that is primarily based off-site.
- The soils in this area are uniquely productive for agricultural purposes, with productivity potential bolstered by the existing water rights, that will continue to support the property's viability. The property is highly conducive to hay production and the proposed conservation easement would facilitate the ongoing availability of this property to contribute to this regionally significant agricultural commodity.
- Existing water rights for irrigated agriculture amplify the agricultural value of the ranch. The irrigation systems that serve the property have been or will be upgraded, which point to this operation's ability to be profitable and resilient.
- The current agricultural uses align with the agricultural operations in the surrounding area – hay production and ranching support all facets of the rural economy of southern Lake County.

Concerns

- Due to ongoing drought in the West, groundwater availability may present a challenge in the next 30-50 years if annual precipitation continues to be below average**.**
- The degree to which water rights will be incorporated into the proposed easement and associated management plan is not described in the application.
- The property is a relatively small operation by local standards, limiting its contribution to the region's agricultural land base.
- The proposal states that the influx of liquidity resulting from purchase of the proposed conservation easement will facilitate the landowner's ability to increase the operation's pasturage, an important agricultural outcome identified by the applicant; However, the income from this project may not be enough to significantly reduce the

overall debt load to the point of providing liquid capital, potentially reducing the immediate effectiveness in prolonging existing operations.

ORGANIZATIONAL CAPACITY

Low	Medium	High

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)

(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;

(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;

(c) The financial capability of the organization to steward conservation covenants and easements over time;

(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and

(e) The strength of the organization as measured by effective governance.

Strengths

- Though not accredited with the Land Trust Accreditation Commission, the land trust implements practices like one that is eligible for accreditation. OAT also describes sound governance principles.
- OAT is the only agricultural land trust working on a statewide basis. They have staff of seven employees with extensive experience in acquiring and stewarding conservation easements for agricultural purposes. This property is in OAT's Chewaucan River Investment Zone, which means this portion of Lake County is a target area for the organization and presumably will be so for the long-term.
- The land trust's project management staff have considerable experience implementing conservation transactions and stewarding conservation easements.
- The organization shows a commitment to easement stewardship by establishing a stewardship fund of $500,000 prior to the organization holding its first easements. The fund is invested and has a stated target return rate of 6%. The applicant intends to grow the stewardship fund with each easement it acquires.

Concerns

- Oregon Agricultural Trust is a relatively young land trust and does not yet hold any conservation easements and does not have an established track record to demonstrate capacity.
- The acquisition of this conservation easement will significantly increase the organizations stewardship obligations, going from 0 to hundreds of acres to monitor.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the agreement, with a preference for longer term agreements;

(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;

(d) Consistency with local comprehensive plans and statewide planning goals

(e) The potential for setting an example that will encourage additional working lands projects in the region; and

(f) The existence and implementation of a conservation management plan.

Strengths

- The project is leveraged with federal NRCS funds in a cost-share approach to funding the purchase of the easement. There are no other funding sources identified for the easement purchase.
- The project proposes a perpetual conservation easement.
- The project is consistent with planning goals, specifically Statewide Planning Goals 3, 5, and 6.
- This easement would set an example for producers in Lake County that conservation and profitable ranching are complementary. This will serve as an example for other landowners to follow.

Concerns

- There are few conservation easements within the local area and the appetite for additional conservation easements within the region is vaguely discussed.
- There is no Conservation Management Plan as defined by the OAHP currently in place for the property and the applicant states there are no present plans to develop one.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The applicant states it is unaware of any opposition to the project.

Concerns

- The long-term benefits of additional investments and any negative impacts along with ways to mitigate them were not described. Due to landowner preference, the applicant did not conduct significant local outreach, resulting in limited knowledge of any potential impacts to neighboring lands. The application does not identify any impacts the easement would have on owners or operators on neighboring lands and the land trust did not discuss any attempts to determine impacts.
- There is no conservation management plan associated with the project, and therefore the application does not describe efforts to address impacts. The applicant states that they did not do any community engagement around this proposed project.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- The threats are not well discussed beyond the speculative value of the nonconforming townsite plat parcels; however, general development threats have increased greatly within Lake County over the last decade and are likely in this area due to the scenic value of Abert Rim. The threat of development and non-agricultural use is also supported by the number of non-farm dwellings approved by the county and growing interest from energy facility development.
- The current threat of conversion facing this property is primarily toward subdivision into ranchette sized parcels, given the development rights associated with the parcel's zoning, usually for manufactured housing. However, the adjacency of a significant natural feature (the Abert Rim) of scenic quality and easy access off the major transportation routes in the area raises the possibility of its development for "amenity" ranch sales.

Concerns

- The urgency of the identified development threat may be lacking as compared to other, more desirable locations for residential development.
- The extent to which the elevated subdivision threat associated with the historic plat as identified in the application would be approved under current laws is tenuous.

SOUNDNESS OF TRANSACTION

Low	*Medium*	*High*

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- The application proposes a typical conservation easement transaction; however, the transaction details are not provided.
- In addition to keeping the land in agricultural use and limiting subdivision of the property, the proposed easement also grants OAT the right to lease the property for an agricultural purpose if is unused for agriculture by the current and future owners.
- There are no access issues. The property has legal access from Abert Rim Road to US Highway 395 and State Highway 31.
- There are no apparent boundary issues with the property.

Concerns

- There are numerous financial liens encumbering the property, which will need to be either subordinated or paid off at, or prior to, closing. The status of these obligations is confusing, to the extent that it is unclear which entities need to consent to the conservation easement beyond the landowners listed in the application. Sorting this out with the multiple lenders may be a daunting and time-consuming task.
- There is a reservation by the county for mineral rights and public rights of way. The risk of these rights being exercised, and what impact they would have on the objectives of the project, is unclear.
- The draft conservation easement accompanying the application is not based on the OWEB CE template and is confusing and cumbersome, particularly in relation to the required NRCS terms that are attached as an exhibit to the document.
- The appraisal is from a California-based appraiser, who used four "After" comparable sales from California and only two from Oregon to determine the hypothetical "after" value. The development restrictions from an agricultural conservation easement in California might have a greater market value than in Oregon, based on our comprehensive land use laws. This issue will need to be addressed by the OWEB appraisal review.
- Based on the age of the appraisal, the OWEB review appraiser might request that it either be updated or replaced.
- The legal status of a mutual well agreement for irrigation is unclear, as it is not discussed in the application but does appear on the Status of Record Title documents provided by the applicant. The nature and effect of this agreement could have impacts on the water situation for the property, but more detail is required to understand the extent of those impacts.

EVALUATION SUMMARY

The 514-acre property lies just east of the junction of US Highway 395 and State Highway 31 near the community of Valley Falls. It is agriculturally significant in Lake County due to uniquely high-quality soils and legally secure groundwater rights. It sits amidst a migration corridor for mule deer and other wildlife species, contributing to a network of open space between two important federal land bases. Sitting at the base of the Abert Rim, an impressive geological feature in southwest Oregon, the property contributes to the scenic view from the Oregon Outback Scenic Byway. Though relatively isolated, and smaller than the average agricultural property of its kind in the area, the protection of the property for agricultural, open space, and scenic values will contribute to the protection of the region's agricultural land base, aid in providing habitat needs for wildlife, and support the economic viability of the current and potential future operations.

Though the property is currently primarily in grass and forgeable crops, the proposed conservation easement is flexible regarding the type of the agricultural use that can be conducted on the property. This could lead to the transition away from forage crops, which would have an impact on the natural resource values identified by the applicant – primarily forage for mule deer and big horn sheep. Maintaining the property as open space, however, provides greater benefit than the alternative of irreversible conversion to energy facilities, industrial, or rural residential use. While the

property's individual contribution of benefits to mule deer and bighorn sheep specifically are relatively minor overall, the maintenance of the property's soil resources are important considerations.

The overall threat of conversion facing the property is not well documented by the applicant. In general, Lake County approves a high number of non-farm dwelling on farm properties; however, it is unclear whether the development threats described in the application are real versus hypothetical in this portion of Lake County.

Overall, the transaction presented appears sound, though there is significant financial leveraging of the property and farm infrastructure, making it challenging to determine the extent to which additional parties and institutions need to subordinate their interests or otherwise consent to the conservation easement. There are also several mineral interests that are severed from the property. The application does not describe whether measures have been taken to address these issues, other than a general statement regarding the presence of a mortgage.

The property lies in OAT's Chewaucan River Investment Zone, an area of focus for its farm and ranchland protection efforts. The zone was identified due to its high-quality soils and irrigated pasture and hay fields, which are core features of the agricultural economy in Lake County. The applicant's ongoing investment in the area supports the organization's capacity to invest in the stewardship of this conservation easement, in directing both financial assets and staff time to the area.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Covenants and Easements

Application No.:	223-7103-22597	**Project Type:**	Conservation Easement
Project Name:	Hagen Farm Conservation Easement Phase 2		
Applicant:	McKenzie River Trust		
Region:	Willamette Basin	**County:**	Lane
OWEB Request:	$289,233	**Total Cost:**	$469,223

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

The 230 acre Hagen farm is located West of Junction City in Lane County, Oregon. In 2011, McKenzie River Trust completed a 61.7 acre conservation easement covering the riparian area around Ferguson Creek using a North American Wetlands Conservation Act grant. The goal of this project is to place an additional 156 acre easement on the property covering the remaining riparian zone, a timber stand, and four agricultural areas resulting in 217.7 protected acres. The goal of the project is to conserve this property for a combination of agricultural use, sustainable timber production, preservation and restoration of wildlife habitat, and protection against the future fragmentation of this important wildlife anchor. The property contains significant wet prairie habitat that will be enhanced through a restoration project led by the Long Tom Watershed Council with secured OWEB funding once the working lands conservation easement is in place.

McKenzie River Trust and Ducks Unlimited have secured Willamette Valley NAWCA funding to support the purchase price of the easement but need additional funds to support our match requirement and due diligence expenses. Funding would support the purchase price of the easement as well as acquisition costs and staff time. Ducks Unlimited is administering the NAWCA grant funds. McKenzie River Trust is partnered with the Long Tom Watershed Council to implement a wetland habitat restoration project in the conservation zone of the phase 2 Easement.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation easement applications in OAR 698-015-0090, feedback from the project technical review teams, and soundness review from OWEB due diligence contractors.

SIGNIFICANCE OF THE WORKING LAND; EASEMENT SPECIFICS

Summary of staff's assessment of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the working land conservation covenant or easement. (OAR 698-015-0090(1))

Strengths

- The subject property is 156 acres of a larger 230-acre property located in the transition area between the coast range and the mid-Willamette Valley. The property contains a mix of conifer forest, a riparian area along Ferguson Creek, and dispersed agricultural fields currently used to produce hay.
- The property subject to the proposed conservation easement has the foundations for a productive agricultural operation – productive soils, water rights, and access to markets.

- The property provides habitat for several Oregon Conservation Strategy species, including Acorn Woodpecker, Western gray squirrel, Western blue bird, and fish habitat within Ferguson Creek.
- The property provides the foundation for a project that enables habitat conservation and restoration while supporting local, small-scale, family-owned farming.
- The property has senior water rights on Ferguson Creek and holds irrigation rights (OWRD Permit number S 13654) to 40 acres.

Concerns

- The property is relatively small and surrounded by fragmented farmlands, industrial timberland, and rural housing development. Therefore, on its own, the property may be too small to independently have real agricultural significance in the area.
- There is little detail provided in the application about the property's agricultural resources themselves, rather the application characterized agricultural significance in the context of threat of conversion to timber production.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the working land conservation covenant or easement would protect, maintain, or enhance farming or ranching on regionally significant working land, including: ((OAR 698-015-0090(2)(a)-(d))

(a) Reducing the potential for future conversion or fragmentation of the property and surrounding working land;
(b) Maintaining or enhancing the ability of the land to be in productive agricultural use after the covenant or easement is in place;
(c) The potential viability of the property for agriculture; and
(d) Improving or maintaining the economic viability of the operation, including future transfer of ownership.

Strengths

- The proposed conservation easement will eliminate the right to divide the property, eliminating the risk of fragmentation.
- The proposed conservation easement will restrict uses on the property, including the right to convert to industrial timberland, limiting allowable uses to those compatible with the farm, forest, and wetland and riparian conservation values.
- The proposed conservation easement facilitates the ongoing use of the property for small-scale agriculture, designating agricultural reserves throughout the property.
- The property has water rights for 40 acres and suitable soils to support a variety of cropping systems—much of the property is considered prime farmland by the NRCS
- The property has the foundations to provide multiple sources of income (timber, crops, livestock) from the land which benefits the resilience of a small farm operation.

Concerns

- The application does not detail the overall acreages for the farm and conservation zones – and does not describe how different provisions for each zone will function together.
- The proposed conservation easement reduces the availability of land suitable for agricultural production and fragments the largest agricultural field. It is not clear that the remaining agricultural lands will be able to produce enough income to maintain the agricultural viability of the operation on their own.
- The application lacks detail regarding e the potential impacts to the use of the property for agriculture resulting from the conversion of the center of the southern farm field to wet prairie habitat.
- The viability of the current agricultural operation is not well described. This creates uncertainty around the property's contribution to a viable farming and/or ranching business and the extent the proposed conservation easement will impact it.
- The application does not describe why the 5 acres currently producing blueberries and figs were not included in the proposed conservation easement. This is likely the most valuable farmland asset on the property because of its superior soils, current cultivation, and its location out of the floodplain and adjacent to existing infrastructure and developed access.

- It's not clear how the Water Right Permit 13654 will be impacted by the proposed conservation easement and whether the identified locations of the agricultural and conservation zones within the proposed easement will be compatible with the existing water rights.
- The infrastructure associated with the farm operation – the primary barn, residence, and irrigation – is not included in the easement area. On-site infrastructure is important for small scale farm operations where the entire operation is contained within a single property.
- It is unclear the extent to which the proposed conservation easement will provide additional protection against conversion and fragmentation of the property because of the uncertainty surrounding the current easement's description of the area encumbered in Phase 1.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The proposed conservation easement supports the implementation of the ODFW Oregon Conservation Strategy because the property is within the Oregon Conservation Strategy's West Eugene Area Conservation Opportunity Area. The proposed easement is structured to encourage multiple Recommended Actions in this COA, including the continued active management of restored habitats, maintaining and restoring riparian and wetlands habitat and connectivity, and protecting and enhancing oak savanna and grasslands.
- The proposed easement protects and promotes habitat connectivity for Acorn Woodpecker, Western Gray Squirrel, Western Blue Bird, and Oregon white oak, all known to exist on the site.
- The easement supports the expansion of riparian habitat along Fergerson Creek and provides the opportunity to enhance water quality downstream of the property.

Concerns

- The proposed easement may not function to protect the legacy oaks that are located within the Agriculture and Forest Zones as identified on the map included in the application. Agricultural soil disturbance and encroachment from forestry activities are a threat to these trees.
- The application does not discuss the potential impacts that may result from various forms of agriculture (will subsurface ripping be allowed or drain tiles be installed) on water quality beyond the inclusion of additional acreage in the conservation zone focusing on riparian areas.
- About a quarter mile of stream downstream from the homesite is not included in the conservation zone, limiting the connectivity of riparian habitat.
- Much of the property is floodplain. The application lacks detail regarding whether the project supports the implementation of the Ag Water Quality Management Program.

PROTECTING, MAINTAINING, ENHANCING SIGNIFICANT AGRICULTURAL OUTCOMES OR REGIONALLY IMPORTANT VALUES

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant agricultural outcomes, benefits or other agricultural or conservation values important to the region, including: (OAR 698-015-0090(4)(a)-(b))

(a) The parcel's contribution to long-term conservation of the region's agricultural land base; and
(b) The regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors, and its associated infrastructure.

Strengths

- The property has highly fertile floodplain soils across the property, and the soil types located in the agriculture zones are suitable for farming.
- The proposed easement's structure eliminates the potential of conversion of most of the highest value agricultural soils to other uses – including preventing conversion to industrial timberlands.
- The water rights available on this property are an asset for specialty crop production. If water rights and drainage are maintained and the land is not left fallow to be overtaken with invasive species, then the agricultural land has potential to be available for long-term use and contribute to the overall agricultural land base in the immediate region.
- The property supports multiple compatible uses on a single piece of land (ag, timber, conservation) and keeping the land whole allows diversification of income, thereby improving viability.
- The property is situated in an area where industrial scale farming hasn't yet pushed its way up the valley and industrial scale tree farming hasn't worked its way down from the coast range. The proposed conservation easement could be a catalyst for additional conservation of nearby agricultural land.

Concerns

- It is unclear from the application how many acres will remain available for agricultural use, including the extent to which the Phase 1 easement impacts existing farm use, making unclear whether the acres remaining for agricultural production within the proposed easement are enough to support a financially viable operation.
- Ongoing restoration planned on the property reduces the amount of land available for agriculture.
- The application does not provide enough information to determine how the specific agriculture and conservation zones will function together and the resulting impacts of the proposed conservation easement to the use of the property for agriculture.
- It is unclear in the application regarding the type of agricultural commodity that can be grown within the areas set aside for agriculture in the proposed easement and how the dispersed nature of the agricultural zones will impact the efficiency and viability of the farm operation.
- It is unclear how limitations on grazing within the conservation and forestry zones will impact the viability of the property for agriculture.
- The application is unclear as to how the proposed conservation easement impacts the ability to use existing water rights to support agricultural uses within the identified agricultural zones.
- The proposed conservation easement appears to primarily elevate protection of wildlife habitat, wetlands, and riparian values across the property, while allowing limited agricultural use. The application does not describe how this approach will lead to significant agricultural outcomes and the ongoing agricultural viability of the working land.

ORGANIZATIONAL CAPACITY

Low	*Medium*	*High*

The capacity and competence of the applicant and the proposed easement or covenant holder to purchase, accept, implement, hold, monitor, steward, and enforce a working land conservation covenant or easement, including: OAR 698-015-0090(5)(a)-(e)
(a) Accreditation from the Land Trust Accreditation Commission, or implementation of standards and practices that are similar to an organization that is eligible for accreditation;
(b) Inclusion of working land preservation in the organization's mission, vision or other organizational documents;
(c) The financial capability of the organization to steward conservation covenants and easements over time;
(d) Demonstrated relevant commitment, ability, expertise, and track record to purchase, accept, implement, hold, monitor, steward, and enforce conservation covenants and easements or other relevant projects; and
(e) The strength of the organization as measured by effective governance.

Strengths

- McKenzie River Trust is accredited by the Land Trust Alliance which means they have met the highest national standards for excellence and conservation permanence.
- The land trust has over 7000 acres of protected land in its portfolio –in fee title and conservation easements - demonstrating a commitment to, and a track record of, following best practices for conservation acquisitions, land and easement stewardship, and organizational and financial governance. McKenzie River Trust currently has 3 FTE of stewardship staff based in Eugene, OR who are charged with monitoring easements and maintaining relationships with landowners.
- The applicant has a proven track record of accomplishing conservation transactions and demonstrates a general approach to funding conservation easement stewardship that is typical of land trusts of its size.
- The organization includes the protection of working lands in its most recent strategic plan. The applicant has demonstrated commitment to working lands on some of their other easements, which is not an easy process.
- The land trust utilizes Terrafirma Insurance.

Concerns

- The application does not describe whether and the extent to which the conservation of agricultural land is in its organizational mission, vision, or other organizational documents.
- The project includes matching funds from the North American Wetlands Conservation Act, but there is little detail in the application demonstrating the applicant has a solid understanding of the method for integrating NAWCA requirements with the OAHP and OWEB requirements.

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: OAR 698-015-0090(6)(a)-(f)

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the agreement, with a preference for longer term agreements;

(c) The cumulative effect of similar conservation or agricultural investments in the community, including other OAHP funded plans, covenants, or easements;

(d) Consistency with local comprehensive plans and statewide planning goals;

(e) The potential for setting an example that will encourage additional working lands projects in the region; and

(f) The existence and implementation of a conservation management plan.

Strengths

- The applicant leveraged other sources of funds to support the purchase of the proposed conservation easement (38% match is demonstrated), and the proposed easement will complement an easement that is already in place.
- The project proposes a perpetual conservation easement, that is intended to build on the conservation of 62 acres of land protected with a conservation easement in 2011 by the same landowner.
- The property in the Phase 1 conservation easement has historically received funding from both state and federal entities to accomplish important restoration goals and objectives.
- The Willamette Valley is home to many diverse agricultural operations. Due to the diverse set of habitats and management zones in the proposed conservation easement, this project has the potential for setting an example that will encourage additional projects in the region by demonstrating the potential of small-scale agriculture's compatibility with fish and wildlife habitat conservation.
- Though a management plan doesn't a exist for the property, plans for habitat and wetland restoration are ongoing.
- The land trust is partnered with Ducks Unlimited and the Long Tom Watershed Council to implement the project. The easement will allow the Long Tom Watershed Council to move forward with a planned wet prairie and habitat restoration project within the newly established conservation zone.

Concerns

- There are no current plans to develop a Conservation Management Plan as defined by OAHP.
- The management plan outline is does not contain sufficient detail to understand how the agricultural and natural resource values are expected to be managed over time.
- The application does not address how the proposed project interfaces with local comprehensive plans and statewide planning goals.
- The proposed conservation easement results in a sizable amount of agricultural land being removed from production and fragmented across the property rather than guaranteeing the preservation and protection of the continued use of a working land for agricultural purposes. This may perpetuate the perception that conservation easements are not compatible with the ongoing use of land for viable agricultural operations.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of the covenant or easement or the associated conservation management plan on owners or operators of neighboring lands, and the extent to which there is a plan of engagement with neighboring landowners about how to mitigate any impacts resulting from the covenant or easement, if necessary. (OAR 698-015-0090(7))

Strengths

- The proposed easement would protect the water quality and riparian habitats of Ferguson Creek in perpetuity while also contributing to the restoration and enhancement of the natural water system. This would lead to improved water quality in the local area.
- The applicant states they are unaware of any opposition to the project.

Concerns

- The applicant did not conduct significant local outreach, resulting in limited knowledge of any potential impacts to neighboring lands. The application does not identify any impacts the easement would have on owners or operators on neighboring lands and the land trust did not discuss any attempts to determine impacts.
- There is no conservation management plan associated with the project, and therefore the applicant does not describe efforts to address impacts. The applicant states that they did not do any community engagement around this proposed project.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-015-0090(8))

Strengths

- The property is within a landscape that sits within the transition areas between industrial timberland operations and rural residential, positioning it in an avenue of potential conversion to non-agricultural uses.

Concerns

- The applicant identifies the property as within a "location near an area experiencing development growth along with recent trends of rural development [that] increase the risk for future development of the property into non-working land use." However, there is no detailed discussion or supporting documentation of such a threat provided.
- The urgency around the threat of conversion or fragmentation of the working land is not well documented.
- The provisions within the Phase 1 conservation easement and the Notice of Grant Agreement related to that easement cast uncertainty on the level of division practically and legally allowed across the greater property. The description of the land that the easement pertains to within both documents is confusing and the application does not describe the impact these uncertainties have on the overall threat across the property.

SOUNDNESS OF TRANSACTION

Low	Medium	High

The soundness of the legal and financial terms of the proposed real estate transaction. (OAR 698-015-0090(9)

Strengths

- There are no access issues. The property has legal access from Ferguson Creek Road.
- There are no apparent boundary issues. MRT has budgeted to pay for a survey of the proposed conservation easement area, which will identify any boundary discrepancies with neighboring properties.

Concerns

- The current easement was not legally described and references to the location within the recorded document lack clarity. The applicant has contacted a surveyor to legally describe the current easement, though it is unclear whether the applicant intends to amend the current easement to reflect the clarified easement boundary and the impact the process may have on the timing of the proposed Phase 2 easement.
- In the Cascade Title Co. status of record title (SORT) report dated June 29, 2022, exception #14 pertains to a deed of trust for the benefit of U.S. Bank N.A., dated August 31st, 2021. This deed of trust will need to be subordinated to the conservation easement, which presumably the NAWCA funder will require, too.

EVALUATION SUMMARY

The property in this proposal is a varied landscape with forestlands, riparian and prairie habitats, and dispersed agricultural fields. While the property supports habitat resources that represent a contribution to habitat values in the region, the agricultural values on the property are arguably too small and fragmented to represent a significant contribution to the overall agricultural land base. The property itself presents the characteristics of a viable farm property – good soils, good topography, easy access to markets, and reasonable access to water. The existence of a separate income producer – the timber zone – allows for increased economic viability, contributing to the likelihood that farm income can be supplemented if markets change; however, the extent to which the proposed conservation easement would protect, maintain, or enhance farming and contribute to significant agricultural outcomes is not well documented in the application, and the resulting amount of acreage remaining for agriculture and the type of agricultural use allowed is unclear.

The application better demonstrates the property's significance for forestry, riparian and prairie natural resource values. The habitat protected throughout the property within the proposed conservation easement represents a valuable contribution to the conservation of strategy habitats in the Oregon Conservation Strategy, as well as supporting migratory birds and waterfowl. Under the proposed terms of the easement the riparian corridor is heavily restricted, securing valuable habitat as well as contributing to improved water quality. Further, the proposed conservation easement proposes to set aside a large portion of the property's land base for a wet prairie restoration project. The proposed easement will protect the restored habitat and enlarge the riparian buffer along Ferguson Creek and facilitate operations in the forestland that embraces longer rotations and smaller units in harvest. The proposal represents the second phase of conservation on the larger property, building upon a conservation easement purchased by the applicant in 2011 with funds from the North American Wetlands Conservation Act. The same funding is presented as match funding for the OAHP proposal. That conservation easement put 62 acres of the land into permanent habitat reserves.

The applicant is an established land trust with a proven track record of purchasing and stewarding conservation easements. It utilizes Terrafirma insurance and has a general approach to funding and managing stewardship needs of a conservation easement of this nature. There are no concerns about the applicant's capacity to manage the transaction and complete the project within the OWEB required timeline of 18-months.

The application did not include a transaction agreement of any type, so the specifics of the legal and financial terms of the proposed transaction could not be evaluated. Limited work was conducted by the applicant to support the proposed purchase price and it is unclear whether the landowner will accept less than the expected value if the appraisal does not support the anticipated amount. There are no significant soundness issues, other than concerns regarding the proposed

purchase price. Title matters include a need for the subordination of a mortgage and the need to clarify the boundaries of the Phase 1 conservation easement prior to executing the proposed conservation easement.

STAFF RECOMMENDATION

Staff recommend the Commission recommend the OWEB Board fund in accordance with OWEB's grant agreement for OAHP conservation easement projects, including project-specific conditions specified in the grant agreement.

Attachment B – TEMPLATE Standard Funding Conditions for OWEB Acquisitions

In addition to other requirements specifically provided for in the Agreement, the disbursement of the Grant Funds is further conditioned on:

1. **Project-Specific Conditions**. Grant Funds will not be disbursed under this Agreement until the following Project-specific conditions have been fulfilled to the full satisfaction of the Director.
    A. **Initial Conditions.** The following initial conditions must be satisfied before OWEB will review due diligence items or reimburse costs associated with the secondary conditions or standard conditions below. Items submitted to meet the conditions must be consistent with the current version of OAHP's guidance, forms, templates, and other applicable documents, in OWEB's determination.
        i. Grantee meets with OWEB staff within sixty (60) days from the Effective Date to: (i) confirm roles and responsibilities; (ii) agree on preferred methods for sharing information; (iii) discuss approaches to addressing Project challenges; and (iv) address other Project matters that would benefit from early discussions between Grantee and OWEB.
        ii. Grantee participates in regularly scheduled Project update meetings with OWEB staff.
        iii. [additional initial Project-specific conditions imposed by the OWEB Board]
    B. **Secondary Conditions.** OWEB will review due diligence items and reimburse costs associated with the following secondary conditions only after Grantee has satisfied the initial conditions above. Items submitted to meet the conditions must be consistent with the current version of OWEB's guidance, forms, templates, and other applicable documents, in OWEB's determination.
        i. [secondary Project-specific conditions imposed by the OWEB Board]

2. **Standard Conditions**. Grant Funds will not be disbursed under this Agreement until the following standard conditions have been fulfilled to the full satisfaction of the Director. OWEB will review due diligence items and reimburse costs associated with the standard conditions only after Grantee has satisfied the initial conditions above.
    A. Grantee obtains: (i) all reasonably necessary Property information (the "Property Information") for OWEB to complete a due diligence review of the Project, including, Property Information in the Property seller's possession; and (ii) permissions from the Property seller, as necessary, to release Property Information, regardless of the source, to OWEB and other funding entities. Property Information includes, but is not limited to: appraisals; title reports; environmental site assessments; surveys; water rights documentation; rights of first refusal; option agreements; purchase and sale agreements; leases; licenses; rental agreements; permits; easements; security instruments; UCC financing statements; fixture filings; documents pertaining to

litigation, encroachments, disputes (including boundary line disputes), or prescriptive rights; a description of any work performed on or use made of the Property by parties other than the Property seller within one hundred eighty (180) days from the Effective Date; and other documents and information that OWEB determines are reasonably necessary to review before disbursing Grant Funds.

Upon written request of Grantee or the Property seller, OWEB agrees to treat Property Information as confidential, to the extent permitted by the Oregon Public Records Law, ORS 192.311-192.478. OWEB may disclose Property Information that is subject to a confidentiality request if it determines that disclosure is reasonably necessary as part of its due diligence review process, or if it is ordered to do so pursuant to Public Records Law. OWEB will not be responsible for a breach of confidentiality by other entities that OWEB is reasonably expected to share the Property Information with as part of the grant administration process.

B. Grantee obtains, if deemed necessary by OWEB, reasonable Closing Date extensions for the purpose of providing OWEB with adequate time to determine that Grantee has met all requirements under this Agreement. If Grantee elects to purchase the Property Interest without the Grant Funds and subsequently seek reimbursement from OWEB, it will be doing so with the understanding that the reimbursement request will be subject to any remaining OWEB approvals necessary under this Agreement.
C. Grantee fully complies with the intent of ORS 35.500-35.530 (Relocation of Displaced Persons), and OWEB requirements related to said provisions of law, if residential or business tenants will be displaced as a result of the acquisition of the Property Interest.
D. The Director, by the Closing Date specified in Exhibit D, approves of the legal and financial terms of the acquisition of the Property Interest, including, but not limited to:
    i. The acquisition agreement (e.g., option, purchase and sale agreement, etc.) and the agreement to transfer the Property Interest to another party, if planned.
    ii. The purchase price for the Property Interest, which shall be based on an appraisal and review appraisal completed in accordance with applicable appraisal standards, including the Uniform Standards of Professional Appraisal Practice, and if required, the Uniform Appraisal Standards for Federal Land Acquisitions.
    iii. The Phase 1 Environmental Site Assessment, as well as additional investigative reports and action plans resulting from the Phase 1 Assessment.
    iv. The Property survey, if required.
    v. The Property seller's vesting deed.
    vi. The baseline inventory completed for the Property Interest.
    vii. The water rights, if applicable.

viii. Documented access rights to the Property, including a clear depiction of the access on a map provided by Grantee.
ix. The planning and zoning circumstances associated with the Property, as evidenced by the OWEB Land Use Information Form submitted with the Grant Application, as well as other information obtained during the OWEB due diligence review process.
x. The legal description of the Property Interest.
xi. The easement deed for a conservation easement acquisition or the conservation covenant. The condition of title and the title insurance policy, including specific exceptions to the policy, with the Director's approval based on review of an assessment, including a map, of the exceptions provided by Grantee.
xii. The notice of federal participation, if required for the use of any federal funds.
xiii. The statement of just compensation, if required for the use of any federal funds.
xiv. Escrow documents including settlement statements.
xv. A title report dated within sixty (60) days of the Closing Date.
xvi. The matching contribution.
xvii. Grantee's demonstrated compliance with applicable federal and state laws regarding relocation of displaced persons, including but not limited to requirements contained in ORS 35.510, as may be revised from time to time.
xviii. Other conditions that the Director deems reasonably necessary as a result of OWEB due diligence review efforts after the Agreement has been signed by the Parties.

Attachment C

223-7104-22600 Wahl Ranch Proposed Project Specific Funding Conditions

Initial Funding Conditions:

A. Grantee agrees to participate in regularly scheduled Project update meetings with OWEB staff.
B. Grantee to provide an updated preliminary title report to reflect LLC ownership.
C. Grantee confirms it will be the recipient of funds awarded, as it will be the sole entity entering the Grant Agreement with OWEB.
D. Grantee and The Conservation Fund enter a partnership agreement detailing the roles and responsibilities of each entity regarding the transaction and any expected obligations that may continue post-closing. The Partnership agreement will be subject to final approval by OWEB prior to executing. If a Partnership agreement already exists between the parties, Grantee will provide a copy to OWEB and agrees to amend the agreement to meet OWEB requirements if determined necessary by OWEB.
E. Grantee confirms whether it will be the initial holder of the conservation easement. If it will not, Grantee and The Conservation Fund enter a conveyance agreement detailing the terms of the transfer of the conservation easement to Grantee. Conveyance agreement will include all details required by OWEB. If subsequent is anticipated, Grantee and The Conservation Fund agree it will do so in accordance with OAR 698-015-0170, which requires any subsequent transfer of a conservation easement acquired through OAHP:
    a. Be made subject to prior approval by the Commission; and
    b. Strictly comply with the requirements of ORS 541.977 – ORS 541.989 and OAR 698-010 and OAR 698-015.
F. Grantee performs additional due diligence regarding the following title matters:
    a. Exception 13 –
        i. Is this an appurtenant easement or an easement in gross?
        ii. What property(ies) are benefitted, if any?
        iii. Was grantor "reserving" an easement, or does this pertain to a pre-existing easement?
    b. Exception 14 -
        i. Is there an "Exhibit A" to this easement?
        ii. This easement appears to be a "blanket" easement as to Section 17, accordingly, could Grantee reconstruct the electric transmission or distribution line or system anywhere in Section 17?
    c. Exceptions 15 and 16 -
        i. Are these easements expansions of the easement referenced in Exception 14? If the easement is a duplicate, work with the landowner to remove the exception from title.
G. Grantee provides an analysis of the grave site issue documented in title Exceptions 8, 9 and 10 in AmeriTitle preliminary title report dated November 22, 2022, including any obligations stemming from ORS 97.772, and presents a path toward resolution acceptable to OWEB.
H. Grantee provides its bylaws and strategic plan to OWEB.

Secondary Funding Conditions:

OWEB will review due diligence items and reimburse costs associated with the standard funding conditions and the following secondary conditions only after Grantee has satisfied the Initial Funding Conditions above.

A. Grantee provides OWEB the acquisition agreement detailing the terms of acquiring the conservation easement from the landowner.
B. Grantee demonstrates, to OWEB's satisfaction, that it will secure the necessary stewardship endowment funds prior to closing on the conservation easement, or presents a reasonable timeframe for the raising of said funds.
C. Grantee and OWEB agree on the terms and conditions of the conservation easement that will be granted to Grantee.
D. Grantee must obtain a USPAP compliant appraisal that is approved by OWEB's review appraiser.
E. Grantee to prepare a legal description of the conservation easement boundary, including a surveyed description of the Habitat Management Zones. If any boundary line discrepancies with adjoining property owners, Grantee is to resolve those boundary issues prior to closing on the conservation easement. Survey scope of work will include a map of the conservation easement and specific zones. Grantee consults with OWEB on scope of work prior to contracting surveyor.
F. Grantee confirms there are no leases on the property, and if there are, provides OWEB a copy of the lease and explanation of ongoing obligations and impacts on the proposed conservation easement.
G. Grantee provides a title exception analysis for all title encumbrances describing the encumbrance's impact on the Project Purpose, including a map of all encumbrances. If any encumbrance conflicts with the Project Purpose, Grantee details a path toward resolving the encumbrance in a manner that is acceptable to OWEB.
H. Grantee coordinates due diligence for NRCS and OWEB requirements to meet guidelines of both programs in the most efficient manner as possible.
I. Grantee provides an explanation on the rights of the public to beaches and waterways and any potential impacts to the conservation values and how they will be mitigated.
J. Grantee agrees to obtain Terrafirma liability insurance for easement at closing.
K. Grantee to prepare ESA Phase I in compliance with the ASTM E1527-21 standard.

STAFF REPORT

Oregon Agricultural Heritage Program

March 16, 2023 OAHP Commission Meeting

Tina Kotek, Governor

ITEM F – Conservation Management Plan Grant Application Review

To: Oregon Agricultural Heritage Commission
From: Eric Williams, OWEB Grant Program Manager
Taylor Larson, OAHP Program Coordinator

Introduction

This staff report provides an overview of the October 2022 Oregon Agricultural Heritage Program (OAHP) conservation management plan (CMP) grant offering and provides staff recommendations to the commission for consideration to inform their formal funding recommendation to the Oregon Watershed Enhancement Board (OWEB).

Background

In March 2022, the Oregon Legislature approved $5 million in funding for the Oregon Agricultural Heritage Program and in April 2022, the Oregon Agricultural Heritage Commission recommended the Oregon Watershed Enhancement Board include $150,000 in their spending plan to support a grant solicitation for the development of conservation management plans. The OAHP conservation management plan offers funding to eligible entities to support the development and implementation of conservation measures or other protections for maintaining or enhancing fish or wildlife habitat, water quality, or other natural resource values in a manner consistent with the social and economic interests and abilities of the agricultural landowner or operator.

The conservation management plan (development) grant solicitation opened in August 2022 and closed October 31, 2022. Two applications were received requesting a total of $66,308. The applications and staff funding recommendations are summarized in the table below. Application evaluations are included as Attachment A.

Application Review Process

The conservation management plan development applications were reviewed in accordance with administrative rules for the program established in 2018. Staff recruited a technical review team comprised of nine experts from throughout the state with expertise in conservation and agriculture. Staff met with each reviewer individually to orient them to the program and help familiarize them with the evaluation criteria. The technical review team was then given access to both CMP applications, asked to read them and attend a December 19, 2022 meeting. The technical review team discussed strengths and concerns as they related to the evaluation criteria, voted on whether to recommend each project for funding, and then ranked those applications recommended for funding. The technical review team meeting informed the development of a staff evaluation for each project found in Attachment A as well as the staff funding recommendation detailed in this staff report.

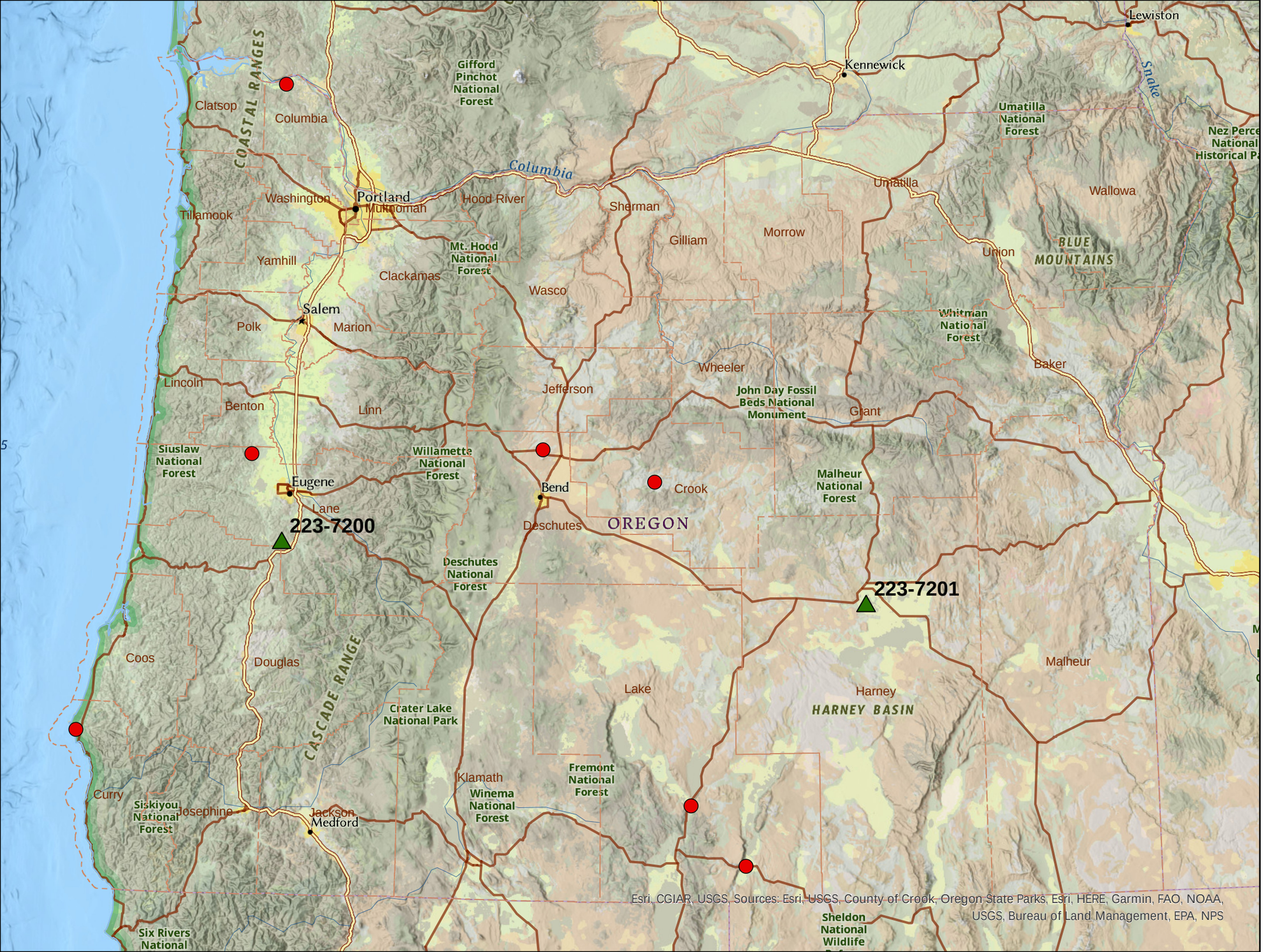
Recommendation

Staff recommend the Commission recommend both applications received through the 2022 conservation management plan grant solicitation for funding to the OWEB Board as specified in the table below. The staff funding recommendation total is $66,308 with $41,366 recommended to fund application #223-7201-22602 and $24,942 to fund application #223-7200-22539.

Review Team Ranking	**Project ID**	**Applicant**	**OWEB Request**	**Application No.**
1	Baker & EOARC Wet Meadow Management Plans	High Desert Partnership	$41,366	**223-7201-22602**
2	Branch Road Conservation Management Plan	Coast Fork Willamette Watershed Council	$24,942	**223-7200-22539**
	Total Funding Requested		***$66,308***	

Attachment A

OAHP Conservation Management Plan 2022 Application Evaluations



Attachment A

Proposed Conservation Management Plan Projects

Fall 2022 OAHP Applications

Project Type

- Conservation Management Plan
- Conservation Easement
- Counties

OREGON WATERSHED ENHANCEMENT BOARD

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Miles

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Management Plan

Application No.:	223-7201-22602	**Project Type:**	Conservation Management Plan
Project Name:	Baker and EOARC Wet Meadow Management Plans		
Applicant:	High Desert Partnership		
Region:	Eastern Oregon	**County:**	Harney
OWEB Request:	$41,366	**Total Cost:**	$70,913

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

Flood meadows of the Harney Basin are a critical forage resource for ranches in the area and support abundant bird diversity. In rancher workshops to discuss flood meadow management, there was a consensus that most ranches would not be sustainable without the flood irrigated wet meadow forage base. The meadows are irrigated by spreading stream and river flows derived from snowpack melt. However, snowpacks have been declining since the 1950s and recent climate shifts are likely to place even more pressure on water management. There is a pressing need to better understand how existing water resources may be used more efficiently. Invasive species such as reed canary grass (Phalaris arundinacea) represent an additional threat to both hay production and bird habitat. While some ranchers like the high productivity of reed canary grass. Many are concerned about the low forage quality. Bird biologists are concerned that this species reduces diversity of associated plants, insects, and bird species. Given the serious reduction in extent of wetlands in the Pacific Flyway and the Southern Oregon Northeastern California (SONEC) region in particular, improved efficiency in water management is a pressing issue.

Coordinated sampling to allow better assessments of how water and vegetation impact individual bird species use, and overall species diversity will be conducted at one Upper Silvies and a second Lower Silvies flood irrigated wet meadow sites. (see map). Wet Meadow Partners, Portland Audubon, High Desert Partnership, Baker Ranch, Eastern Oregon Agricultural Research Center (EOARC), Burns High School Biology Class and Malheur National Wildlife Refuge will work together to develop vegetation and water management recommendations to enhance flood irrigated wet meadow habitat values, suppress invasive species, sustain, and increase bird use and optimize agricultural production in concert with a changing climate and water patterns.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation management plan applications in OAR 698-010-0090.

SIGNIFICANCE OF THE WORKING LAND

Summary of staff's assessment of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the conservation management plan(s). (OAR 698-010-0090(1))

Strengths

- The application demonstrates that wet meadows are an important forage production resource for many ranches in the region, including on the two properties proposed for Conservation Management Plan (CMP) development.
- The extent to which wet meadows provide critical food and habitat for waterbirds is well described.

- Baker Ranch is representative of many commercial ranching operations in the area and has a long history of integrating conservation practices into their ranching business.
- The Eastern Oregon Agricultural Research Center is managed as a "typical Great Basin ranch" and is well positioned to communicate findings associated with vegetation and water management best practices to a wide audience in the surrounding community and throughout the region.

Concerns

- The significance of the of the agricultural, natural resource and social values of the two agricultural operations subject to the proposed CMPs are not discussed in detail in the application.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which implementation of the plan(s) would protect, maintain, or enhance farming or ranching on working land, including how implementation of the plan(s) would: ((OAR 698-010-0090(2)(a),(b))

(a) Maintain or improve the economic viability of the operation; and
(b) Reduce the potential for future conversion or fragmentation of the property and surrounding working land.

The extent to which implementation of the plan(s) would protect, maintain or enhance significant agricultural outcomes, benefits, or other investment gains, including the regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors. (OAR 698-010-0090(4))

Strengths

- The uncertainties and challenges associated with maintaining agricultural viability on Baker Ranch in the face of a drying climate are well described. The project has potential to help with climate change resiliency of ranches reliant on wet meadows for forage.
- The connection between the hydrologic regime and resulting forage quality are well articulated and the proposed approach of monitoring to better understand how a change in hydrology will impact the composition and abundance of the forage stand is justified in the application.
- The threat of conversion from native grasses to reed canary grass monocultures and the degree to which this would have a detrimental impact on long-term agricultural outcomes is well supported in the application.
- The application describes an approach to developing conservation management plans that is designed to be adaptable and addresses the problem at a systems level as opposed to farm level.
- The importance of wet meadows to ranching operations in the region is well documented. The resulting CMPs proposed in the application would enhance the ability of the operations to consistently produce high quality hay in their wet meadow pastures.
- The application describes an ongoing risk of conversion from diverse stands of native grasses to monocultures of poor quality, invasive grasses as well as the potential for increased conversion risk associated with a changing climate and how the proposed CMPs will support the development of adaptive management strategies.

Concerns

- It is somewhat unclear that all the work proposed in the application is in support of the development of conservation management plans and that the resulting CMPs will lead toward desired future conditions on the two subject properties.
- The application lacks detail as to what the current agricultural management practices and goals are on the properties subject to the proposed CMPs.
- The application in unclear as to whether desired future conditions have already been determined at the two properties subject to the proposed CMPs, or if these still need to be developed.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which implementation of the plan would protect, maintain, or enhance significant fish or wildlife habitat, water quality, or other natural resource values by: (OAR 698-010-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;

(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality, or other natural resource values;
(c) Protecting, maintaining or improving the quality and connectivity of wildlife habitat on and around the working land subject to the plan;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Sustaining ecological values, as evidenced by the conservation management plan or inherent site condition.

Strengths

- The proposal clearly articulates how the proposed CMPs will support balancing habitat needs of waterfowl with those of grazing cattle in wet meadows on Baker Ranch and the EOARC.
- The proposal describes the basis for seeking more information to inform the plan for the adoption of conservation practices that will benefit wildlife and support the production of forage for livestock, while improving water quality, quantity and soil health in wet meadows on ranches throughout the region, advancing knowledge about agricultural water management and its relation to climate change.
- The proposal describes an approach that could help inform future CMPs throughout the Great Basin by defining desired future conditions and effective management actions to support forage production, wildlife habitat and water quality in wet meadows.
- Both properties subject to the proposed CMPs are within the Upper Silvies River Conservation Opportunity Area of the Oregon Conservation Strategy, contain identified strategy habitats, and are considered Important Bird Areas by the Audubon Society.
- The proposal describes how the project will collect water quantity data informing the development of management practices that will address the protection, maintenance or improvement of water quality and/or quantity.
- The proposed project intends to collect flora and fauna data to inform the development of two CMPs, recognizing that more information is needed to inform the development of CMPs in wet meadows.

Concerns

- The application does not reference how water quality affects vegetation and forage production on the properties and whether the proposed CMPs will incorporate this aspect.
- It is unclear from the application how all aspects of the proposed data collection and inventory work will support the development conservation management plans on Baker Ranch and the EOARC.
- The application lacks source information in its discussion of climate change and desired future conditions.

ORGANIZATIONAL CAPACITY

Low	Medium	High

The capacity and competence of the prospective conservation management plan holder to enter into and (if implementation funding is awarded) monitor and carry out implementation of a conservation management plan, including: (OAR 698-010-0090(5)(a)-(c))

(a) The financial capability to manage the plan(s) over time;
(b) The demonstrated relevant commitment, expertise, and track record to successfully develop, implement, carry out, and monitor plan(s); and
(c) The strength of the conservation management plan holder as measured by effective governance.

Strengths

- The High Desert Partnership is well networked in the region and has a strong legacy facilitating public/private partnerships.

Concerns

- The application does not describe the financial capability of the applicant (High Desert Partnership).
- The application does not describe the commitment, expertise or track record of the applicant (High Desert Partnership).
- The application does not describe the strength and governance model of the conservation management plan holder (High Desert Partnership).

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: (OAR 698-010-0090(6)(a)-(c))

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the conservation management plan, with a preference for longer term agreements if implementation funding is awarded; and
(c) The potential for setting an example that will encourage additional working land projects.

Strengths

- The application budget details a variety of in-kind match from a variety of individuals, governments and organizations.
- Oregon State University Extension participation in the project is beneficial for reaching the broader community, basin wide.
- The application proposes to develop two conservation management plans for ~$30K
- Many partners are included in the project, increasing the likelihood that the project will encourage additional working land projects in the future.
- The proposed conservation management plans will cover over 800 acres.
- Both properties proposed for CMP development can be seen from the road and have the potential to be good showcase properties.

Concerns

- The proposed CMPs have a duration of six years, too short to qualify them for future OAHP implementation funding (20 year minimum).
- The application budget does not include any cash match.

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of plan implementation on owners or operators of neighboring lands, including: (OAR 698-010-0090(7)(a), (b))
(a) A plan for communicating with neighboring owners and operators once a conservation management plan is ready to be implemented about how to mitigate potential impacts; and
(b) A maintenance plan for infrastructure that may impact neighboring lands if not maintained over time.

Strengths

- The application is for the development of a CMP while the criteria is applicable to CMP implementation; however, the application describes, in general, a plan for communicating the goals for the project and lessons learned/any concerns arising from implementation of the CMPs with neighboring landowners.
- The Eastern Oregon Agricultural Research Center intends to share findings from project with Harney County flood irrigated wet meadow managers.
- The applicant indicates they plan to share the resulting CMPs with their local NRCS office.

Concerns

- The plan for communicating with neighboring landowners would benefit from more detail as to who will be contacted and how/when that communication will take place.

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-010-0090(8))

Strengths

- The application describes the potential for changes in plant communities to affect the productivity of wet meadows and ultimately the economic viability of ranching in the region. This could increase the pressure on larger ranches, like the Baker Ranch, to sell or transition the use on portions of the property to provide an alternative source of income when agricultural productivity is down. The project has potential to help other ranches find ways to maintain agricultural productivity.

Concerns

- The urgency of the threat of conversion to non-agricultural use is not discussed in detail for either location.

EVALUATION SUMMARY

This application proposes developing two Conservation Management Plans (CMPs) across 800 acres on two ranching properties that will complement one another. The properties are agriculturally and ecologically significant to the region in both scale and influence. It is clear from the application that wet meadows are an important forage production resource for many ranches in the region, including the two properties proposed for CMP development.

It is somewhat unclear that all the work proposed in the application will directly support the development of Conservation Management Plans or how the resulting CMPs will lead toward desired future conditions on the two subject properties. Similarly, the impacts of climate change on the ability of wet meadows to persist in the region is not well explored and may impact the long-term significance of wet meadow agroecosystems throughout the Great Basin over the coming decades.

Overall, the proposed development of these Conservation Management Plans will likely support long term agricultural viability as well as enhance fish and wildlife habitat and water quality on the two properties. The project also has a high potential to lead to the development of future CMPs in the region through the development of management best practices and desired future conditions for wet meadows across the region.

STAFF RECOMMENDATION

Staff recommend the Commission recommend application #223-7201-22602 received through the 2022 conservation management plan grant solicitation for funding to the OWEB Board at the amount of $41,366 in accordance with OWEB's grant agreement for OAHP conservation management plan projects, including project-specific conditions specified in the grant agreement.

FALL 2022 OWEB Grant Offering

Oregon Agricultural Heritage Program

Conservation Management Plan

Application No.:	223-7200-22539	**Project Type:**	Conservation Management Plan
Project Name:	Branch Road Conservation Management Plan		
Applicant:	Coast Fork Willamette Watershed Council		
Region:	Willamette Basin	**County:**	Willamette
OWEB Request:	$24,942	**Total Cost:**	$25,441

APPLICATION DESCRIPTION [PROVIDED BY THE APPLICANT]

Branch Foard Farm, is a property of 72.66 acres (map and tax lot 20-04-23-00-01000) located at 79442 Repsleger Road, Cottage Grove, in Lane County, Oregon. The property has been in a conservation easement for over 5 years, with areas designated for sustainable agricultural operations. The Farm Operator runs a diversified small farm operation with a mix of market vegetables and livestock for direct-to-consumer markets. The farm acts as a classroom for community workshops in rural living skills, a site for children's programs, and an event venue for large group gatherings.

Climate change and has brought increased pressures on soil and water resources in recent years, with longer dry seasons in the summer, and greater frequency of extreme weather events. Concerns about continued sustainability of farming practices have led the Farm Operator to seek strategies and efficiency improvements to conserve and enhance available soil and water resources, as well as natural areas located on the property's forests and riparian zones.
The work being proposed includes the creation of a comprehensive conservation management plan for the entire property that will address natural resource management needs in the interests of agricultural sustainability, economic viability of the farm operation, and enhancement and stewardship of natural habitat.

The Farm Operator of Branch Road Farm, Andhi Reyna, and the property's Landowner, Jerry Russel, seek to partner with the Coast Fork Willamette Watershed Council to create a Conservation Management Plan that will address water resource concerns, soil conservation priorities, and natural habitat maintenance and restoration in the coming decades.

REVIEW

The review below is the staff evaluation of the project based on the evaluation criteria described for conservation management plan applications in OAR 698-010-0090.

SIGNIFICANCE OF THE WORKING LAND

Summary of staff's assessment of project's responsiveness to application criteria.		
Low	***Medium***	***High***

The significance of the agricultural, natural resource, and related social values of the working land subject to the conservation management plan(s). (OAR 698-010-0090(1))

Strengths

- The operation managing the property subject to the proposed Conservation Management Plan (CMP) is an active participant in the local food economy and is often open to the public.
- The property has a diversity of habitats including wetlands, riparian areas, oak woodlands and conifer forests.
- The property supports the production of a variety of agricultural products for the local market including livestock and vegetables.

- The property supports multiple viable agricultural business that include crop production, livestock, value added food processing and agritourism.
- The farm level management described in the application demonstrates an attentiveness to both agricultural and natural resources on the site.

Concerns

- The property may be too small to support some types of agricultural production and provide meaningful contributions to all habitat types present on the property.
- Slopes and soil types on the property may limit the types of agricultural production possible which may impact the ability of future operators to respond to a changing climate and economic conditions.

PROTECTING, MAINTAINING, ENHANCING FARMING OR RANCHING ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which implementation of the plan(s) would protect, maintain, or enhance farming or ranching on working land, including how implementation of the plan(s) would: ((OAR 698-010-0090(2)(a),(b))

(a) Maintain or improve the economic viability of the operation; and
(b) Reduce the potential for future conversion or fragmentation of the property and surrounding working land;

The extent to which implementation of the plan(s) would protect, maintain or enhance significant agricultural outcomes, benefits, or other investment gains, including the regional significance of the agricultural operation, or its suitability based on soils, slope, location or other relevant factors. (OAR 698-010-0090(4))

Strengths

- The application describes how the proposed CMP could lead to better "control" of water across the property, including the installation of a pond. This would support the economic viability of the agricultural operation by improving soil infiltration and reducing erosion leading to better forage production for livestock.
- The proposed CMP will address challenges resulting from climate change, including prolonged dry seasons, which limit water availability later in the summer.
- The proposed CMP will serve as the management plan for an existing conservation easement on the property, ensuring conservation benefits resulting from this project are secure.
- The application clearly describes the challenges facing the operation presented by the interaction between grazing management objective and water quantity across the property.
- The proposed CMP will build on a previous forest management plan that focused on the forested sections of the property, demonstrating a proactive commitment by the land manager to natural resource planning.
- The application describes how the implementation of a CMP would increase the long-term sustainability of diversified agriculture on the property, and how that would decrease pressures to convert the land to non-agricultural use.

Concerns

- Steep slopes on the property may present erosion challenges when it comes to some of the proposed outcomes, including objectives that require thinning the forest and grazing livestock.
- The application lacks specific details as to what conservation actions the proposed CMP will lead to and how success will be measured.
- There is little detail in the application describing what has been achieved at the site during the life of the previous management plan (forest management plan). Additional detail would provide context on the extent to which the farm operator is able to follow through on management plan objectives and the extent to which implementation of the proposed CMP would lead to significant agricultural outcomes.
- Current agricultural practices being implemented on the property are described at a high level, but more detail would be helpful to understand how the proposed CMP will lead to the desired future condition.

PROTECTING, MAINTAINING, ENHANCING HABITAT, WATER, AND OTHER NATURAL RESOURCE VALUES ON SIGNIFICANT WORKING LAND

Low	*Medium*	*High*

The extent to which the covenant or easement would protect, maintain or enhance significant fish or wildlife habitat, water quality or other natural resource values by: (OAR 698-015-0090(3)(a)-(e))

(a) Protecting, maintaining, or improving the land, including soil, water, plants, animals, energy, and human needs considerations;
(b) Supporting implementation of the Oregon Conservation Strategy, Oregon's Agricultural Water Quality Management Program, or other local, regional, state, federal or tribal priorities or plans that support fish or wildlife habitat, water quality or other natural resource values;
(c) Protecting, maintaining, or improving the quality and connectivity of wildlife habitat on and around the working land;
(d) Protecting, maintaining, or improving water quality and/or quantity; and
(e) Implementing a management plan that is likely to sustain ecological values, as evidenced by a management plan, easement or covenant terms, or inherent site condition.

Strengths

- The application demonstrates that the project team has detailed knowledge of the overall ecology on the property including species of concern.
- The proposed CMP will address the goals of the Agricultural Water Quality Management Program area plan including strategies for riparian areas.
- The property is just outside (<1mile) the Upper Siuslaw Conservation Opportunity Area of the Oregon Conservation Strategy, and the proposed CMP would include actions to benefit oak woodland, riparian and wetland habitats all priority habitats according to the OCS.
- The application describes that the property is located near two known spotted owl nesting sites and provides habitat for Fender's Blue Butterfly, Kincaid's Lupin, and Oregon White Oak.
- A clear connection is made in the application between grazing management and impacts to water quality. This connection is then used to justify the need for a CMP.
- The proposed CMP will keep conservation momentum going on the property by building from a forest management plan to a more holistic conservation management plan.

Concerns

- The proposed CMP puts an emphasis on enhancing oak habitat, but the acreage may be too small to benefit many species reliant on oak habitat.
- The application lacks detail about the actions taken in the last decade to improve the oak habitat in the forest management plan.
- The application lacks detail about any logistical challenges that led to complications implementing 2014 EQIP funding and the extent to which those conditions still exist.
- The desired future conditions in the forested areas of the property are not well described.

ORGANIZATIONAL CAPACITY

Low	*Medium*	*High*

The capacity and competence of the prospective conservation management plan holder to enter into and (if implementation funding is awarded) monitor and carry out implementation of a conservation management plan, including: (OAR 698-010-0090(5)(a)-(c))

(a) The financial capability to manage the plan(s) over time;
(b) The demonstrated relevant commitment, expertise, and track record to successfully develop, implement, carry out, and monitor plan(s); and
(c) The strength of the conservation management plan holder as measured by effective governance.

Strengths

- The plan holder (Coast Fork Willamette Watershed Council) has a track record of successfully integrating conservation actions into working landscapes through several projects in their service area.
- The plan holder describes their new Working Lands Program and how it builds on legacy programs at the organization, demonstrating a commitment to supporting agricultural landowners carry out conservation actions on their land.
- The applicant demonstrates ongoing growth in the budget of the organization and extensive grant management experience at the executive level

Concerns

- None

CAPITALIZING ON STATE INVESTMENTS

Low	*Medium*	*High*

The extent to which the benefit to the state from the investment may be maximized, based on: (OAR 698-010-0090(6)(a)-(c))

(a) The ability to leverage grant moneys with other funding sources;

(b) The duration and extent of the conservation management plan, with a preference for longer term agreements if implementation funding is awarded; and

(c) The potential for setting an example that will encourage additional working land projects.

Strengths

- The application describes how the CMP will support the farm operator in accessing NRCS conservation funding to implement portions of the plan.
- The farm and local conservation community are already using this property as a showcase for conservation actions in the community, increasing the likelihood that successful implementation of a CMP will lead to other working landowners in the region adopting their own CMPs.
- The proposed CMP has a time horizon of 20 years and will cover the entire property. This will facilitate holistic, long-term thinking and will qualify the applicant to apply for implementation funding through a future OAHP CMP implementation grant.

Concerns

- The application does not describe how the proposed CMP will incorporate the previous NRCS Forest Management Plan in order to show progress.
- It is unclear to what extent the applicant demonstrates an ability to leverage grant moneys with other funding sources, as the application only identifies NRCS and OAHP as potential CMP implementation funders

IMPACT TO NEIGHBORING LANDS

Low	*Medium*	*High*

The impacts of plan implementation on owners or operators of neighboring lands, including: (OAR 698-010-0090(7)(a), (b))

(a) A plan for communicating with neighboring owners and operators once a conservation management plan is ready to be implemented about how to mitigate potential impacts; and

(b) A maintenance plan for infrastructure that may impact neighboring lands if not maintained over time.

Strengths

- The application is for the development of a CMP while the criteria is applicable to CMP implementation. Nevertheless, the application describes previous successes communicating about conservation projects happening on the property with neighbors.
- The farm operator intends to keep neighbors abreast of developments in the CMP's implementation and invite them to a tour of the property as projects are completed.

Concerns

- None

THREAT OF CONVERSION OR FRAGMENTATION

Low	*Medium*	*High*

The level of threat of conversion or fragmentation of the working land. (OAR 698-010-0090(8))

Strengths

- The application describes how the implementation of a CMP will increase the long-term sustainability of diversified agriculture on the property and how this will decrease pressures to convert the land to non-agricultural use.
- There is an existing perpetual conservation easement on the property.

Concerns

- There is not much detail provided in the application about the surrounding landscape, which would help to understand what is happening around the farm in order to better understand the threat of fragmentation of habitat and farmland beyond the property itself.

EVALUATION SUMMARY

The property proposed for development of a Conservation Management Plan (CMP) is 73 acres of diverse habitat including wetlands, riparian areas, oak woodlands and open farmland that support the production of a variety of agricultural products for local markets in the upper Willamette Valley. The application demonstrates that slopes and water quantity present challenges to the operation, and that the development of a CMP would help the operator make better use of the land while reducing erosion, increasing water quality, and improving habitat for fish and wildlife.

The application is vague when it comes to the specifics of what will be included in the CMP proposed for development; however, the applicant has a record of successful project development. The CMP is intended to serve as the management plan for an existing perpetual easement on the property, inspiring confidence that the resulting CMP will further the goals of the agricultural operator, as well as the OAHP program over the coming decades.

The interaction between grazing management and water management are at the heart of the proposed CMP. The application makes a clear connection between water quantity, grazing impacts, and water quality. The need for a CMP is justified throughout the application in order to balance the needs of the agricultural operation with those of the ecosystem upon which the business is reliant. The property is somewhat limiting when it comes to agriculture due to slopes, soils, size, and water availability; however, the operation is similar in this regard to many farms in the region producing for local markets. This, combined with the operation's commitment to sharing their practices with the surrounding community and the applicant's recent establishment of a working lands program to promote conservation opportunities throughout the watershed, demonstrate a high potential that an investment in developing a CMP for this property would support the development of additional high-quality projects in the future.

STAFF RECOMMENDATION

Staff recommend the Commission recommend application #223-7200-22539 received through the 2022 conservation management plan grant solicitation for funding to the OWEB Board at the amount of $24,942 in accordance with OWEB's grant agreement for OAHP conservation management plan projects, including project-specific conditions specified in the grant agreement.

STAFF REPORT

Oregon Agricultural Heritage Program

March 16, 2023 OAHP Commission Meeting

Tina Kotek, Governor

ITEM G – Conservation Management Plan Implementation Methodology Update

To: Oregon Agricultural Heritage Commission
From: Taylor Larson, OAHP Program Coordinator

Introduction

This staff report provides context to help the commission engage in a conversation with Highland Economics and OWEB staff around the development of a methodology for valuing practices implementing conservation management plans (CMPs).

Background

The Oregon Agricultural Heritage Program has authority to recommend grants funding the development, implementation and monitoring of CMPs as described in ORS 541.989 and OAR 698-010-0080. In 2022 staff solicited grant applications to fund CMP development and, if funding is available in future biennia, will begin soliciting applications to fund the implementation of CMPs as well. In 2019, on behalf of OWEB, Highland Economics completed a *Review & Feasibility Determination of Methodologies for Valuing Agricultural Conservation Management Actions* as a first step toward the development of CMP implementation methodology. In 2022, staff began working with Highland Economics to develop methodologies for OWEB to pay for the implementation of CMPs.

Barbara Wyse of Highland Economics will provide the commission with an update on the progress made thus far and engage in dialog with the commission around likely next steps.

Recommendation

This is an information item only.

STAFF REPORT

Oregon Agricultural Heritage Program

March 16, 2023 OAHP Commission Meeting

Tina Kotek, Governor

ITEM H – OSU Extension Succession Planning Program Development

To: Oregon Agricultural Heritage Commission
From: Taylor Larson, OAHP Program Coordinator

Introduction

This staff report provides context to inform commission discussion regarding the development of a succession planning program at the Oregon State University Extension Service. This is an information item only.

Background

Oregon Revised Statute 541.989 (1)(g) states that "The Oregon Agricultural Heritage Commission shall provide funding recommendations to the Legislative assembly, or recommendations for grant funding to the board, to provide training and support to owners of working land, or persons advising owners of working land, regarding succession planning for the lands." Furthermore, ORS 541.989 (2) states, in part, that "The commission's recommendations for funding under subsection (1)(g) may include recommendations for funding succession planning programs through the Oregon State University Extension Service only if the university has presented the commission with a program proposal for review.

Potential OSU Extension Position

The Oregon State University Extension Service has created a draft position description (Attachment A) for a fixed-term Assistant Professor of Practice position housed in the Applied Economics Department within the College of Agricultural Sciences. Jeff Reimer, OSU's Applied Economics Department Head, will present the proposed farm succession position and field questions from the commission to inform potential future collaboration between the commission and OSU Extension around the development of a statewide succession planning program.

Recommendation

This is an information item only.

Attachment A

Draft OSU Farm Succession Position Description

Oregon State University

Farm Succession Position Description

Position Summary

This is a fixed-term Assistant Professor of Practice position in the College of Agricultural Sciences at Oregon State University (OSU). The academic home for this position is the Department of Applied Economics.

This position has a scholarly outcome expectation as outlined in the OSU Faculty Handbook and the Faculty Affairs document "Scholarship defined for Professors of Practice".

As a land grant institution committed to teaching, research and outreach and engagement, OSU promotes economic, social, cultural and environmental progress for the people of Oregon, the nation and the world.

The faculty member contributes to the missions of Oregon State University Extension Service (OSUES), the College of Agricultural Sciences (CAS) with principal responsibility for needs assessment, Extension program development, educational program delivery and instruction, and evaluation for adult audiences in the area of farm business organization, succession planning and estate planning.

Oregon State University is committed to practicing and delivery of tools for state-of-the-science interaction and engagement of partners and stakeholders. This faculty member is required to use modern learning tools including online and hybrid classes, employ and practice engaged scholarship, promote integration of programs across disciplines that are demand-driven and use open source tools that continually align with innovation and shifts in educational program delivery.

Active and effective communication with colleagues and key stakeholders is critical to the success of this position. This position will require traveling throughout the state.

College of Agricultural Sciences faculty are committed to enhancing learner success by engaging them in quality academic, research, internships, global studies, and other experiential learning opportunities. Positions with primary responsibility for Extension and Engagement are likewise committed to learner success through programming appropriate for diverse audience.

About the division:

The Division of Extension and Engagement (Division) is core to Oregon State University's mission. The Division helps create real solutions and positive impact across Oregon and beyond. The Division is aligned under the leadership of the Vice Provost for Extension and Engagement. To learn more about our Division and its core units and initiatives, please visit our website: https://engagement.oregonstate.edu/.

OSU Extension programs, partnerships and volunteer opportunities are focused on:

- Healthy communities and economies
- Resilient and productive forestry and natural ecosystems

** Required Field*

Revised: 08/02/2021

- Sustainable agriculture, food systems, and gardening
- Thriving youth, individuals and families

Commitment to inclusive excellence:
Oregon State University is committed to creating and maintaining compassionate and inclusive learning and working environments for all learners, visitors and employees. We envision collaborative community environments that enhance civility and embrace diversity. All employees are responsible for achieving this commitment. This commitment includes, but is not limited to, complying with Civil Rights and Language Access regulations. In addition, this individual will design, develop, maintain and/or carry out Extension programs to ensure that educational programs and outreach activities serve diverse populations, including those that have been historically marginalized/excluded from participation.

OSU Extension Service https://extension.oregonstate.edu/about/diversity-equity-inclusion
OSU Moving Forward Together https://leadership.oregonstate.edu/president/moving-forward-together

Decision Making/Guidelines

This Applied Economics faculty member is responsible for decisions regarding educational program implementation, including expenditure of funds allocated for services and supplies, in their area of responsibility.

Decisions to initiate major new educational programs need to be reviewed by the incumbent's immediate supervisor, academic home and/or College of Agricultural Sciences Extension Program Leader. Applied Economics faculty operate as part of a team within the Department of Applied Economics and contribute to the overall outreach and educational goals of the department.

Conduct work as defined by the Oregon State University Promotion and Tenure Guidelines in accordance with the Professor of Practice series rank.

All decisions are made according to OSU policies, standards, rules, and procedures; the OSU Division of Extension and Engagement rules and procedures; and the OSU Extension County Office guidelines.

Position Duties

75% – Teaching, Advising, and Other Assignments:

The faculty member will design, coordinate, implement, deliver, and evaluate mufti-faceted Extension farm business succession programs across Oregon counties. This faculty member will research and create educational materials in the area of farm business organization, succession, and estate planning. Primary audiences include agricultural and food producers, landowners, agricultural businesses, agricultural business advisors, regional and state leaders, federal and state employees, trade associations, other agencies/groups, and media. Educational program delivery will include Extension and peer reviewed publications, presentations, workshops, conferences, electronic and mass media releases. Travel is required. The faculty member will collaborate with county extension faculty to provide educational programs.

The extension program will focus on topics such as:

(a) how legal strategies can be designed to keeping working lands within a family, including the use of limited liability companies (LLC), trusts, leases, rights of first refusal, and purchase options;
(b) strategies to transfer management to non-family business successors and bring them into ownership according to the family's wishes;
(c) how working lands and conservation easements can be incorporated into succession planning;
(d) strategies available to Oregon farmers and ranchers to better understand and minimize inheritance tax and liability exposure that could endanger the on-going nature of the operation;
(e) how succession planning can accommodate potential long-term health care costs along with Medicare and Medicaid needs;
(f) new legislative and legal developments that may affect existing or future farm succession plans.

The faculty member will:

Engage with Extension teams and stakeholder groups to monitor and identify legal research and outreach needs.

Develop and maintain efficient methods for addressing high volumes of topically repetitive clientele inquiries. Include systems of call screening and response utilizing county Extension office staff, personal expertise, expertise of other faculty within Applied Economics, and other OSU faculty.

Develop networks of formal and informal interest groups in subject matter areas where appropriate. Utilize partnerships with diverse interest groups to provide advisory support and to enhance program quality and delivery.

Utilize in-service training and professional development opportunities to obtain basic skills in general legal topics including Oregon business organizations, estate taxes, conservation easements, working lands easements, etc.

Regularly evaluate and document evidence of program accomplishments. Produce plans of work, reports of accomplishments, impact statements and similar reports as requested.

Develop and follow a professional development plan. Participate in appropriate professional organizations.

Individually and as part of the Department of Applied Economics secure outside grants and contracts and/or service fees for support of program activities.

10% – Scholarly Outcomes:

Scholarly and creative work is intellectual work whose significance is validated by peers and that is communicated. Emphasis in scholarship should be placed on outcomes that recognize activities as a professional practitioner in community settings as defined by the incumbent's position description.

To achieve promotion, scholarship for this position must include peer reviewed materials that are durable and findable in the web environment. Other types of scholarship may fit these durability and findable criteria:

• Publications in peer-reviewed journals which might encompass description and evaluation of novel community-based professional practice or research application, program development and innovation, outcomes of innovative programs and/or services, definitive professional practice reviews, or case reports among others.

• Authorship of extension publications, local or regional "practice" publications, book chapters, other educational materials and electronic information delivery media if it is either peer reviewed before dissemination or if there is evidence of its adoption and use by peers.

To achieve promotion, there must be an on-going record that both of these types of scholarship are being done though each does not need to be present in every year of record. Documentation must also be provided that shows these scholarly outputs have had impact.

These durable, web-findable materials may be augmented by other forms of peer validation such as the following:

- Invited presentations, poster and podium presentations, and published abstracts and/or proceedings at state, regional and national levels, provided that evidence of peer validation is provided.
- Documented impact due to local or regional adoption of improved practices, methods, or programs.
- Secured competitive grants and contracts appropriate for the scope and focus of the faculty member's position.
- Named inventor of a protected intellectual property in the faculty member's field.
- Recognition as a professional practitioner in community settings as demonstrated by the following: honorary degrees; awards recognizing community, professional and/or scientific achievements; fellowships in national professional and/or scientific organizations; and requests to serve as a technical advisor to government agencies, industry, or professional groups.

For more information on the scholarly outcome expectations for this position, please refer to the Guidelines for Professor of Practice Appointments and Promotion" contained in the OSU Faculty Handbook.

Best practice is to ensure an inclusive scholarship:

- Including diverse perspectives on the research team, particularly among co-principal investigators.
- Emphasizing diversity to address broadening participation in grant proposals.
- Writing articles and books that address issues of diversity/social justice.
- Presenting conference papers on issues of diversity/social justice.
- Increasing the diversity of students who serve as research assistants.

10% – Organizational Accountability:

Utilize technology as a tool to increase the impact of program delivery on constituents including participating with Ask-an-Expert (Ask Extension).

Use multiple methods of electronic communication (i.e. web sites, publications, video conferencing and other online methods) to collaborate internally and externally as appropriate.

Implement fee-based programming and cost-recovery practices, develop partnerships, and solicit external funding to support and enhance educational programs as appropriate.

Organize and maintain program advisory and management committees and/or networks to identify program needs, make recommendations, assist in program implementation, and evaluate program effectiveness.

Develop an annual plan of work addressing educational needs as well as evaluate the quality and impact of educational programs provided to audiences as appropriate.

Effectively promote/market your educational programs and services, employing the OSU Extension and University brands in all opportunities.

Inform community and statewide opinion leaders and decision makers about your programs and services, and help them understand your program impacts and the context in which your work relates to overall Extension goals and strategies.

Provide annual impact statement reports adhering to Extension criteria.

Contribute to equity, inclusion, and diversity as part of teaching, educational delivery, advising, research, Extension, service, and/or scholarly outcomes. Include outputs and impacts of efforts to promote equity, inclusion, and diversity in promotion dossiers.

5% – Service:

Serve as an effective team member in the Department of Applied Economics on the OSU-Corvallis campus.

Provide service to your academic home, college and university through committee service and leadership as appropriate and requested by administrators and peers.

Assist in cohesive marketing of Extension.

Serve on state, regional, local, and national advisory committees appropriate to position responsibilities and participate in professional organization activities.

Practice a welcoming and respectful workplace culture.

Minimum/Required Qualifications

Either a Juris Doctorate (J.D.), Master of Laws (LL.M.) or similar graduate qualification in the field of law, or a Master's degree in economics, agricultural economics, business, management, or related discipline.

Demonstrated experience with and knowledge of laws and regulations related to farm and ranch succession.

Demonstrated teaching experience including remote delivery of noncredit and/or credit-based courses

Demonstrated written and oral communication skills including effective use of electronic (traditional and web-based) and printed mass media.

General ability to use common computers, including proficiency with information technology, web sites and social media.

Ability to work as a team member with other professionals and volunteers.

Ability to work independently with minimal supervision and to manage competing time demands.

Ability to lead groups and to plan, organize, evaluate, manage, and delegate details associated with program management.

Demonstrable commitment to promoting and enhancing diversity and inclusion.

Ability to incorporate multiple cultural perspectives in educational design and delivery.

This position requires driving a university vehicle or a personal vehicle on behalf of the university; therefore, the incumbent must successfully complete a motor vehicle history check, possess and maintain a current, valid driver's license in their state of residence, be determined to be position qualified and self-report convictions as per University Policy 05-030 et seq.

Preferred Qualifications

Juris Doctor (J.D.) degree.

Experience assisting working farms and ranches in a legal capacity, particularly with regards to matters of farm succession.

Ability to secure external funding support for educational programs.

Ability to adapt to the changing technological environment.

Demonstrated life experience, education, and/or training that broaden capacity to equalize the success or impact on under-served audiences.

Demonstrated commitment to work with historically marginalized populations.

Experience using multiple forms of electronic communication.

Working Conditions/Work Schedule

Travel required to delivery educational programming throughout Oregon and to collaborate with other faculty and staff. Flexibility to work evenings and weekends.

STAFF REPORT

Oregon Agricultural Heritage Program

March 16, 2023 OAHP Commission Meeting

Tina Kotek, Governor

ITEM I – The Year Ahead

To: Oregon Agricultural Heritage Commission
From: Eric Williams, OWEB Grant Program Manager
Taylor Larson, OAHP Program Coordinator

Introduction

This staff report is intended to provide the commission with proposed future solicitation timelines and a commission meeting schedule including work sessions to update the OAHP rules.

Background

If funding is made available to OAHP grant programs in the coming biennium, the program will need to quickly adopt a schedule for solicitation in order to facilitate alignment with federal programs and facilitate a streamlined review and evaluation process for all grant programs.

It has been several years since the commission developed rules guiding the development of solicitation and evaluation criteria for the five grant types authorized by law in 2017. The recent solicitation for working land conservation covenant and easement grants and conservation management plan development grants has illuminated opportunities for rule refinements that could improve the process for applicants and reviewers. Similarly, the OWEB Board has directed all programs to adopt rules incorporating climate change impacts into their evaluation criteria.

Future Solicitation Schedule

While it is unclear if funding will be available for future solicitations, staff recommend the commission adopt a solicitation schedule for future grant offerings in the event there is funding to do so. The table below provides a staff recommended 2023 grant solicitation schedule.

Grant Type	Open	Close	Solicitation Length	OAHC Meeting	OWEB Meeting	Review Length
Conservation Covenants & Easements	7/15/2023	9/29/2023	2.5 months	3/13/2024	4/25/2024	6 months
Conservation Management Plans	12/1/2023	2/15/2024	2.5 months	6/12/2024	7/23/2024	4 months
Succession Planning	12/1/2023	2/15/2024	2.5 months	6/12/2024	7/23/2024	4 months
Technical Assistance	12/1/2023	2/15/2024	2.5 months	6/12/2024	7/23/2024	4 months

Future OAHC Meeting Schedule

In order to align with the proposed 2023 OAHP grant solicitation cycle and to facilitate the adoption of an updated OAHP rule set by the OWEB board at their January, 2024 meeting, staff recommend the meeting schedule proposed in the table below.

Date	Purpose	Format
6/26/2023	Review Application Updates & Develop Spending Plan Recommendation	Virtual
8/1/2023	Rule Making Work Session #1	Virtual
9/5/2023	Rule Making Work Session #2	Virtual
10/3/2023	Rule Making Work Session # 3 (Adopt formal update recommendation)	Virtual
3/13/2024	Funding Recommendations (Conservation Covenants and Easements)	In Person/Hybrid
6/12/2024	Funding Recommendations (Conservation Management Plans, Succession Planning, Technical Assistance)	In Person/Hybrid

Recommendation

Staff recommend that, pending availability of funding, the commission adopt the OAHP grant solicitation schedule as proposed in the first table of this staff report. Staff also recommend that the commission adopt the future commission meeting schedule as proposed in the second table of this staff report.