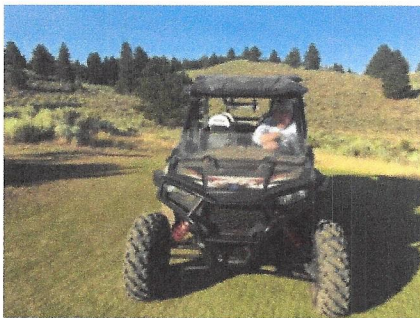




**Article has been edited for length and political content*

Drive down Highway 395 between John Day and Burns, and it's impossible to miss Silvies Valley Ranch.

The sprawling property seems to go on for miles and miles in this remote stretch of eastern Oregon, where cell signals are rare and cows outnumber humans by about 10 to 1. Most Grant County ranch entrances include a simple wooden sign, with maybe a bleached cow skull hanging from a lodgepole arch. Silvies Valley Ranch properties are marked with uniform metal and wood signs that bear the ranch's abstract logo, visible from about a mile away.



Silvies Valley Ranch owner Scott Campbell on one of three golf courses at the ranch. Campbell says it's the second reversible course in the world and includes many "green" features.

Amanda Peacher/OPB

In 2006, a wealthy veterinarian from Burns bought this property with a vision: Scott Campbell would transform what was then a dilapidated dude ranch into an elite destination resort for foreigners. He would optimize ranching practices to create a thriving organic cattle and goat operation.

Campbell believes if he's successful, he'll prove that high-end tourism is a new way forward for rural Oregon, where communities often struggle with high unemployment and poverty rates. He hopes others will follow his model and open similar resorts across Oregon's high desert.

For Campbell, this project is a nod to his Harney County roots. His grandparents were ranchers, and his dad was the town doctor in Burns.

Campbell left Harney County for college, eventually becoming a veterinarian. He earned his fortune in part by starting and later selling the profitable vet chain, Banfield Pet Hospitals.

Now he's investing some of that wealth into Silvies Valley Ranch, 40,000 acres of sagebrush, wetlands and timberland that stretch into both Harney and Grant counties. That's about twice the area of the city of Bend.

The development also includes a high-end restaurant with an extensive scotch selection, luxury suites, shooting ranges and three golf courses — all features Campbell hopes will attract “destination tourists” willing to spend \$1,000 a day here. He’s hoping to draw a clientele who might otherwise embark on an African safari or an Arctic cruise.

“People from the East Coast, California and then ultimately from Asia and Europe,” he said of his target customers. “That brings a lot of new dollars into this part of the state.”

Guests could land a private plane on the ranch’s runway, play golf on the unique reversible course, shoot pistols, eat a four-course meal, don chaps and spurs and pet ranch horses.

RELATED COVERAGE



Data Centers Boost Prineville's Economy, But Not Without Growing Pains

In addition to opening the resort side of the business, Silvies Valley is also a huge, working cattle ranch. The Campbells raise more than 4,000 cows organically. Combined, the ranch and resort have 93 full-time employees. Campbell expects that number to eventually rise to about 130.

For rural Oregon, that’s a lot of jobs.

“That means they’re going to be one of the biggest employers in the area,” said Damon Runberg, a state economist with the Oregon employment department. “That’s a really big deal.”

The lowest-paid job at the ranch is \$12.50 an hour — for mowing the lawn, Campbell said — and employees receive benefits after working there three months.

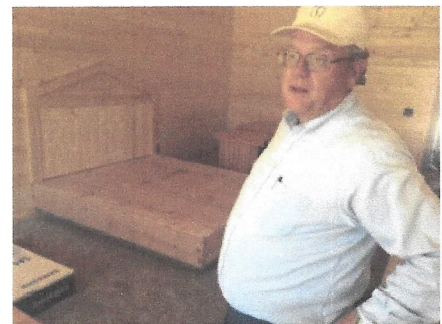
Campbell also paid \$117,393 in Grant County property taxes last year, despite some of the property being included in a county-approved tax relief zone for enterprise development. That’s more than double what the combined property generated in taxes before Campbell’s purchase in 2006.

A Law Just For Silvies Valley Ranch

When Campbell had the idea for Silvies Valley Ranch, his vision butted up against the state law that regulates vacation destination resorts — rules designed to protect farm and agricultural land from becoming high-end subdivisions in desirable areas outside of urban growth boundaries.

In 2011, Campbell convinced state lawmakers in Salem to [pass a bill](#) that essentially rubber-stamped the construction of the resort, bypassing the usual time-consuming process involving the county, state and developer. (The legislation initially included other land parcels in eastern Oregon, but when it was signed by then-Gov. John Kitzhaber, it specifically authorized Campbell’s development.)

“It seemed greased at the time,” said Paul Dewey, executive director of the environmental group Central Oregon Landwatch. “This wasn’t a situation where someone couldn’t do something and then had to go to the Legislature as a last resort. This developer just went to the Legislature.



Silvies Valley Ranch owner Scott Campbell.

Amanda Peacher/OPB

The ranch is starting out with 38 overnight rooms but could grow to include a maximum of 575 hotel rooms and cabins.

But Campbell says growth will happen gradually: “There’s no way that’ll happen in my lifetime.”

The normal process for developing a destination resort is often time-consuming. First, the county has to develop its own standards for such developments, including criteria for things like stream protection and recreational facilities. The county criteria must be approved by the state. Then a landowner can submit a plan for a resort under those standards, which must be approved by county officials. That plan is subject to public hearings and legal appeals, which means the whole process can stretch on for years.

In contrast, the criteria for Silvies Valley Ranch are laid out in the law itself, including things like standards for open space, jobs, habitat protections and number of overnight lodgings. Campbell still had to submit a master plan to the county, but the Legislature essentially codified his vision via the bill. That means the development is almost impervious to legal challenges from the public or environmental groups or other entities.

Could Eastern Oregon’s Future Be In Destination Resorts?

While urban areas such as Portland have seen strong economic growth recently, much of rural Oregon is still struggling to recover from the recession.

Grant and Harney County residents have mixed perspectives on the ranch, from skeptical to lukewarm to brimming with excitement.

Burns photographer Andi Harmon loves the prospect of selling her photos to ranch visitors. The Campbells have pledged to feature local artwork at the ranch and will encourage visitors to travel to Burns or John Day to visit galleries and buy the work.

“I think they’re a great addition to a community,” Harmon said. “I think they’re going to bring in a whole new level of people. Right now in Burns we get ‘drive-through’ tourists — people that are on their way someplace else. This will mean destination tourists and people finding out about all we have to offer here.”

RELATED COVERAGE



Downtown Pendleton Building Owners Look For Next Chapter On Second Stories

“The hopes are that the dream comes true that the Campbells have invested dearly in,” said Judge Pete Runnels, Harney County’s top elected leader. “That it spreads opportunity, gives us an identity and gives us hope for the future.”

He’s hoping the wealthy tourists will drift down to Burns to spend money on art, fishing trips and restaurants. Maybe the ranch will create niche opportunities for new businesses, like a limo service to drive from Burns to Silvies Valley or outfitters to provide guided tours of Steens Mountain.

For Runnels and others in Burns, the ranch is a beacon toward a revitalized downtown Burns that better caters to tourists with retail, restaurants and galleries. There’s a coffee joint and a few boutiques on Main Street, but there are also empty storefronts and vacant lots.

Capitalizing on wealthy tourists is part of a bigger, ongoing conversation in Burns: one that's focused on invigorating the economy without losing sight of the community's natural resource sector roots and ruggedly individualistic sensibility, Runnels said. "The agricultural sector will never go away. Yet we have to grow and diversify a bit if we're going to survive."

But Campbell acknowledges there's a gap between the character of Silvie Valley Ranch, which will offer four-course meals and rooms for \$300 to \$500 a night, and Burns, where a typical dinner consists of a Reuben sandwich and fries at the local downtown hangout and a room at the most expensive hotel — the Best Western — typically goes for about \$120 a night. The ranch seems to have a bigger wine selection than all of the restaurants in Burns combined.

Campbell said he's encouraged people in Burns to fix up downtown storefronts, but fears that right now the town can't support tourists.

"That's probably our biggest risk," he said. "Somebody that came here from Paris, they're probably not going to go have dinner in Burns."

Scott Myers, the Grant County judge, said he believes the development could bring some new dollars to John Day if resort managers are serious about promoting nearby communities and encouraging guests to step out beyond the lodge.

"If people are driving in, then I think we'll get some spillover," Myers said. "But if we're just a pass-through in a destination trip, I don't think we'll see much."

State economist Damon Runberg sees potential in Campbell's model. He says the resort is unique in Oregon in that it's a truly working ranch, in an extremely remote location, that also offers high-end luxuries.

"If this works, it bodes well as a model for struggling ranches that might bolster their income and revenue streams from tourists," he said. "I could see a rippling effect where other communities could build off this."

A Focus On The Environment

A few miles away from the ranch, Peruvian herders move South African Boer goats through sage and rabbitbrush. The friendly nanny and kid goats bleat and butt at one another as they walk and eat at the same time.

The goats are a pet project of Sandy Campbell, Scott's wife.

"Hi, Snickerdoodle. This is Pixie," Campbell said, petting one of the nannies on her brown and striped head. "You get to know them — they all have different markings, different personalities."

The goat herd is another way the Campbells hope to serve as a beacon for other area ranchers. They want to show that goats can be great companions to cows. [Goats eat weeds](#), are light on the land, help with fire prevention and their meat can actually be tasty.

"I think goat meat is growing in popularity," Sandy Campbell said. "I really do see it becoming a more mainstream source for Americans." The resort restaurant regularly offers goat meat as a dinner entree.

She pointed out that goats can be a companion animal to cattle because they eat different plants.

RELATED COVERAGE



Old Burns Hotel Among 27 Projects To Get Oregon Dollars

“I just want people to think about goats as a serious livestock program,” she said. “It really can be a mainstream product.”



Beyond the goats, the Campbells see themselves as stewards of this vast valley. They thin the forests on the land, using the wood in construction of the lodge when possible. Scott Campbell says the three golf courses are some of the most ecologically friendly in the world; his designer minimized the use of carbon emissions in constructing the course, planted drought-tolerant native grasses, and the course uses a gravity-fed irrigation system to minimize electricity and water usage on the course.

Residents like Adele Cerny say there’s nothing wrong with the goats, the golf course or even the \$400 hotel rooms at the lodge. But all combined, they paint a picture of change that unsettles her.

“Perhaps that’s my inner fear: that it will change the character of the county,” said Cerny, “where the people who’ve always lived here can no longer afford to live here.”

But change is a big part of why Scott Campbell built this place. He doesn’t want Harney or Grant counties to become unaffordable, but he says they’re no longer thriving. When he talks about it, he chokes up.

“All of eastern Oregon has really fallen on hard time since the mills have all closed in many of these communities,” he said. “And the great thing is there’s great opportunities. But they’re probably in destination tourism.”