

WITHDRAWN

BEFORE THE METRO COUNCIL

**FOR THE PURPOSE OF AUTHORIZING)
THE EXECUTIVE OFFICER TO)
PURCHASE THE DERBY-HEINZE)
PARTNERSHIP PROPERTY ON MT.)
SCOTT IN THE EAST BUTTES/BORING)
LAVA DOMES TARGET AREA)
)**

RESOLUTION NO. 01-3092

Introduced by Mike Burton, Executive
Officer

WHEREAS, in May 1995, the Metro area voters approved the Open Spaces, Parks and Streams Bond Measure that authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and certain park-related capital improvements; and

WHEREAS, on July 25, 1996, via Resolution 96-2361, the Metro Council adopted a refinement plan that outlined a land protection strategy for the East Buttes/Boring Lava Domes target area; and

WHEREAS, the Tier 1B objective of the refinement plan establishes a challenge grant program to acquire strategic properties that enhance and connect existing open space in the Mt. Scott/Clatsop/Powell Buttes, Kelly Butte, Rocky Butte and Mt. Talbert areas; and

WHEREAS, Resolution No. 98-2724 amended the East Buttes/Boring Lava Domes target area refinement plan to authorize additional land acquisitions in the East Buttes target area, and increased the allocation of existing bond measure funds to the challenge grant program provided that the local jurisdiction contribute a minimum of 25% of the purchase price for an acquisition; and

WHEREAS, local jurisdictions Clackamas County, North Clackamas Park and Recreation District and City of Happy Valley have indicated their interest in assisting Metro to preserve the approximately 50-acre Derby-Heinze Partnership property located on heavily-developed Mt. Scott, but are unable to contribute the minimum 25% match; and

WHEREAS, Metro entered into an Agreement of Purchase and Sale with the Derby-Heinze Partnership, with a Closing Date of August 3, 2001, and said acquisition would bring into public ownership one of the few available undeveloped areas on Mt. Scott, and provide open space for a densely populated area; and

WHEREAS, Clackamas County, North Clackamas Park and Recreation District, and City of Happy Valley have offered to contribute \$400,000 of the purchase price and request that the minimum 25% non-Metro match for a Tier 1B property be waived and Metro acquire the

Property as an "unusual circumstance" acquisition under the Open Spaces Work Plan; now therefore,

BE IT RESOLVED,

That the Metro Council hereby waives the minimum 25% non-Metro match for this Tier 1B property, and authorizes the Executive Officer to purchase the Derby-Heinze Partnership property.

ADOPTED by the Metro Council this _____ day of _____, 2001.

~~WITHDRAWN~~

David Bragdon, Presiding Officer

Approved as to form:

Dan Cooper, General Counsel

Staff Report

CONSIDERATION OF RESOLUTION NO. 01-3092 FOR THE PURPOSE OF AUTHORIZING THE EXECUTIVE OFFICER TO PURCHASE THE DERBY-HEINZE PARTNERSHIP PROPERTY ON MT. SCOTT IN THE EAST BUTTES/BORING LAVA DOMES TARGET AREA

Date: July 19, 2001

**Presented by: Charles Ciecko
Jim Desmond**

Description

Resolution No. 01-3092 requests authorization for the Executive Officer to purchase land on Mt. Scott in the East Buttes/Boring Lava Dome Target Area.

Existing Legislation

Metro Code 2.04.026 (a) (3) requires that the Executive Officer obtain the authorization of the Metro Council prior to executing any contract for the purchase of real property. The Open Spaces Implementation Work Plan, adopted by the Metro Council via Resolution 96-2424, was established to implement the Open Spaces, Parks and Streams bond measure passed by the voters of the region in 1995. The Work Plan established acquisition parameters that authorize the Executive Officer to purchase property, within the Council-approved target area refinement plan maps. Purchases that do not meet these criteria or have "unusual circumstances" (as that term is defined in the Work Plan) require specific Council approval. Via Resolution 96-2361, the Metro Council approved the East Buttes/Boring Lava Domes target area refinement plan tax-lot specific map, which includes the subject Mt. Scott property. The refinement plan was amended via Resolution 98-2724 to remove the challenge grant cap. This resolution proposes to approve an unusual circumstance purchase, waive one requirement of the refinement plan, and authorize the purchase of the subject property subject to the terms of the Purchase and Sale Agreement, executed by Metro and the landowner, subject to approval by Metro Council.

Background and Analysis

In May 1995, the Metro area voters approved the Open Spaces, Parks and Streams Bond Measure, which authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and certain park-related capital improvements.

On July 25, 1996, via Resolution 96-2361, the Metro Council adopted a refinement plan, which outlined a land protection strategy for the East Buttes/Boring Lava Domes regional target area. One objective of the plan is to "encourage participation of other governments and non-profit organizations in acquiring strategic properties that enhance and connect existing open space in the Mt. Scott, Mt. Clatsop, Powell Butte, Kelley Butte, Rocky Butte, and Mt. Talbert areas by establishing a challenge grant program." One of the refinement plan requirements is that acquisitions on these buttes be made with a minimum 25% non-Metro match.

Mt. Scott was established as one of the "urban buttes" in the approved Tier IB acquisition area for the challenge grant program. Mt. Scott is a largely developed, but partially undeveloped-forested butte, which is prominently in view from as far away as downtown Portland, and from as close as I-205.

Mt. Scott was identified as a regionally significant natural area in the Greenspaces Master Plan, which described the area as follows:

“Outstanding view of Portland skyline. Wooded sides of volcanic butte provide wildlife habitat as well as green backdrop to east side of urban area. Significant development pressure”

Much of Mt. Scott is developed, although there are two large cemeteries on this butte. The land in question consists of approximately 50 acres and represents Phases IV and V of the Altamont development, a luxury single family “Street of Dreams” subdivision. Phases I-III of Altamont are fully developed and immediately downhill of the subject site. The subject property is the highest point on Mt. Scott and the highest point inside the UGB in the entire region. This site is the last remaining undeveloped large parcel on Mt. Scott in a natural condition.

The land is mainly forested with a mix of second growth conifer and hardwoods. It has a relatively native and healthy understory by urban standards and is not dominated by the typical invasive exotics. The site affords a spectacular view of downtown Portland, the Willamette and Columbia Rivers, Mt. St. Helens, the west hills of Portland and the Tualatin Ridge (Forest Park).

The site is large for an undeveloped site within the UGB, but it is surrounded by development and thus isolated from both a wildlife habitat and park/trail connectivity perspective.

Metro has entered into a Purchase and Sale Agreement to purchase this land from the current owner, the Derby-Heinze Partnership, a development firm. This Agreement is subject to approval by Metro Council based on the acquisition parameters of the Open Spaces Work Plan and adopted refinement plan for the area.

Metro Council authorized the acquisition of the property in question on Mt. Scott as a Tier IB property when Council approved the East Buttes/Boring Lava Domes Target Area refinement plan.

Staff has been unable to find match money up to the 25% required for this property. The transaction has a very brief closing requirement for August 3, 2001. Clackamas County, North Clackamas Parks and Recreation District (NCPRD) and the City of Happy Valley have together committed a total of \$400,000 towards this purchase, which represents approximately 12% of the purchase price. Removal of the 25% match guideline on the challenge is needed if Metro wishes to purchase the site.

This site, if purchased by Metro, will be managed by NCPRD pursuant to an Intergovernmental Agreement.

Findings

Acquisition of the property is recommended, based on the following:

- The East Buttes/Boring Lava Domes Target Area Refinement Plan identifies Mt. Scott as a regional priority for protection through a 25% challenge grant program. The goal of the challenge grant is to promote public partnerships and leverage regional bond funds. Local jurisdictions have committed to contributing approximately 12% of the purchase price.
- Clackamas County, NCPRD, and the City of Happy Valley support this acquisition and NCPRD has indicated it's willingness to manage and operate this property under the terms of an IGA.

- The remaining provisions of the East Buttes/Boring Lava Domes Target Area refinement plan shall remain unchanged, with the sole modification being the waiver of the 25% match requirement for this property.

Budget Impact

Bond funds (with contributions of \$400,000 from local partners) would supply acquisition money. NCPRD has stated its willingness to assuming long-term management responsibilities for the property as part of an Intergovernmental Agreement to be entered into after closing.

Outstanding Questions

Should Metro waive the adopted policy requiring a 25% match by a local partner to facilitate this purchase?

Executive Officer Recommendation

Clackamas County, coupled with the contribution from Happy Valley, appears to have financially done all it can to meet the match. This site is the highest point on the east side of the region. It stands to be developed and the purchase of this site would save the last open space on Mt. Scott. The Council should consider these factors in its deliberation and decisions on this site.

RESOLUTION #01-3092

EXHIBIT A

LEGAL DESCRIPTION
DERBY-HEINZE PROPERTY

That portion of Parcel 3, PARTITION PLAT 1996-78, in the County of Clackamas and State of Oregon, lying Easterly of the following described line, to wit:

Beginning at a point in the Northerly line of said Parcel 3 which bears North $82^{\circ}55'59''$ West 1429.75 feet and North $00^{\circ}42'04''$ West 87.62 feet and North $84^{\circ}26'34''$ West 683.24 feet from the most Easterly Northeast corner thereof; thence Southerly 25 feet, more or less, to the Southeast corner of Lot 211, ALTAMONT NO. 3, a plat of record; thence Southeasterly, Southerly and Southwesterly tracing the Easterly boundary of said ALTAMONT NO. 3 to a point in the South line of Parcel 3, PARTITION PLAT 1996-78 and the terminus point of the herein described line.