



# Oregon

Tina Kotek, Governor

## Department of State Lands

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### State Land Board

Tina Kotek

Governor

LaVonne Griffin-Valade

Secretary of State

The State Land Board (Land Board or Board) met in regular session on February 13, 2024, in the Land Board Room at the Department of State Lands (DSL), 775 Summer Street NE, Salem, Oregon. The meeting audio and video was livestreamed on the DSL YouTube channel.

#### Present were:

Tobias Read

LaVonne Griffin-Valade

State Treasurer

Secretary of State – via Zoom

Tobias Read

State Treasurer

#### Land Board Assistants

Geoff Huntington

Jessica Ventura

Jessica Howell

Governor's Office

Secretary of State's Office – via Zoom

State Treasurer's Office

#### Department Staff

Vicki Walker

Bill Ryan

Katrina Scotto di Carlo

Ted Bright

Arin Smith

Jean Straight

Ali Ryan Hansen

Linda Safina-Massey

Bree Yednock

Brett Brownscombe – via Zoom

#### Department of Justice

Matt DeVore

Governor Kotek was absent from the meeting. Treasurer Read called the meeting to order at 10:00 a.m. The topics discussed and the results of those discussions are listed below. To view the Land Board (Board) meeting in its entirety, please visit our YouTube page: [February 13, 2023 Land Board Meeting](#)

### Consent Items

#### 1. Minutes

Treasurer Read made a motion to approve the minutes for the December 12, 2023, Land Board meeting.

Secretary Griffin-Valade seconded the motion.

The item was approved at 10:01 a.m. without objection.

## Action Items

- 2. The Department of State Lands requests approval to permanently adopt OAR 141-088-0036, Restrictions for State-Owned Property at the Sandy River Delta in Multnomah County. This rule would enact public use restrictions on Oregon-owned lands, including islands, in the Sandy River Delta from the mouth of the Sandy River to the I-84 bridge crossing, including the Columbia River side channel.**

Director Walker gave a brief background of the item and explained the Department's recommendation that the Land Board adopt the proposed rulemaking, OAR 141-088-0036, to establish restrictions on the use of vehicles and discharge of firearms, and the authority to temporarily prohibit, from the Sandy River Delta, individuals who violate these restrictions or who commit criminal acts within the Sandy River Delta

Treasurer Read asked how the new rules will be enforced.

Director Walker said that we will be working closely with external partners and the HOPE Team who will assist with finding homes and services for those who are affected by the new rules.

Treasurer Read made a motion to approve the action item.  
Secretary Griffin-Valade seconded the motion.  
The item was approved at 10:07 a.m. without objection.

- 3. The Department of State Lands requests approval of the creation of 1.03 acres of new lands by filling a portion of the State's ownership within the Columbia River in Township 08 North, Range 10 West.**

Director Walker gave an overview of the agenda item and the Department's recommendation that the State Land Board approve the Port to create approximately 1.03 acres of new lands, with preliminary approval for the purchase of those lands, within the State's ownership of the Columbia River.

Treasurer Read asked how often this construction method is used and if we anticipate any challenges.

Bill Ryan, Deputy Director of DSL, stated that this is an unusual request but does happen, particularly in industrialized areas. There is low concern about impacts to public trust values.

Treasurer Read made a motion to approve the action item.  
Secretary Griffin-Valade seconded the motion.

The item was approved at 10:16 a.m. without objection.

**4. The Department of State Lands requests authorization to proceed with drafting legislative concepts to be submitted to the Department of Administrative Services (DAS) for the 2025 Legislative Session.**

Director Walker introduced the Department's Government Relations Manager, Chris Castelli, to present the item.

Mr. Castelli gave an overview of three legislative concepts for approval to move forward with engaging stakeholders and possibly drafting legislative concepts for the 2025 legislative session:

- Historically Filled Lands
- Energy and Telecommunications Coordination
- Abandoned and Derelict Vessels-Placeholder

Secretary Griffin-Valade asked how many abandoned vessels there currently are in Oregon. Mr. Castelli stated that he did not know for sure, but the number is in the hundreds and the Department is currently working on a reporting system and more comprehensive inventory.

Treasurer Read stated that he is interested in hearing more in the future about possible insurance requirements and tracking of the vessels.

Treasurer Read made a motion to approve the action item.

Secretary Griffin-Valade seconded the motion.

The item was approved at 10:26 a.m. without objection.

**Informational Item**

**5. Common School Fund Annual Audit Report**

Director Walker introduced Lealan Miller with the Department's auditor Eide Bailley and Joseph Flager, the Department's Finance and Budget Manager to the table.

Lealan Miller, presented the 2023 governance letter and 2023 financial statements and gave an overview of key items as follows:

- Overall process of the audit
- The auditor's opinion
- Highlights from the letter issued to those in charge of governance (the board)
- The Government Auditing Standards opinion letter

Director Walker stated that it is important to note that the common school fund includes two different components. The Constitutional Common School Fund and the Statutory Common School Fund. Each component is subject to different management obligations. The constitutional portion is subject to the Admissions Act and requires that the funds be used for the schools and that the fund be managed for the best interest of the State. The Statutory Common School Fund is subject to the direction of the legislature. It is important to recognize this distinction in order to understand the state's obligations to the Common School Fund.

She continued by stating the Department will strive to make improvements to our system regardless of which CSF we are talking about.

Treasurer Read stated that this was a great audit and thanked everyone for their work.

## **6. Oregon Department of Forestry's Report on Common School Forest Lands**

10:40 a.m.

Director Walker introduced Mike Wilson, State Forest Divisions Chief and Mike Shaw, Deputy State Forester, to present the report.

Treasurer Read asked if we should anticipate volatility continuing in the future. Mr. Wilson stated that the current situation is a tight log market, and the competitive market is actually favorable for our sales.

Secretary Griffin-Valade asked about communities that rely on the timber industry and if the fluctuating market affects them.

Mr. Wilson stated that the market is always a factor as well as seasonal fluctuations, including weather events, can affect those communities.

Director Walker thanked ODF and their Incident Management Team for their work in Lane County during the recent snow and ice storm.

## **7. Managing School Lands: Annual Report of the Real Property Program**

10:51 a.m.

Director Walker was joined at the table by Deputy Director Bill Ryan and Real Property Manager Amber McKernan to present the report.

The primary purpose of this report is to provide the State Land Board a year-end summary of the financial performance of the Common School Fund (CSF) trust lands under the Department of State Lands' oversight. Included in the summary were the overall revenues and expenditures associated with these lands, which were the result of a broad range of real property management activities including leases, easements, licenses, special uses, and land sales and exchanges. This annual report presented outcomes from the 2023 fiscal year (July 1, 2022, to June 30, 2023) and included discussion of future real property management direction and priorities.

Treasurer Read asked if there is a preview of what is to come.

Mr. Ryan stated that the future involves implementation of DSL's strategic plan elements. Since the lands that we manage are not high-income lands, we need to be creative in finding sources of income. We are currently looking at and planning for renewable energy as new revenue sources including wind and solar energy.

Treasurer Read asked about geothermal energy and if that is something we plan on pursuing.

Mr. Ryan stated that we have one geothermal lease that is in an exploratory phase. New technology is emerging, and we will continue looking at this as an option.

**8. Elliott State Research Forest Update**

11:15 a.m.

Brett Brownscombe, Elliott State Research Forest Transition Director, joined the meeting via Zoom, to assist in presenting the update.

Mr. Brownscombe gave an overview of the draft Elliott State Research Forest 2024 Workplan.

Treasurer Read asked what the timeline is for the HCP.

Mr. Brownscombe stated that we are advancing the HCP through the federal review process now and should be able to finalize the NEPA process and the permits under the Endangered Species Act in 2024 and move into operations in 2025.

The meeting was adjourned at 11:45 p.m.

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Tobias Read, Treasurer

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Vicki L. Walker, Director