Oregon Parks and Recreation Commission

November 16, 2022

Agenda Item: 5d Action

Public Comment Allowed: Yes

Topic: Fogarty Creek SRA, Dimick Acquisition

Presented by: Kammie Bunes, Property Agent

Fogarty Creek State Recreation Area provides day-use activities with safe access to a scenic ocean cove, highlighting tidepool exploration and birdwatching. Hiking trails, picnicking, and fishing are also popular here. The site is located midway between Lincoln City and Newport, in Lincoln County.

The Dimick property has approximately 1.41 acres, is rectangular, includes about 160 feet of ocean frontage and Highway 101 frontage, and is about 400 feet deep. It consists of generally level forested upland, medium-high oceanfront bluff, and sandy beach that is available for public use in keeping with the Beach Bill. Surrounded by state park ownership, this parcel has outstanding views, mature vegetation, and bald eagles and osprey regularly perch here while hunting. The Oregon Coast Trail is routed along its adjacent highway right of way.

The property has been in the Dimick family since before Oregon became a state. Zoned for rural residential development, the owners obtained both Measure 37 and 49 claims to allow development. Current owners are siblings who inherited the parcel about ten years ago. Lincoln County assessed the parcel at \$232,780, with an estimated Real Market Value (RMV) of \$490,880. Over the past ten years the siblings have paid over \$25,000 in property taxes.

Recently, family acquaintances offered to purchase the property for a price near the County's RMV, but Lincoln County planners stated that it would not be possible to develop an on-site septic system. The prospective buyer dropped out and the county contacted OPRD, thinking this inholding would be a great candidate for OPRD ownership. The owners are not in a position to donate the property, but are open to allowing OPRD the first chance at acquiring it.

Despite the availability of electrical service and ODOT approval to create an approach from Highway 101, the inability to develop well and septic led the appraiser to determine the Highest and Best Use to be "Recreation", in the July 2022 appraisal. Recreation zoning in Lincoln County means you can park a recreational vehicle on-site from April through October. The appraiser also mentioned this property could be held with long-term speculation for residential development should public utilities become available.

There were a limited number of Recreation lot sales available to the appraiser at the time of appraisal and these sales ranged from \$40,000 to \$100,000. Due to the limited number of comparable sales of similar Recreation lots to draw from and the lack of water and sewer, the appraiser estimated the value to be \$75,000. While disappointed, the owners indicated that if they could recoup what they had overpaid in taxes they may be able to accept this price.

As a courtesy to the out-of-state owners, OPRD staff contacted the Lincoln County Assessor's Office to acquire data regarding development restrictions and to gather information on how the owners might seek reimbursement of overpaid taxes. The only avenue for seeking reimbursement of taxes paid would involve an appeal through a tax magistrate; a difficult and costly proposal for out-of-state owners. However, based on information provided regarding the utility constraints, the county's Chief Appraiser did reassess the property value in order to lower future tax burden.

If OPRD does not acquire this property, it will be put on the market. Acquiring inholdings is always a high priority for property such as this. In the short term, a new owner would likely remove vegetation to create a driveway and clearing, install a rock or concrete pad, install an electric hook up, then fence and gate their highway frontage. Immediate impacts would be visual degradation of the existing natural scenery, possible views of the RV from the beach, artificial lighting at night, and visual impacts to Oregon Coast Trail users. Longer term impacts almost certainly will include residential development, although this may be fifteen or more years into the future.

Staff recommends Commission approve this acquisition at the Seller's lowest acceptable price of \$100,000.

Prior Action by Commission: September 2021 (Information)

Action Requested: Approve acquisition of Dimick property at \$100,000.

Attachments: 5d - Attachment A - Map

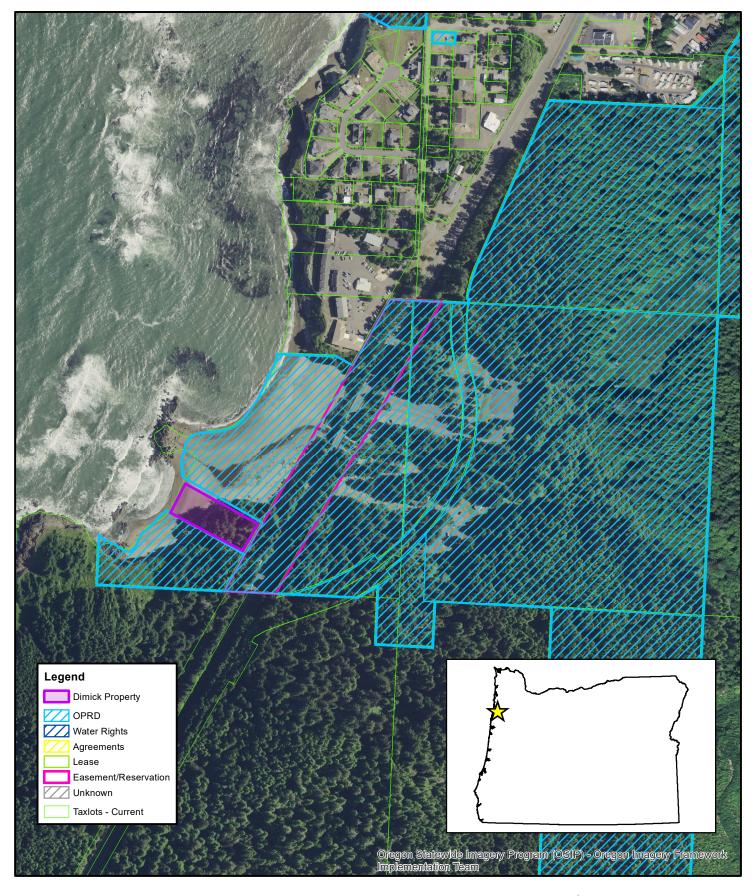
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5d-Fogarty Creek SRA

Dimick Property

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