

Public Lands Advisory Committee

Meeting Date:	January 26, 2023
Time:	1:30 pm to 3:30 pm
Location:	Virtual By Microsoft Teams
Committee Members Present:	John Brown, Real Estate Licensee, Chair Sara King, Real Estate Management Brady Ricks, EAM Real Estate Services Manager Jennifer Blake, Exec Branch #2
Committee Members Absent:	Mark Meek, State Senator Bill Hansell, State Senator
Staff:	Robert Underwood, DAS
Presenters:	Jenny Cribbs, OSP Tracy Wilder, Real Property Manager, DOC

Committee Administration
Chair John Brown called the meeting to order at 1:30 pm.
Call for Public Comment – none received
Approval of minutes from previous meeting – approved
Property Acquisitions & Dispositions
<p>1. Oregon State Police / Springfield Area Command – Acquisition Presented by Jenny Cribbs, OSP</p> <p>OSP proposed the acquisition of the existing location of the Springfield Area Command from the Oregon Department of Transportation (ODOT). OSP has been leasing the developed part of this property for 35 years.</p> <p>OSP initially searched for a single location for all facility needs in the region but was unable to identify a single available parcel that met all requirements. The Area Command needs to be 90 seconds from the freeway on ramp, limiting viable locations. Wellhead protection zone limitations on chemical use prevented parcels near this site meeting OSP needs for the Medical Examiner and Crime Lab.</p> <p>OSP has discussed this transaction with ODOT and plans to sign a PSA in May 2023 at an agreed value of \$2.25 million, which is 50% of the appraised value.</p> <p>PLAC recommendation: Report accepted with a unanimous recommendation to approve the transaction. PLAC shared appreciation for ODOT's role in the process.</p>
<p>2. Oregon State Police / Eugene Crime Lab and Medical Examiner – Acquisition Presented by Jenny Cribbs, OSP</p> <p>OSP proposed the acquisition of an undeveloped property on Chad Drive in Eugene for development of a new Medical Examiner's Office and Eugene Crime Lab. This parcel was identified through a public RFP process. OSP has signed a PSA for this parcel and an appraisal has been completed</p>

validating the contract value.

A partition is necessary to create the required parcel size. The purchased land will include 5 acres of buildable area and an ODOT easement along Beltline for a total of 6.5 acres.

Discussion of the transaction included: confirming that the farm deferral taxes will be paid by the seller; confirming that the driveway is exclusive use to OSP, allowing OSP to recoup development costs if a neighboring development needs to share the access road; and noting the possibility for transient activity in the easement area as a concern to OSP management of the property.

PLAC recommendation: Report accepted with a unanimous recommendation to approve the transaction.

3. Oregon Department of Corrections / White City Property – Disposition
Presented by Tracy Wilder, DOC

DOC proposed the disposition of the White City Property, 319 acres purchased in 1999 for a future prison site that has been under lease for farm use since. DOC declared this property surplus in 2022 and did not receive notice of interest from other agencies. The property has been appraised and DOC has engaged an auction house to market and sell the property. The auction will be held on March 15 with an expected close date in May 2023.

PLAC confirmed that water rights will be included in the transaction. PLAC questioned the lack of a reserve price, which the department noted is offset by strong interest shown by the marketplace.

PLAC recommendation: Report accepted with a recommendation to move forward with the disposition by auction as presented. PLAC requested a follow up after the auction.

4. Oregon Department of Corrections / North Bend Property – Disposition
Presented by Tracy Wilder, DOC

DOC proposed the disposition of a residential property in North Bend that was originally used as a transitional work center but has been leased since the 1990's to a local non-profit providing supported housing services to the community. The separate lessees of the building and associated parking area both requested to purchase the property. One offer is at fair market value per the appraisal, one is a discounted offer. DOC has used a scoring matrix to evaluate both proposals. DOC intends to close within 60 days once a PSA is executed and is currently completing a required consultation with the Coos County Commissioners per a recorded covenant.

PLAC recommendation: Report accepted with a unanimous recommendation to move forward with the disposition as the department has planned. PLAC informally expressed strong support for the continued provision of housing services in this location.

5. Oregon Department of Corrections / Mill Creek Auction – Update
Presented by Tracy Wilder, DOC

DOC returned to update PLAC on the auction of the 390-acre Mill Creek property. DOC received 5 bids and entered a PSA with a Salem company for 90% of appraised value. Due diligence has been extended to further investigate contamination in the soil from farming, but closing is expected in March 2023. Purchaser plans to develop housing and preserve the historic cemetery on site with a public park.

6. Oregon Department of Corrections / Mill Creek – intersection parcel – Disposition
Presented by Tracy Wilder, DOC

The purchaser of the Mill Creek parcel through the auction have requested to purchase additional area from DOC to allow improvements to be made to the intersection leading to the auctioned parcel.

The buyer will propose parcel boundaries and DOC will then complete the futile act process, appraise the parcel, and negotiate a transaction.

PLAC advised that DOC evaluate the impact on the remaining parcel of the sale of the requested acres, as it may limit use and therefore value of the land retained by DOC by more than the value of the parcel being sold.

PLAC requested that this transaction return to PLAC for review once more details have been determined.

General Discussion

Chair Brown offered his apology for any offense over his comments on the OLCC Canby transaction.

Members discussed the importance of including contingencies in contracts to enable agencies to react to information gathered during due diligence, including appraisals. PLAC recognized the difficulty of timing transactions with the schedule of PLAC meetings and being able to give agencies the ability to act when necessary, without administrative constraints. PLAC also discussed their status as an advisory body when considering protocol and procedure for agencies to decide on how to pursue a transaction once advice has been provided.

Current membership of the PLAC is unchanged, but House and Senate leadership may choose to change appointments in future. This had not been decided before this meeting, likely due to the focus on the current legislative session.

Chair Brown offered that if any other member was interested in position of Chair to let him know.

Adjournment
Meeting adjourned

Next meeting:

April 27, 2023

1:30 pm to 3:30 pm