



Cooper Spur Wild and Free Coalition

PO Box 100
Mt. Hood, Oregon, 97041

Land Exchange Challenge

Working to preserve and protect the biological integrity and historic nature of the northeast side of Mt. Hood

The plaintiffs on the suit are the Hood River Valley Residents Committee and a local pear farmer, Mike McCarthy. An Oregon and Alaska based non-profit law firm called Cascade Resources Advocacy Group represents them. The land subject to the suit is located in the Upper Hood River Valley adjacent to the Inn at Cooper Spur.

Legal Issues on Land Swap

By law the County can only trade public land away for EQUAL VALUE. The County must also prepare appraisals on the value of the properties prior to making the trade and determine their fair market value. This involves a determination of their "highest and best use."

At a public hearing, Meadows stated that because it had not submitted plans on the County property (property that it did not even own yet) that any value aside from its value as forestland was too speculative to consider. However, within a week from that hearing (and before the properties were even valued) Meadows attempted to secure buy-in from members of the community by publicly disclosing its detailed plans which included the construction of a massive destination resort (450 units), golf course. Meadows also disclosed its plans to County officials before the deal was finalized and the properties were valued. The land's current zoning may allow a destination resort, and it may be feasible to build one there. Meadows also publicly proposed to expand the Cooper Spur ski area before the swap was complete.

Here the County arbitrarily and capriciously excluded consideration of the highest and best use of the County Property. Instead the County agreed to a conveniently (and illegally) constrained highest and best EXISTING use formula. In so doing, the County valued the underlying land at \$325 per acre. While the County also hired a timber cruiser who cruised (not appraised the timber) at approximately \$2,000 per acre, no appraisal of the highest and best use of the property was ever completed.

Quick Math on the Land Swap

Developable land in the vicinity has been estimated to be worth about \$160,000 an acre. So EVEN IF we assume that a lot of work needs to be done to get Meadows new property to be developable, the figures reveal a very lucrative deal for Meadows:

- > Half of \$160K = 80K
- > \$80,000 actual value – \$325 (underlying property value) = \$79,675.
- > \$79,675 – \$2,000 (approx timber cruise value) = \$77,675 (value given away).
- > Total value given away (all acres): \$77,675 X 640 acres = \$49,712,000.

In other words, \$50 million dollars worth of value changing hands just like that.

Next, being even more conservative, let's assume that only HALF of the County property that it traded to Meadows is developable and has a value = \$25 million. (Remember, Meadows consolidated its land and business holdings in the area and intends to build a 450 unit destination resort, a golf course, skating rink, and high-end village core.)

And let's assume, being quite generous, that Meadows' property has ¼ of that developable value but that half of it is only developable too. So that is a total value of about \$6.25 Million. (Meadows stated that its land was poor forestland, it is also unsuitable for a destination resort and it was unable to develop the property as a destination resort in 1979).

That leaves us with Meadows out AHEAD by: 25 million - 6.25 million = **18.75** million, plus let us not forget, the County paid Meadows about 1.2 million on the deal. By conservative estimates, there is a very real potential for a 20 million dollar transfer of wealth (A GIVINGS OF ENORMOUS PROPORTIONS) to a group of affiliated corporations that already control a huge swath of public land on the Southeast flanks of Mt. Hood.

Issues at Stake

The land that Meadows received is smack dab on the top of the Crystal Springs Watershed recharge area that provides drinking water for over 25% of Hood River County (much like the Bull Run does for Portland). The land is also a key part of a Migratory Range and Corridor for deer and elk (Oregon Department of Fish and Wildlife has been studying it since before the early 80s). The land is just a short distance away from high value farmland including Upper Valley pear orchards and provides recreational opportunities for thousands of county residents.