



Division of State Lands

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OREGON STATE LAND BOARD

NEIL GOLDSCHMIDT
Governor

BARBARA ROBERTS
Secretary of State

ANTHONY MEEKER
State Treasurer

The Oregon State Land Board met in regular session on
May 29, 1990, 10:00 a.m. in Hearing Room C of the State
Capitol Building, Salem, Oregon.

Present were:

Neil Goldschmidt	Governor
Barbara Roberts	Secretary of State
Anthony Meeker	State Treasurer

Assistants

Gail Achterman
Marilynne Keyser
Steve Smith

Dept. of Justice

Melinda Bruce

Staff

Martha O. Pagel
Pam Wiley
Janet Neuman
Earle Johnson
Gary Van Horn
Mike Graybill
Cindy Lord
David Blum
Diane Reynolds
Gail Lowry

Others present: Dean Ivey, Oregon Museum of Science and Industry; Chris Topik, Natural Heritage Advisory Council; Jimmy Kagan, The Nature Conservancy; Jack Burns, Peter Fry, Bill Elliott, Central Eastside Industrial Council, George Crandall, American Institute of Architects; Don Adams, Greg Jones, Portland Bureau of Transportation; Noam Stampfer, Department of Environmental Quality; Larry Brown, Portland Development Commission; Douglas Allen, Citizens Concerned About Freeway Expansion; Zari Santner, Portland Parks Bureau; John Griffiths, Sierra Club; Ron Yockim, attorney; Ronald Buel, American Institute of Architects; Jim Howell.

The meeting was called to order by Governor Goldschmidt. The topics discussed and the results of those discussions are listed as follows. Further details of those discussions may be obtained in the transcript of the meeting available at the Division of State Lands, 775 Summer Street NE, Salem, OR 97310.

Clean-up

Request by PGE for authorization for proposed sediment removal and substrate stabilization fill to be located in an area designated as a "Transitional Zone" in the Lower Willamette River Management Plan.

Director Pagel introduced this request by Portland General Electric Company for authorization under the Lower Willamette River Management Plan to complete clean up of some contaminants spilled on the site quite some time ago. Assistant Director Earle Johnson explained the project to the members and described how the project will look from the opposite river bank. Treasurer Meeker moved the item be approved. Secretary of State Roberts seconded the motion and the approval was unanimous.

Clean-up

Request by OMSI for authorization of a proposed fill and structures to be located in an area designated as a "Transition Zone" in the Lower Willamette River Management Plan.

Director Pagel explained this item was a similar request by the Oregon Museum of Science and Industry for clean up of the area at their Station L site. Treasurer Meeker moved the item be approved. Secretary of State Roberts seconded the motion and the approval was unanimous.

Filled Lands

Request by the USDA Forest Service to replace a portion of an existing boat ramp and place 50 cubic yards of riprap for bank protection within the Rogue River Scenic Waterway.

Director Pagel presented this request. She stated that the application had been circulated and no negative comments had been received. Secretary of State Roberts moved the item be approved. Treasurer Meeker seconded the motion and the approval was unanimous.

Amendment of Deed

Request for conveyance of title to surface minerals in previously approved sale of land to Mr. D.R. Johnson in Wheeler County.

On February 20, 1990, the State Land Board approved the sale of 160 acres of state-owned land in Wheeler County to Mr. D.R. Johnson. Director Pagel explained this request was to amend the deed provided after that approval. The purchaser asked that the surface minerals such as sand,

gravel, and soil be included with the deed to the property. Attorney Ron Yockim explained that there had been confusion as to the actual minerals that were reserved, and that his client's desire was to keep the surface minerals intact. Division staff concluded the reservation of surface minerals would provide no financial or other benefits to the state. The appraiser of the property noted he would not assign any separate value to the common minerals on this property and that their conveyance would not change the appraised value assigned. Secretary of State Roberts moved the item be approved. Treasurer Meeker seconded the motion and the approval was unanimous.

Minutes

Request for approval of
March 27, 1990, minutes.

Treasurer Meeker moved the minutes be approved. Secretary of State Roberts seconded the motion and the approval was unanimous.

Filled Lands

Informational presentation by Oregon State Highway Division and the City of Portland regarding a proposal to fill and purchase 1 1/2 acres of submerged land in the Willamette River for construction of a Water Avenue on-ramp and Eastbank Esplanade Greenway Trail.

Director Pagel introduced individuals from Oregon Department of Transportation, Highway Division and the Portland Development Commission to allow them to present the proposal to the members.

Don Adams, regional highway engineer in the Portland area, told the Board this proposal began in 1979 as a safety project to reduce congestion and rear-end accidents between the Marquam Bridge and the Burnside Bridge. The original project was to widen lanes and improve access to I-84. After plans for the project began, the city of Portland and businesses from the central eastside industrial area requested the addition of a Water Avenue on-ramp for south-bound access to I-5, to improve access to the central eastside district. The on-ramp was added to the plan, and a connection at McLaughlin was proposed. Mr. Adams clarified that these alterations did not necessitate a fill, but because the new ramp and portions of the widened freeway would extend over the Greenway Trail, fill was needed so the trail could be moved.

Larry Brown, Portland Development Commission, said that this was the last approval required for ODOT to comply with a conditional use permit previously approved by the city of Portland. He discussed the need for the project and talked about the specific design of the proposed new trail.

In response, members of the Board voiced concerns about the need for significant filling in the river and narrowing of the channel.

Governor Goldschmidt then called for public comment on that proposal from those in the audience who wished to speak.

Jack Burns, Central Eastside Industrial Council, relayed the history of the Council's attempts over thirty years to obtain an on-ramp for the central eastside area to I-84. He stressed the need for having the project approved in order to bring life back into the district.

George Crandall, Portland Chapter of the American Institute of Architects, recommended the proposal not be accepted. He favors the proposal to move the freeway. He pointed out the area where the fill is being proposed is in a severe noise impact zone, not conducive to jogging or other recreational activities. He also explained a problem with the south-bound access for the central eastside district that would cross a railroad track, causing traffic back ups. He felt that current weave problems such as over to McLaughlin and coming off the Banfield would not be solved by the proposal.

Jim Howell and Ronald Buel of Riverfront for People shared their concerns for safety and congestion problems if the ramp is built where it is being proposed. Mr. Buel stated that no environmental impact study had been done and that the proposal would be a blight on the river front. They requested the Board not approve the fill.

Bill Elliott of the Central Eastside Industrial Council spoke next, asking members to approve the project. He felt the proposal best meets the needs of everyone.

Peter Fry, planning consultant with the Central Eastside Industrial Council, also asked the Board to approve this plan, saying it was the only feasible alternative.

Douglas Allen provided written testimony to the Board. He stated the Corps of Engineers had not approved the fill as the city's representative had previously indicated.

John Griffiths of the Sierra Club shared his concerns about filling the river. He stated he would like this issue to be taken to a formal public hearing. He also informed the Board that an environmental impact statement had never been done. He pointed out that ODOT's environmental assessment makes a statement indicating the

on-ramp may have to be closed 2-3 hours during evening peak hour traffic when I-5 is running at capacity south bound over Marquam Bridge. He felt that, even after the ramp is built, the river filled and the esplanade moved, it still won't be a safe ramp. He requested the Land Board deny the application.

Don Adams commented on Mr. Griffiths' statement regarding the lack of an environmental impact statement. He stated an environmental assessment had been done. In answer to Secretary of State Roberts' question, he informed the Board the assessment was done in 1986 and did not address the fill now being proposed. He further explained that the environmental assessment is being reevaluated, and that the process is still on-going pending the outcome of the State Land Board decision.

Larry Brown told the Board there has been an environmental review by federal and state agencies as well as city of Portland. In 1986, a Lower Willamette River Wildlife Habitat Inventory was done. The areas identified for fill were rated at lowest or no value for habitat.

Governor Goldschmidt said the next step would be for Director Pagel to visit with the Mayor and the Portland City Council regarding problems they saw with the proposal.

Treasurer Meeker asked the Highway Division to respond to the possibility mentioned that the ramp would be closed during peak traffic hours. Don Adams responded that it would be subject to ramp metering.

Secretary of State Roberts pointed out that the proposal doesn't meet our general guidelines, that it's intrusive into the waterway and not water dependent.

New Building Dedication

Director Pagel reported the new State Lands Building dedication is scheduled for June 19, to be held immediately after the next State Land Board meeting.

Budget

Governor Goldschmidt asked if it was necessary to review the budget at this meeting. Director Pagel explained the submission date for our agency budget is August 1. To make this deadline, a decision is needed from the Land Board by July. She suggested individual meetings with the members and their staff for briefings and to obtain feedback, then returning for the approval at the next meeting.

She then called the Board's attention to the Guide for 1995, showing how the division's agency-wide goals are integrated with our budget requests and how the budget reflects the goals and policies set out by the Board.

In response to the Governor's question regarding the source of funding for the budget, Director Pagel explained that the State Lands' operating budget is primarily Common School Fund. Most of the additional positions being sought under that budget are revenue-producing positions. In respect to the removal-fill program, she said, the issue is whether to seek General Fund moneys. In the past, the program has been funded by the Common School Fund.

Treasurer Meeker stated the wetlands program should not be supported by the Common School Fund, but by the General Fund.

Gail Achterman asked about the legislative concept proposal for the medical-dental student loan program. Director Pagel responded that the program is funded by the Common School Fund, that it's a very ineffective program because of the loan limit and administrative problems.

She stated the program is not well used by students and may not effectively serve the Common School Fund. The legislative proposal is to either clean up the statutes and the administration of the program or repeal it.

Responding to a question by Governor Goldschmidt, Noam Stampfer answered that the program has approximately 1200 loans outstanding for a total of approximately \$3 million.

Treasurer Meeker cautioned that from an investment standpoint, the program is not a good one. He felt it may even be unconstitutional, because it doesn't serve kindergarten through 12th grades, as is the purpose of the Common School Fund.

It was decided that those policy issues would be brought to the Board later in the summer.

Director Pagel noted that Noam Stampfer has taken a position with the Department of Environmental Quality in Portland and that Gary Van Horn, formerly of Executive Department, Budget and Management Division, has taken his position as Assistant Director for Finance and Administration.

Director Pagel also introduced David Blum, the newly hired coordinator for the Tongue Point/South Tongue Point Project.

The meeting was adjourned.