

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 02-3150
THE EXECUTIVE OFFICER TO)
PURCHASE THE STEELE FOUNDATION) Introduced by Mike Burton,
PROPERTY IN THE TONQUIN) Executive Officer
GEOLOGIC TARGET AREA)

WHEREAS, in July 1992, Metro completed the Metropolitan Greenspaces Master Plan which identified a desired system of natural areas interconnected with greenways and trails; and

WHEREAS, at the election held on May 16, 1995, the Metro area voters approved the Open Spaces, Parks and Streams bond measure (Ballot Measure 26-26) which authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and capital improvements; and

WHEREAS, on March 14, 1996, via Resolution 96-2300, the Metro Council adopted a refinement plan for the Tonquin Geologic regional target area, which included a confidential tax-lot specific map identifying priority properties for acquisition; and

WHEREAS, Steele Foundation, et al. has agreed to sell and Metro has agreed to buy an approximately 39.4-acre parcel that lies in Tier I of the Tonquin Geologic target area, as described in the attached Exhibit A, conditional on Metro Council approval; and

WHEREAS, on September 27, 2001, the Metro Council approved Resolution 01-3106, modifying the Open Spaces Implementation Work Plan and Open Spaces Acquisition regional target area refinement plans to require Metro Council approval of all acquisitions in target areas where minimum acreage goals have been met; and

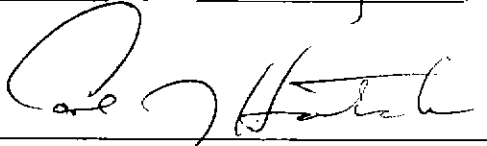
WHEREAS, Steele Foundation, et al. will only agree to sell the Property to Metro at a price that is 14% above Metro's appraised value; and

WHEREAS Metro has exceeded the minimum 275-acre goal established for the Tonquin Geologic target area, and therefore purchase of the Steele Foundation property requires formal Metro Council authorization pursuant to Council Resolution 01-3106; now therefore,

BE IT RESOLVED,

That the Metro Council authorizes the Metro Executive Officer to purchase the Steele Foundation Property as identified in Exhibit A, at a price that is 14% above Metro's appraised value, in accordance with the terms and conditions set forth in the Agreement of Purchase and Sale for this Property.

ADOPTED by the Metro Council this 10th day of January, 2002.



Carl Hosticka, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

EXHIBIT "ONE"

Parcel I

A tract of land in the South one-half of the Southwest one-quarter of Section 11, Township 3 South, Range 1 West of the Willamette Meridian, in the City of Wilsonville, Clackamas County, Oregon, said tract being a portion of those tracts of land conveyed to Edward W. Boeckman as described in Book 106, page 316, Deed Records, and to Ernst A. Boeckman as described in Book 106, page 317, Deed Records, said tract being described as follows:

Beginning at the point of intersection of the South line of the Southwest one-quarter of Section 11 with the most Easterly line of the 125.00-foot transmission line easement conveyed to the United States of America, as described in Book 522, page 49, and Book 515, page 231, Deed Records; thence South $89^{\circ} 34' 52''$ West, along said South line, 1329.70 feet to a 1/2-inch iron pipe at the Southwest corner of said Section 11; thence North $00^{\circ} 11' 59''$ East, along the Westerly line of said Section 11, a distance of 1315.76 feet to the Southwest corner of the tract of land conveyed to George F. Boeckman, as described in Book 105, page 454, Deed Records; thence North $89^{\circ} 28' 53''$ East, along the Southerly line of said George F. Boeckman, 1314.73 feet to said most Easterly line of said transmission line easement; thence South $00^{\circ} 27' 08''$ East, along said Easterly line, 1317.97 feet to the point of beginning.

Excepting Therefrom that tract of land described in a deed to the City of Wilsonville, recorded November 1, 1972, as fee no. 72 33376, Film Records.

And Further Excepting Therefrom the Easterly 30 feet thereof conveyed to Richard H. Boeckman and Eleanor M. Boeckman, by deed recorded October 8, 1984, as fee no. 84 34845.

Parcel II

A right of way for ingress, egress and rail spur purposes, over a 30-foot strip of land as described in instrument recorded October 16, 1984, as fee no. 84 36055.

Staff Report

CONSIDERATION OF RESOLUTION NO. 02-3150 FOR THE PURPOSE OF AUTHORIZING THE EXECUTIVE OFFICER TO PURCHASE THE STEELE FOUNDATION PROPERTY IN THE TONQUIN GEOLOGIC TARGET AREA

Date: January 2, 2002

Presented by: Charles Ciecko
Jim Desmond

Description

Resolution No. 02-3150 requests authorization for the Executive Officer to purchase the 39.4-acre Steele Foundation property (hereafter referred to as "the Property") in the Tonquin Geologic target area.

Existing Law

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. 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 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 96-2300, the Metro Council adopted a refinement plan, which outlined a land protection strategy for the Tonquin Geologic target area. Through that resolution, the Metro Council also approved the Tonquin Geologic target area refinement plan tax-lot specific map, which includes the subject Steele Foundation property as a Tier I priority.

On September 27, 2001, the Metro Council adopted Resolution 01-3106, which modifies the Open Spaces Implementation Work Plan and requires that the Metro Council formally authorize all acquisitions in target areas where minimum acreage goals (as established in the bond measure) have been met.

Background

This resolution proposes to approve an unusual circumstance purchase, and authorize the purchase of the Property subject to the terms of Purchase and Sale Agreement executed by the Property owners and Metro. Moreover, since Metro has exceeded the minimum 277-acre goal established for the Tonquin Geologic target area, the purchase of the Property also requires Metro Council authorization pursuant to Resolution 01-3106.

Metro has entered into an agreement with the current owner, the Steele Foundation, et al, to purchase approximately 40-acres located northwest of the western terminus of Boeckman Road in Wilsonville, Oregon. The Property comprises two tax parcels that are undeveloped. This site connects to several Metro Open Spaces properties and is a key connection for a trail, wildlife, and hydrological corridor from the Tualatin National Wildlife Refuge to the Willamette River.

There are approximately 29 acres of wetland on the Property and 11 acres of forested upland. Nearly the entire portion of the Property below the forested upland is within the 100-year flood plain. The site provides excellent wildlife habitat and is an important site for groundwater recharge and discharge. It forms part of the historic Coffee Lake/Seely Ditch north-south corridor from the Tonquin scablands area in the north to the Willamette River in the south. The city of Wilsonville in its local wetlands inventory states the Property is significant because it is “[p]art of the nicest wetland complex in Wilsonville” and has “patches of very diverse sedges and rushes ...” Moreover the report states that it is a [g]reat wildlife spot with nesting waterfowl and diverse species.” The forested upland portion of the site is comprised of a maturing forest made up of Douglas fir, bigleaf maple, and western red cedar. The large woody debris and other native vegetation provide diverse habitat for animals that live outside the wetlands. Moreover, the uplands provide escape relief for other animals during times of flooding. These natural resource and open space values are even more significant because the Property is located in the rapidly growing Wilsonville area and is near the Wilsonville Tract, a Green Ribbon Committee site, and the future +2,400 housing unit urban village at the Dammasch site.

Acquiring the Property meets three Tier I objectives of the Tonquin Geologic target area refinement plan. More specifically the plan states in part:

- “Link the Tonquin Geologic Area with the Willamette River Greenway.”
- “Create a Tonquin Greenway to provide linkages between Division of State Lands properties and the Tualatin River National Wildlife Refuge and/or the Tualatin River including the varied geological features, and allow for connected wildlife and greenbelt corridors.”
- “Preserve the 100-year flood plain and associated wetlands and riparian areas of the three main creeks (Rock, Coffee, and Mill) within the Target Area.”

The Property also is an important link for the future regional Tonquin Trail, which is identified in the Greenspaces Master Plan (July 1992) as:

“The Tonquin Trail connects the Tualatin River National Wildlife Refuge to the Willamette River near Wilsonville. It passes through the Tonquin Geological Area and the Dammasch property recently acquired by the Division of State Lands [now the Wilsonville Tract], before joining the Willamette Greenway Trail.”

Currently, the Property represents a gap in public ownership in the critical Tonquin Geologic wildlife, trail and greenway corridor. Metro owns other parcels immediately adjacent to the Property on the north and south. Because the Property is located amidst Metro open space lands, it remains key to the assemblage of the regional scale natural area contemplated by the refinement plan.

The city of Wilsonville has agreed to contribute 22% of the purchase price and a private partner, Ducks Unlimited, has agreed to contribute 33% of the purchase price. The acquisition of the Property would complement the nearby Wilsonville Tract, identified in the Green Ribbon process as a high priority for future funding, and connect the Wilsonville Tract to the larger corridor previously acquired by Metro.

Unusual circumstance

There is one unusual circumstance regarding the transaction for which Council approval is sought:

- The agreed upon purchase price is 14% above the appraised value confirmed by Metro's review appraiser.

While the Property is inside the urban growth boundary and is designated future industrial on the Comprehensive Plan of the city of Wilsonville, the Property lies within the city of Wilsonville's Significant Resource Overlay Zone (SROZ). Over nearly the last six years, Metro has negotiated with the landowners to purchase the Property. Through these lengthy negotiations, a price and terms were finally agreed to in November 2001. Notwithstanding, the lowest purchase price at which the landowner will agree to sell is 14% above appraised fair market value. The purchase price is consistent on a per acre basis to that paid by Metro for the Wilsonville Tract (outside the UGB) and other nearby sites.

Metro's share of the purchase price is only 45% of the purchase price because of significant financial contributions from two local partners. Ducks Unlimited, Inc., a national non-profit organization committed to conserving and restoring habitat for migratory waterfowl, has received a federally funded North American Wetlands Conservation Act grant to help preserve habitat in the historic Coffee Lake area. They have agreed to contribute this money, which amounts to 33% of the purchase price, toward the acquisition of the Property through a Cooperative Agreement with Metro, which applies only to the northern parcel (Tax Lot 1300) of the Property. The city of Wilsonville has also agreed to contribute 22% of the purchase price.

In accordance with the Open Spaces Implementation Work Plan adopted by Metro Council, the Open Spaces Acquisition Committee met on December 3, 2001, and recommended that the Property be purchased by Metro on these terms.

FINDINGS

Acquisition of this Property with the above-stated terms is recommended based on the following:

- This Property lies in Tier I of the Tonquin Geologic target area and fulfills the goals of the Tonquin Geologic refinement plan.
- The Property has significant natural resource value, including approximately 29 acres of wetlands and 11 acres of forested upland in the historic Coffee Lake area.
- The Property lies entirely within the urban growth boundary and has the potential to serve as a high quality, natural area near the former Dammasch Hospital site, which is anticipated to rapidly urbanize during the next several years.
- The Property fills a key gap in creating a critical wildlife corridor, trail and greenway from the Tualatin National Wildlife Refuge to the Willamette River.
- The Property is adjacent to existing Metro ownership and is a key remaining parcel necessary to accomplish the assemblage of a regional scale natural area, consistent with the goals and objectives as set forth in the Tonquin Geologic target area refinement plan.
- The city of Wilsonville has committed to contribute 22% to the purchase price and Ducks Unlimited has committed to contribute 33% to the purchase price by using NAWCA funds

from their Willamette Valley Ecoregion Restoration Project. These funds constitute significant financial contributions from a local government and another outside partner.

- The Property is a key link in the future Tonquin Trail that will connect to the nearby Wilsonville Tract which is ranked number three on the Metro Green Ribbon Committee recommended site list.
- While the overall minimum acreage goal of the Tonquin Geologic target area has been met, the acquisition of this Property is highly desirable from a regional perspective due to its high quality natural area features, connectivity to previously acquired Metro Open Space sites, impact on water quality, opportunity to preserve important wildlife habitat, and its proximity to the rapidly growing Wilsonville area.
- The Open Spaces Acquisition Committee met and recommended that the Property be purchased by Metro on the conditions set forth in the purchase and sale agreement.

BUDGET IMPACT

Bond funds will supply Metro's share of the acquisition money. Land banking costs are expected to be minimal.

OUTSTANDING QUESTIONS

None.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends passage of Resolution No. 02-3150.