

TOWN HALL MEETING

August 28, 2008

Sponsored by Friends of French Prairie & Jim Gilbert for Oregon

Summary of Presentations

Jim Gilbert spoke, as a lifelong farmer and nurseryman and son of Oregon pioneer stock, of the heritage of agriculture in Oregon, it's pivotal role in the state economy and the character of Oregon in part being comprised of good land use laws. He developed the point that we have high quality farm land that is under ever increasing pressure, that it not only needs to be preserved, but cared for as an asset, and that he is running for State Representative to represent farmers and rural Oregonians who don't have a voice and to preserve this great agricultural asset. Preventing the loss of farm land requires coordinated opposition by citizens participating in CPOs, organizations like FOFP, and the willingness to work and make their voices heard.

Ben Williams spoke to set the context for the meetings, making clear that as a non-profit organization FOFP cannot endorse candidates but can work together on shared issues and that the three elected representatives speaking at the meeting, while running for office were not being "endorsed" by FOFP, but all share the same vision with FOFP about preserving ag land. He further clarified that no public documents about the Langdon Farms/Klamath Tribe development use the word casino, but that the motivation is profit and the most profit stands to be made from a casino, and once the property becomes Tribal Trust Land, little can be done to stop a change of direction. Finally he summarized why this matters: French Prairie is the historical and agricultural heart of Oregon, and has to be preserved.

Mark Cushing, attorney for the Maletis Brothers, spoke on behalf of his clients, proclaiming that they have no interest in a casino as part of this project, and that the Klamath Tribe has likewise publicly stated that a casino is not in their plans. He made the case that any future change of plans to build a casino would require approval by the Bureau of Indian Affairs and the Governor, and attempted to make the case that this was so unlikely a possibility as to not be a real concern.

Brian Clem, State Representative and Co-Chair of the Agriculture Committee spoke about his experience with Tribal "destination resorts" and specifically related the experience with the Warm Springs Tribe in Hood River, where they acquired land that became Tribal Trust Land and then proceeded to get approval for an off-reservation casino. Hood River didn't want it, and a replacement site was found at Cascade Locks who did want it, but the point is that once the land becomes Tribal Trust Land, all state and local land use regulations no longer apply. He pointed out the discrepancies between the Klamath Tribe's statement of no intent for a casino and the BIAs view that a casino had not been excluded as an option.

Charlotte Lehan, Mayor of Wilsonville, spoke about infrastructure requirements for a large development, and began by explaining why the current services from Wilsonville to Charboneau (water & sewer lines under the Boone Bridge) were at capacity and that the Wilsonville could not afford and did not desire to make major sewer and water improvements to support development outside of Charboneau. She further pointed out that the cost of new sewer and water facilities are so high that they could not be built for only 300 acres worth of development, but would actually require probably 1,000 acres of development in order for the costs to "pencil out" financially.

A very animated half hour of questions and answers followed.

Summary of the Issues

We were clearly told by Mr. Cushing that neither the Melitus brothers nor the Klamath tribe is discussing a casino, although that does not rule out a destination resort, nor a massive warehouse facility. I would note, in this regard, that what was also said at the meeting by others is that there are plenty of warehouses and land for warehouses in the area, in Wilsonville and Salem. That means that anyone with money to invest in that triangle of land at the intersection of the river and the freeway, is likely smart enough not to be considering warehouses.

Charlotte Lehan clearly described that the only way that an infrastructure investment-- water, sewage, roads, bypasses and the like-- would make sense is if it were not for 400 acres, but for more, perhaps 1,000. To me, this was compelling, based as it is on her experience with budgeting for such projects within Wilsonville. In other words, a project which restricts itself to 400 acres does not, as she said, "pencil out". And note that the airport is immediately south.

Mr. Cushing described the Klamath tribe as poor, in fact "very poor". There is a great deal folded up in those two words. What should be clear is that no one who is very poor can possibly put any real money into a deal. Likewise, the Melitus brothers are highly unlikely to fund a project themselves, particularly with infrastructure costs which would be in the tens of millions of dollars. What is clearly required, therefore, is a rather strong money source, i.e. "a developer."

Finally, where so much money is going to be put into a development-- *must* be put into a development, to make it "pencil out"-- the intentions of the Klamath tribe are almost irrelevant. Mr. Cushing insisted that the Melitus brothers say they want no casino. The Klamaths are not going to bring money *into* the deal; they will almost certainly be taking money *out* of the deal, since the only thing they can bring is the possibility of sweeping aside all local, county and statewide land use laws. They bring Tribal Trust Land status, a vehicle for circumventing State and County land use laws, not financing. Almost certainly, they would get paid for their role, and if so, quite certainly they would be dancing to whoever it was who paid them for it—those providing the funding.

Take Away Points

- The Maletis brothers bought the land cheap as EFU ag land (the golf course having an EFU conditional use)
- The Klamath Tribe provides the vehicle to get around land use laws
- Outside real estate developers finance the development
- Infrastructure costs require that the long term development actually be 1000 acres
- The Maletis brothers get rich and the Klamath make some money
- Once the land is converted to Tribal Trust Land (or is designated as Urban Reserves by Metro) pressure to re-zone and sell the remaining land between I-5 and the Pudding River, north of Arndt Road increases dramatically in order to make the cost of infrastructure development financially viable.
- The Aurora Airport gets the infrastructure it needs to expand
- The part of French Prairie in Clackamas County is developed, paved over and lost to farming