Oregon Department of State Lands Sustainability Plan









October 2006 775 Summer St. NE Suite 100 Salem OR 97301-1279

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INTRODUCTION

Mission Statement

The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

Sustainability is an essential component of our agency mission and has been since creation of the agency purpose at statehood. To achieve our mission, we must manage the lands and other assets assigned to the Common School Fund in a sustainable manner.

Our Vision

The Department of State Lands serves Oregonians and the State Land Board by prudently and sustainably managing Common School Fund assets to generate revenue to the Common School Fund and increase distributions to schools. We work responsively and collaboratively with citizens, tribal and local governments and other agencies and organizations. We are regarded as a leader in conserving and protecting wetlands and waterways and meeting trust property responsibilities.

One of the individual vision statements in the DSL Strategic Plan specifically addresses sustainability:

PRUDENTLY MANAGED COMMON SCHOOL FUND AND LANDS
The agency tries to achieve a <u>sustainable</u> balance, consistent with our trust obligations, between the goals of revenue generation and resource stewardship. We intend to provide stable and increasing revenue for public schools through the Common School Fund. We manage state lands to benefit schools, enhance the economy, sustain a healthy landscape and meet our public trust responsibilities.

In addition to specific actions listed in DSL's Sustainability Plan, we will continue the following sustainability initiatives:

- Manage the Common School Fund and its assets to provide reliable, sustainable and increased funding to K-12 public schools.
- Convert paper-based processes to Web and electronic-based communication and services.
- Work with partner agencies and leaseholders on land parcels and waterways to follow best management practices that support resource protection and sustainability concepts.

COMMUNICATION AND RESPONSIBILITY

The Department's Asset Manager will lead DSL's sustainability efforts. All managers will contribute to achieving the goals of this plan.

The Sustainability Plan will be distributed to all DSL staff members and posted on the agency Web site.

SUSTAINABILITY ACTIONS

During the next year, DSL will focus sustainability actions under five broad categories:

- 1. Land Management
- 2. Facilities Management
- 3. Financial Management
- 4. Environmental Protection
- 5. Heightened Sustainability Awareness

Each goal contains specific actions that are currently underway or that will begin during the next year. Future sustainability plans will evaluate progress on the goals and actions.

The actions in this Sustainability Plan will be incorporated into the DSL's Strategic Plan.

COORDINATION WITH OTHER AGENCIES

Where coordination is appropriate, it is noted in the specific action items. Many of the actions rely on cooperation among state and federal agencies.

During the process to update the Asset Management Plan, DSL staff sought comment/review of proposed actions related to sustainability from state and federal agencies.

DSL will explore sustainability partnerships with other state natural resource agencies in the course of reviewing and updating various interagency agreements. DSL has scheduled reviews with the following:

- Dept. of Environmental Quality, July 2007, relating to Removal-Fill Program.
- Dept. of Forestry, July 2007, relating to Removal-Fill Program.
- Oregon Watershed Enhancement Board, September 2007, relating to Removal-Fill Program.
- Dept. of Fish and Wildlife, June 2008, relating to Removal-Fill Program.

DSL will monitor and participate in appropriate elements of the State Wildlife Conservation Plan with the Oregon Department of Fish and Wildlife. As DSL pursues land to settle the in-lieu federal land issue, it will consider sustainability principles to the extent possible. However, the primary consideration must be fiduciary responsibility to the Common School Fund.

DSL will advocate and support a coordinated effort to increase sustainability awareness within state natural resource agencies through development of materials and events. The agency will also advocate and support coordinated training of key staff people in natural resources agencies who have the greatest opportunity to implement sustainability practices in land and facilities management.

PLAN ACTIONS

1. Land and Waterway Management

Elliott State Forest Management Plan/Habitat Conservation Plan—The Elliott State Forest is an 85,000-acre coastal Douglas fir forest in Douglas and Coos counties. It is managed for DSL by the Oregon Department of Forestry (ODF) as an asset of the Common School Fund. In 1994, the State Land Board entered into a Habitat Conservation Plan (HCP) agreement with the U.S. Department of the Interior. The purpose of the plan was to protect wildlife species (marbled murrelets and northern spotted owls) under the federal Endangered Species Act while allowing for the long-term management of the forest. The HCP and the Forest Management Plan allow DSL and ODF to manage the forest to sustain the environment along with revenue production capabilities. Both plans are currently being revised.

- Schedule: Complete by December 2007.
- **Status:** Currently underway; included in DSL Strategic Plan and Asset Management Plan.
- Lead: Steve Purchase, Assistant Director, Land Management Division.

Asset Management Plan—Revise 1995 Asset Management Plan that guides Land Board policies and DSL staff actions. Where possible, incorporate sustainability concepts.

For example, these concepts include:

- Retain core real estate assets
- Dispose of isolated unleased rangelands
- Evaluate for disposal certain scattered tracts of forestland
- Charge true market rates for leases, fees and royalties.
- Explore the feasibility of renewable energy projects on state land
- **Schedule:** Complete by October 2006.
- Status: Adoption by Land Board, October 2006.
- Lead: John Lilly, Manager, Asset Management Section.

Carbon Mitigation—Continue to research the feasibility of generating revenue from forestland for the purpose of carbon mitigation, particularly lands not harvestable or that have long rotation cycles.

- **Schedule:** Discuss with ODF and develop white paper for Director, by June 2007.
- **Status:** Ongoing.
- Lead: John Lilly, Manager, Asset Management Section.

Land Management Report—Compile report on land management activities relating to leases, registrations, easements, etc. Report to the Land Board.

*NOTE: The report will contain a summary of agency efforts to support the Governor's Executive Order on Sustainability. The report will cover initiatives such as noxious weed treatment, rangeland health assessments, wind generation and other alternative energy source opportunities and other items identified by DSL. Wind generation and other alternative energy source opportunities will be explored in coordination with the Oregon Department of Agriculture, Oregon Office of Energy and Bureau of Land Management.

- **Schedule:** Include in agency Biennial Report, which is presented to the Land Board in April in even-numbered years.
- **Status:** Ongoing.
- **Lead:** John Lilly, Manager, Asset Management Section.

Selection of Federal Land—Complete in-lieu selections of federal land owed to the state, or pursue Congressional action to complete the federal government's in-lieu obligation of cash payment for the Common School Fund. As the agency pursues in-lieu selection of federal land, consider lands with high value for sustainability—such as potential for wind-generation of electricity. If cash payment is pursued, consider use of the funds to invest in sustainable purposes or to purchase land with high value for sustainability.

- **Schedule:** Complete by June 2009.
- Status: Ongoing until complete.
- **Lead:** Steve Purchase, Assistant Director, Land Management Division.

Rangeland Management—Conduct rangeland resource condition inventory on all lands under lease for grazing/forage production. Develop rangeland health standards and apply to rangeland conditions on each forage leasehold. Based on the new standards, modify grazing/forage management plans as required. Involve lessees in process and incorporate sustainability concepts and incentives where possible. Current priority issues supporting sustainability include control of noxious weeds and invasive plant species.

- Schedule: Ongoing.
- **Performance Measure:** Complete 30,000 acres per year over the next 10 years, depending on funding and staff levels.
- Status: Currently underway.
- **Lead:** Steve Purchase, Assistant Director, Land Management Division

Use of Dredge Spoils—The agency will pursue options to increase the beneficial use of dredge spoils. A current agreement uses dredged sand from the

Columbia River as the base material for producing concrete. Other potential beneficial uses include fill for development projects and beach nourishment.

- Schedule/Status: Ongoing.
- **Lead:** Steve Purchase, Assistant Director, Land Management Division.

Renewable Energy Investigations on State Lands—DSL's updated Asset Management Plan identifies a number of sites with potential for renewable energy production (wave, wind, solar). Research, investigation and reconnaissance efforts are needed to determine market and physical feasibility. The wave energy research is being led by Oregon State University. DSL will seek assistance from the Oregon Energy Trust and the Oregon Department of Energy during its investigation of non-wave energy projects. The initial work will include site investigation of several potential wind and solar energy sites in northeast and central Oregon.

- **Schedule:** Complete initial investigations by June 2009.
- Status: New Action.
- **Lead:** Steve Purchase, Assistant Director, Land Management Division.

Sustainable Land Development/Leasing—Several long-range planning projects are underway for properties with urban-level use potential (e.g., South Redmond Tract, Central Oregon parcels). The Department has completed a conceptual master plan for its 640-acre Stevens Road Tract in Bend. It is expected all, or a major portion of the tract, will soon be included in the Bend Urban Growth Boundary. The master plan calls for a mixed use/residential development employing sustainable development and building design principles. A master lessee/developer will be sought to refine the plan and carry it out.

- **Schedule**: Work with City of Bend/Deschutes County to include Tract in UGB and select master lessee/developer for all or portion of Tract by June 2009. South Redmond Tract Plan and plans for other Central Oregon properties to be completed by June 2009.
- Status: New action.
- **Lead:** Steve Purchase, Assistant Director, Land Management Division.

2. Facilities Management

Headquarters Building—Since construction 12 years ago, DSL has added several sustainable features, such as energy-conserving lighting and motion-sensor light switches that turn on when people enter rooms. DSL is investigating options for upgrading and replacing systems with sustainable products and

systems. Staff will work with Portland General Electric, the Department of Administrative Services, the Oregon Department of Energy and the Oregon Energy Trust to identify options including replacing the chiller, upgrading climate controls and installing solar panels for hot water/energy production.

- Schedule/Status: Ongoing.
- **Lead:** Steve Purchase, Assistant Director, Land Management Division.

South Slough Structures—The visitor center features many sustainability and energy conservation concepts. As funds become available for building enhancements, sustainable features will be considered. For example, the building was constructed to facilitate installation of a passive solar heating system.

- Schedule/Status: Ongoing.
- Lead: Mike Graybill, Manager, South Slough.

Records Management—DSL will continue to convert paper maps, deeds and other property management records into electronic documents for easy retrieval and storage. In addition, a major effort to institute a paperless office is under investigation.

- Schedule/Status: Ongoing.
- **Leads:** Jeannette Holman, Assistant Director, Finance and Administration Division and Steve Purchase, Assistant Director, Land Management Division.

3. Financial Management

Common School Fund Enhancement—Goal 5 of DSL's Strategic Plan contains three actions that will protect and enhance the value of the Common School Fund through close monitoring of investments to maximize distributions to schools. DSL will add the concept of sustainability as one of the factors to evaluate when considering investment portfolio changes or new initiatives such as purchase of land.

• Status: Ongoing.

• Lead: Louise Solliday, Director.

4. Environmental Protection

Industrial Site Development—Support work of the Economic Revitalization Team to develop "shovel-ready" industrial sites. Continue to implement an

expedited process for identifying and avoiding, minimizing or mitigating for losses of wetlands and other waters for certified industrial sites. Provide technical assistance to landowners, local governments and state agencies during the industrial site certification process.

- Schedule/Status: Industrial site certification is ongoing.
- **Lead:** Kevin Moynahan, Assistant Director, Waterways and Wetland Conservation Division.

Wetland Status and Trend Studies—Conduct wetland status and trends studies to monitor wetland acreages.

- **Schedule:** Complete one geographic area (Willamette Valley) by June 2009.
- Status: New action.
- **Lead:** Janet Morlan, Manager, Wetlands Program, Waterways and Wetland Conservation Division.

Wetland Restoration—Through a three-year grant for the US Environmental Protection Agency the Department is seeking to promote voluntary initiatives to restore wetlands.

- **Schedule:** Complete by end of grant (September 2009).
- Status: New Action.
- **Lead:** Janet Morlan, Manager, Wetlands Program, Waterways and Wetland Conservation Division.

Water-related Permit Process Improvements—DSL is one of several state agencies involved in promoting more efficient processing of permits related to construction work in wetlands and waterways. The effort, first started in 2005, is ongoing and consists of program improvements affecting interagency coordination, customer service and permit processing. The 2006 pilot State Programmatic General Permit (SPGP) a general permit issued by the US Army Corps of Engineers under Section 401 of the Clean Water Act and Section 10 of the Rivers and Harbors Act is such an example of permit process improvement.

- Schedule: Ongoing.
- **Status:** Effectiveness of pilot SPGP is being evaluated. Water-related Permit Process Improvement Team report is scheduled for release prior to 2007 Legislature.
- **Lead:** Kevin Moynahan, Assistant Director, Waterways and Wetland Conservation Division.

Wetland Mitigation Banks—DSL promotes the creation of wetland mitigation banks by private and public landowners. Increasing the number of banks is a Department goal. The agency also will work to increase the use of mitigation banks. A number of bank applications are pending. Some changes are needed in rules to update and improve the program. The banks support sustainability because they offset wetland loss in other areas and are required to provide wetland functions forever.

- Schedule: Amend rules by June 2007. Continue to approve new banks.
- **Status:** Currently underway.
- **Lead:** Kevin Moynahan, Assistant Director, Waterways and Wetland Conservation Division.

Estuary Research at South Slough—Staff members are engaged in a wide variety of projects ranging from upland stream channel restoration to studies of nutrient sources in estuarine water. All contribute to sustainability of the estuarine ecosystem and the related dependent economies.

Specific projects with strong sustainability features include:

Sunset Bay Bacteria Monitoring - South Slough staff will be monitoring the water in Sunset Bay, an inlet along the Pacific Ocean shore just south of the mouth of Coos Bay, for various forms of bacteria. The Oregon Department of Environmental Quality will use the information.

- **Schedule:** Complete by January 2008.
- Status: New action.
- Lead: Mike Graybill, Manager, South Slough.

Fish Cannery Wastewater—South Slough is under contract to the Oregon Department of Environmental Quality to research the source of bacterial content in fish cannery wastewater and to develop measures to control it.

- Schedule: Ongoing.
- Status: Project is underway.
- Lead: Mike Graybill, Manager, South Slough.

5. Heightened Sustainability Awareness

Train staff to increase awareness and practice of sustainable concepts with two objectives in mind: 1) Direct application to their own work, and 2) Transfer of knowledge to leaseholders and partner agencies since DSL's assets can be degraded through poor management practices. Add to agency training topics list.

- **Performance measures:** Include sustainability as a presentation at one manager meeting annually. Provide at least one training session annually for targeted staff members who work with leaseholders and DSL facilities.
- Status: New action.
- Lead: John Lilly, Manager, Asset Management Section.

6. Periodic Plan Review/Update

This plan will be reviewed annually for progress towards implementation of plan actions and updated/revised by January 2009.