BEFORE THE METRO COUNCIL

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FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO OPTIONS TO PURCHASE PROPERTY UNDER THE PROPOSED 2006 NATURAL AREAS BOND MEASURE IN ACCORD WITH THE OPEN SPACES IMPLEMENTATION WORK PLAN **RESOLUTION NO. 06-3708**

Introduced by Chief Operating Officer Michael J. Jordan, with the concurrence of Council President David Bragdon

WHEREAS, the Metro Council has taken a leadership role in identifying remaining natural areas in the Metro area and planning for their protection; and

WHEREAS, Resolution No. 06-3672B "For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisition and Water Quality Protection," adopted by the Metro Council on March 9, 2006 (the "2006 Natural Areas Bond Measure"), recommended submission to the voters of a general obligation bond to preserve natural areas and clean water and protect fish and wildlife; and

WHEREAS, Resolution No. 05-3612 "For the Purpose of Stating an Intent to Submit to the Voters the Question of the Establishment of a Funding Measure to Support Natural Area and Water Quality Protection and Establishing a Blue Ribbon Committee; and Setting Forth the Official Intent of the Metro Council to Reimburse Certain Expenditures out of the Proceeds of Obligations to Be Issued in Connection with the Regional Parks and Greenspaces Program," adopted by the Metro Council on September 29, 2005, directed staff to work on obtaining options to purchase specific properties approved by the Metro Council, as part of the preliminary work associated with the proposed funding measure; and

WHEREAS, in accord with Resolution No. 05-3612, Metro staff has identified opportunities to purchase specific properties in the proposed 2006 Natural Areas Bond Measure Target Areas, which properties are identified and further described in Exhibit A; and

WHEREAS, expenditure authority exists in the Fiscal Year 2005-2006 Adopted Budget totaling \$75,000 to pay for due diligence and provide earnest money for the entry into agreements to purchase property in the proposed 2006 Natural Areas Bond Measure Target Areas, conditioned upon passage of the 2006 Natural Areas Bond Measure and Metro Council approval, as directed by Resolution No. 05-3612 as set forth on the schedule attached as Exhibit B; and

WHEREAS, in accord with Resolution No. 06-3687 ("For the Purpose of Authorizing the Chief Operating Officer to Enter Into Options to Purchase Property Under the 1995 Open Spaces Bond Measure and Proposed 2006 Natural Areas Bond Measure in Accord With the Open Spaces Implementation Work Plan and Providing Funding") Metro Council approved spending up to an additional \$100,000 for the purchase of option agreements or as earnest money for property in the proposed 2006 Natural Areas Bond Measure Target Areas, conditioned upon passage of the 2006 Natural Areas Bond Measure and Metro Council approval, as directed by Resolution No. 05-3612; and

WHEREAS, all terms of the transactions contemplated herein shall be governed by the 1995 Open Spaces Implementation Work Plan, set forth in Metro Council Resolution No. 95-2228A "For the Purpose of Authorizing the Executive Officer to Purchase Property with Accepted Acquisition Guidelines as Outlined in the Open Spaces Implementation Work Plan," adopted on November 21, 1995; now therefore

BE IT RESOLVED BY THE METRO COUNCIL THAT:

Metro Council hereby authorizes the Chief Operating Officer to enter into agreements of purchase and sale and/or agreements for options to purchase the properties identified in Exhibit A, conditioned upon passage of the 2006 Natural Areas Bond Measure and in accord with the parameters of the Open Spaces Implementation Work Plan.

ADOPTED by the Metro Council this 15th day of Flene 2006. David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

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EXHIBIT A RESOLUTION NO. 06-3708



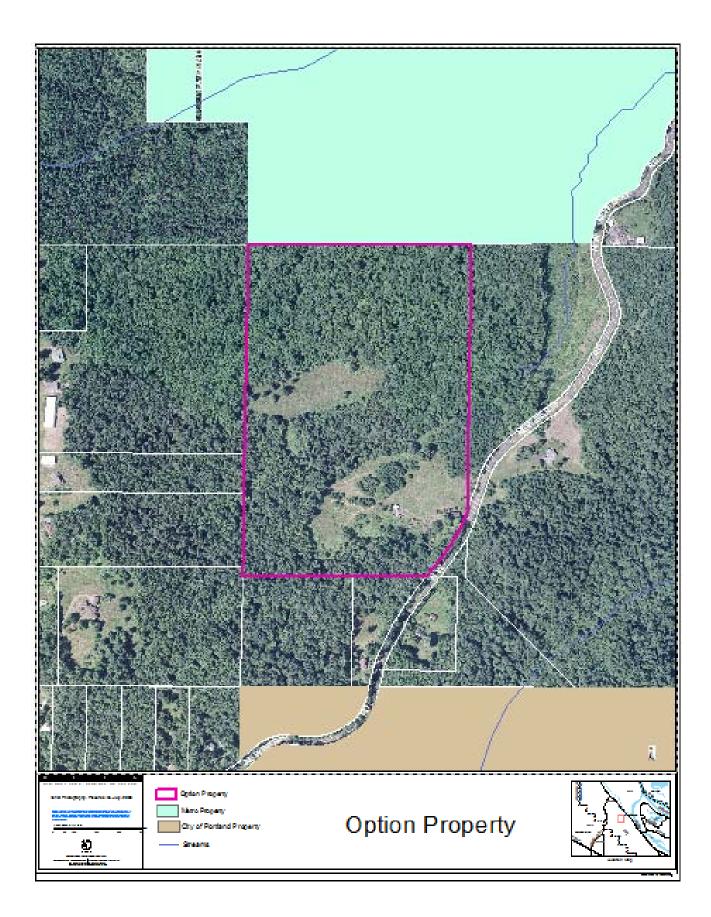
Target Area: FOREST PARK

Description: This 57.5-acre parcel is located along NW Newberry Road. It is currently improved with two single-family residences clustered near Newberry Road with the remainder of the property containing a combination of open meadows and mixed coniferous and deciduous forest. The entire property is currently available for sale on the open market.

Metro's 267-acre Ennis Creek property is located adjacent to the northern boundary of this parcel, and Forest Park proper – including the northerly terminus of the Wildwood Trail – is located one property south of this parcel along both sides of NW Newberry Road. As such, this property represents a very important connection between Forest Park and the Ennis Creek property and provides a potential corridor for extension of the Wildwood Trail from the south side of NW Newberry Road to Metro's Ennis Creek property to the north.

Additionally, at least two of the neighboring landowners have also verbally agreed to grant a trail easements through their property in order to facilitate extending the Wildwood Trail from Newberry Road through the property in question to the Ennis Creek property. If this 57.5-acre parcel is not acquired now, it will be sold to a private party who will likely raze both residences and redevelop the property with two larger single-family residences set farther back from the road that would have a greater impact on the integrity of the site's natural area features.

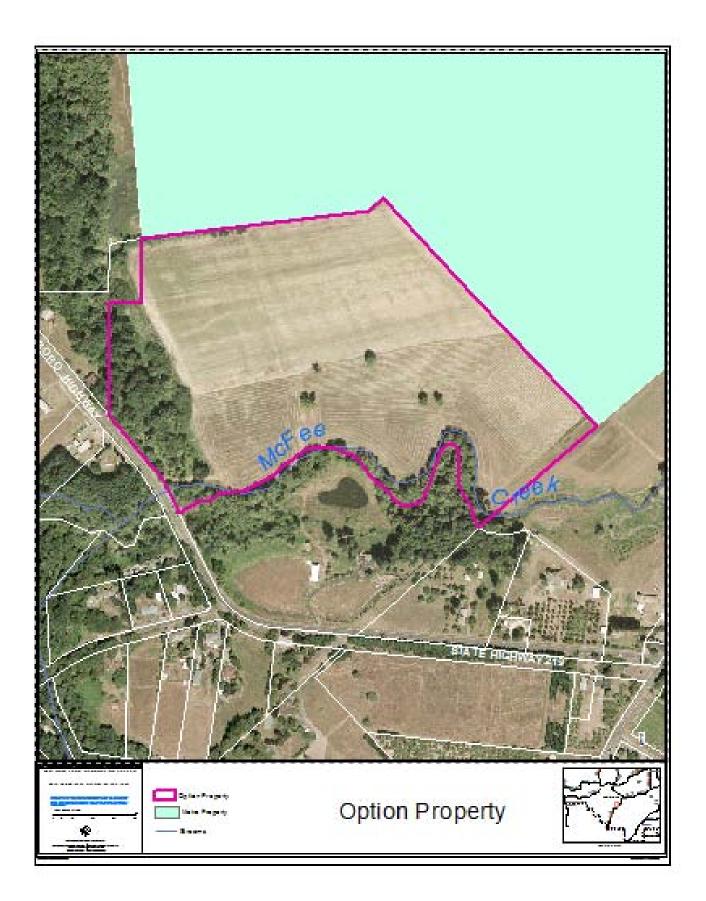
-	 Adjacent to Metro's 267-acre Ennis Creek property Represents an important connection between Forest Park proper and the Ennis Creek property Potential to extend Wildwood Trail to Ennis Creek property City of Portland and Friends of Forest Park strongly support this acquisition Protects / Enhances diverse upland habitat and wildlife species
Managers:	Metro will manage the property
Sellers:	Private Party
Size:	57.5-acres
Stream Frontage:	None
Option Price:	The Trust For Public Land will provide initial funding until Bond Measure passes
Conditions:	Metro Council Approval, Appraisal and Environmental Review, Bond Measure





Target Area: TUALATIN HEADWATERS

Description:	This 44.19-acre property is located adjacent to Metro's Gotter Prairie Natural Area (GPNA). The majority of this property lies within the 100-yr floodplain in the McFee Creek sub basin of the Tualatin watershed basin and has over 1/3 mile of frontage along McFee Creek proper. It exhibits several regionally uncommon native species including Oregon oak (<i>Quercus garryana</i>), and camas lily (<i>Camassia quamash</i>). Acquiring this site will support several key goals of the 2006 Natural Areas Bond Measure by expanding the core area of protected habitat associated within the GPNA, protecting declining native oak habitat, and providing broader restoration opportunities such as expanded seasonal flooding to support a state-sensitive northern red-legged frog (<i>Rana aurora aurora</i>) population which breeds at the GPNA.
Option Criteria Addressed:	
Managers:	Metro will manage this property
Sellers:	Private Party
Size:	44.19 acres
Stream Frontage:	McFee Creek
Option Price:	\$4,000 in escrow for an exclusive 11-month option.
Conditions:	Metro Council Approval, Appraisal and Environmental Review, Bond Measure



Target Area: JOHNSON CREEK – Gilbert's Ridge

Description:	This 13-acre parcel in the urban Johnson Creek watershed is in southeast Portland on Foster and 150 th . There is an opportunity to protect this heavily forested site with several significant drainages that flow into Johnson Creek. The parcel connects to an additional 20 acres of land, currently owned by Multnomah County Transportation creating a ribbon of greenspace along Foster Road. City of Portland Bureau of Environmental Services and Bureau of Parks
	strongly support acquisition of Gilbert's Ridge, an opportunity to acquire land in the urbanized watershed, and a unique opportunity to extend the wildlife habitat of the Powell Butte Natural area, and will manage the property.
Option Criteria Addressed:	 Protects / Enhances Water Quality Enhances habitat protection of Powell Butte natural area Acquisition strongly supported by City of Portland Adjacent or close to other public land holdings with high resource value including Powell Butte, the Springwater Corridor, BES Willing Seller Property, Kelley Creek salmonoid habitat restoration projects and open space on Clatsop Butte. Preserves connectivity for an urban wildlife or recreation corridor.
Managers:	City of Portland will manage the property
Sellers:	Private Party
Size:	13 acres
Stream Frontage:	Johnson Creek
Option Price:	\$8,000 in cash for 9 month exclusive option
Conditions:	Metro Council Approval, Bond Measure, Appraisal and Environmental



EXHIBIT B RESOLUTION NO. 06-3708

FUNDING FOR OPTIONS

Target Area	Property Owner	Size (acres)	Estimated Option Funds Required
Forest Park	Private Party	52.5	\$0
LowerTualatin Headwaters	Private Party	44.19	\$4,000
Johnson Creek	Private Party	13.1	\$8,000 \$
			\$

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 06-3708 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO OPTIONS TO PURCHASE PROPERTY UNDER THE PROPOSED 2006 NATURAL AREAS BOND MEASURE IN ACCORD WITH THE OPEN SPACES IMPLEMENTATION WORK PLAN

Date: May 31, 2006

Prepared by: William Eadie Hillary Wilton

BACKGROUND

Metro staff was directed by Metro Council on September 29, 2005 (Resolution No. 05-3612 "For the Purpose of Stating an Intent to Submit to the Voters the Question of the Establishment of a Funding Measure to Support Natural Area and Water Quality Protection and Establishing a Blue Ribbon Committee and Setting Forth the Official Intent of the Metro Council to Reimburse Certain Expenditures Out of the Proceeds of Obligations to be Issued in Connection with the Regional Parks and Greenspaces Program") to obtain options to purchase specific properties approved by Council, as part of the preliminary work for the 2006 Natural Areas Bond Measure. As part of the FY 2005-06 Adopted Budget, the Metro Council approved spending up to \$75,000 for the purchase of options or as earnest money in preparation for the 2006 Natural Areas Bond Measure. As part of Resolution No. 06-3687 ("For the Purpose of Authorizing the Chief Operating Officer to Enter Into Options to Purchase Property Under the 1995 Open spaces Bond Measure and Proposed 2006 Natural Areas bond Measure in Accord With the Open Spaces Implementation Work Plan and Providing Funding") Metro Council approved spending up to an additional \$100,000 for the purchase of options or as earnest money in preparation for the 2006 Natural Areas Bond Measure.

Metro staff has identified opportunities to enter into purchase and sale agreements to acquire property in the proposed 2006 Natural Areas Bond Measure Target Areas, conditioned upon passage of the 2006 Natural Areas Bond Measure, Metro Council approval and funding to provide earnest money for these opportunities. Council approval is necessary to enter into these agreements.

Forest Park Property

Forest Park is the largest and most ecologically intact natural area in the metropolitan region and is considered by many to be the "crown jewel" of the region's natural area system. Forest Park is a Target Area identified in the 2006 Natural Areas Bond Measure.

Staff has identified a 57.5-acre parcel located along NW Newberry Road. The parcel is currently improved with two single-family residences clustered near Newberry Road with the remainder of the property containing a combination of open meadows and mixed coniferous and deciduous forest. The entire property is currently available for sale on the open market.

This property contains a variety of wildlife and is populated with resident and migratory birds. Sweeping views of Mt. St. Helens and surrounding forests are also a key feature of this site. Metro's 267-acre Ennis Creek property is located adjacent to the northern boundary of this parcel, and Forest Park proper – including the northerly terminus of the Wildwood Trail – is located one property south of this parcel along both sides of NW Newberry Road. As such, the property represents a very important connection between Forest Park and the Ennis Creek property and a potential corridor for extension of the Wildwood Trail from the south side of NW Newberry Road to Metro's Ennis Creek property to the north. Additionally, at least two of the neighboring landowners have also verbally agreed to allow a trail

easement through their property in order to facilitate the extension of the Wildwood Trail from Newberry Road through the property in question to the Ennis Creek property. If this 57.5-acre parcel is not acquired now, it will be sold to a private party who will likely raze both residences and redevelop the property with two larger single-family residences. The structures may be set farther back from the road impacting the natural resource values of the parcel, and potentially cutting off any future trail connection.

While the owners of this property are strong conservationists and wish to see this property preserved, they are not in a position to wait until November 2006 to see if the Bond Measure passes. In order to tie up this property today, the Trust For Public Land, a 501@3 organization, which protects open space sites throughout the United States, has agreed to provide the necessary funding to complete initial acquisition in anticipation of the passage of the 2006 Natural Areas Bond Measure. Through a land use partition process, the Trust intends to create a new lot of record containing a single 5-acre home site including the newer single-family residence and a second separate lot of record that will contain the older single-family residence and the remaining 52.5-acres of the original site. If Metro desires, shortly before 2006 Natural Areas Bond Measure, will sell the vacant 52.5 acres – including all of the remaining natural conservation area – to Metro at appraised market value. The important natural resource features of the overall site and the potential trail corridor will be protected. The Trust also plans to retain the newer single-family residence and the surrounding 5-acre home site in order to market this property to recover a portion of their initial investment.

Lower Tualatin Headwaters Property

Watersheds in the southwest Chehalem Mountains retain significant wildlife habitat value. Acquisition of riparian lands within these headwater areas will safeguard water quality in the Lower Tualatin River Basin, a Target Area identified in the 2006 Natural Areas Bond Measure.

Staff has identified a 44.19-acre property located along SW Hillsboro Highway in Scholls. The majority of this property lies within the 100-year floodplain in the McFee Creek sub basin of the Tualatin watershed basin and has over 1/3 mile of frontage along McFee Creek proper. The site lies adjacent to Metro's Gotter Prairie Natural Area (GPNA) and exhibits several regionally uncommon native species including Oregon oak (*Quercus garryana*) and camas lily (*Camassia quamash*). Acquiring this site will support several key goals of the 2006 Natural Areas Bond Measure by expanding the core area of protected habitat associated within the GPNA, protecting declining native oak habitat, and providing broader restoration opportunities such as expanded seasonal flooding to support a state-sensitive northern red-legged frog (*Rana aurora aurora*) population.

Johnson Creek and Watershed Property

Johnson Creek originates in Boring, Oregon, and travels 26 miles west through Clackamas and Multnomah counties, Gresham and Portland before reaching its confluence with the Willamette River in Milwaukie. About 170,000 people live within the 52 square miles that make up the watershed. Johnson Creek remains the most densely urbanized creek in the region and is a Target Area identified in the 2006 Natural Areas Bond Measure.

Staff has identified an opportunity to acquire 13 acres in this urbanized watershed. The property, known as "Gilbert's Ridge" is a forested site with a significant drainage running along the east parcel. The parcel connects to an additional 20 acres of land, currently owned by Multnomah County Transportation, creating a ribbon of green space along Foster Road. Staff has discussed continued protection of this parcel with Multnomah County and is optimistic about negotiating a property transfer.

City of Portland Bureau of Environmental Services and Bureau of Parks strongly support acquisition of Gilbert's Ridge, to extend the wildlife habitat of the Powell Butte Natural Area, and will manage the

property. Details of these options are outlined in Exhibit A and B of the Resolution.

Other Opportunities

Staff is pursuing specific opportunities in 1995 Target Areas: Forest Park, Tryon Creek; Fanno Creek, and Canemah Bluff, and in 2006 Bond Measure Target Areas: Rock Creek, Stafford, Columbia Slough, Damascus Buttes, Johnson Creek and Cazadero Trail. The combined opportunities are representative of the region, geographically diverse and represent 2006 Bond Measure goals.

These agreements to acquire property in the 1995 Open Spaces Bond Measure Target Areas and proposed 2006 Natural Areas Bond Measure Target Areas will be conditioned upon passage of the 2006 Natural Areas Bond Measure, and shall be brought forth to Council for approval.

ANALYSIS/INFORMATION

1. Known Opposition

None known.

2. Legal Antecedents

Resolution No. 06-3672B, "For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisitions and Water Quality Protection"

Resolution No. 05-3612, "For the Purpose of Stating an Intent to Submit to the Voters the Question of the Establishment of a Funding Measure to Support Natural Area and Water Quality Protection and Establishing a Blue Ribbon Committee; and Setting Forth the Official Intent of the Metro Council to Reimburse Certain Expenditures Out of the Proceeds of Obligations to be Issued in Connection with the Regional Parks and Greenspaces Program"

3. Anticipated Effects

Metro will enter into Purchase and Sale Agreements for properties as identified on Exhibit A.

4. Budget Impacts

This Resolution does not increase budget authority.

In the 2005-06 Adopted Budget, the Metro Council designated \$75,000 in the General Fund toward the purchase of options and to use as earnest money on properties that would be purchased upon passage of the 2006 Natural Areas Bond Measure.

As part of Resolution No. 06-3687 ("For the Purpose of Authorizing the Chief Operating Officer to Enter Into Options to Purchase Property Under the 1995 Open spaces Bond Measure and Proposed 2006 Natural Area bond Measure in Accord With the Open Spaces Implementation Work Plan and Providing Funding") Metro Council approved spending up to an additional \$100,000 for the purchase of options or as earnest money in preparation for the 2006 Natural Areas Bond Measure.

RECOMMENDED ACTION

Chief Operating Officer Michael Jordan recommends passage of Resolution No. 06-3708.