

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING)	RESOLUTION NO. 97-2476
THE EXECUTIVE OFFICER TO)	
PURCHASE PROPERTY IN THE)	Introduced by Mike Burton
MULTNOMAH CHANNEL)	Executive Officer
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 Ballot Measure 26-26 which authorizes Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and capital improvements pursuant to Metro's Open Spaces Program; and

WHEREAS, the Multnomah Channel regional target area was designated as a greenspace of regional significance in the Greenspaces Master Plan and identified as a regional target area in the Open Space, Parks and Streams Bond Measure; and

WHEREAS, on July 11, 1996 the Metro Council adopted a refinement plan for the Multnomah Channel regional target area, including a confidential tax-lot-specific map identifying priority properties for acquisition; and

WHEREAS, the property owned by Charles G. Hegele, Jr. and Carlleen C. Hegele, as identified in Exhibit A, is a priority property in Tier I of the Multnomah Channel target area and qualifies as a property to be acquired; and

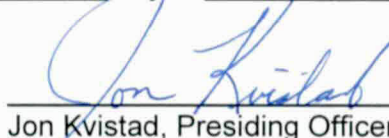
WHEREAS, the amended Open Spaces Implementation Work Plan adopted in January, 1997 provides that Metro Council approval is required for purchases involving "unusual circumstances" or if the purchase price is more than the fair market value determined by Metro's staff appraiser; and

WHEREAS, the Hegele property purchase has unusual circumstances, now therefore

BE IT RESOLVED,

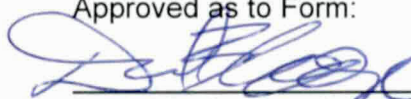
That the Metro Council authorizes the Executive Officer to execute the Option Agreement and purchase the Hegele property in the Multnomah Channel regional target area, subject to the terms and conditions set forth in the Option Agreement, as amended.

ADOPTED by Metro Council this 20th day of March, 1997.



Jon Kvistad, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

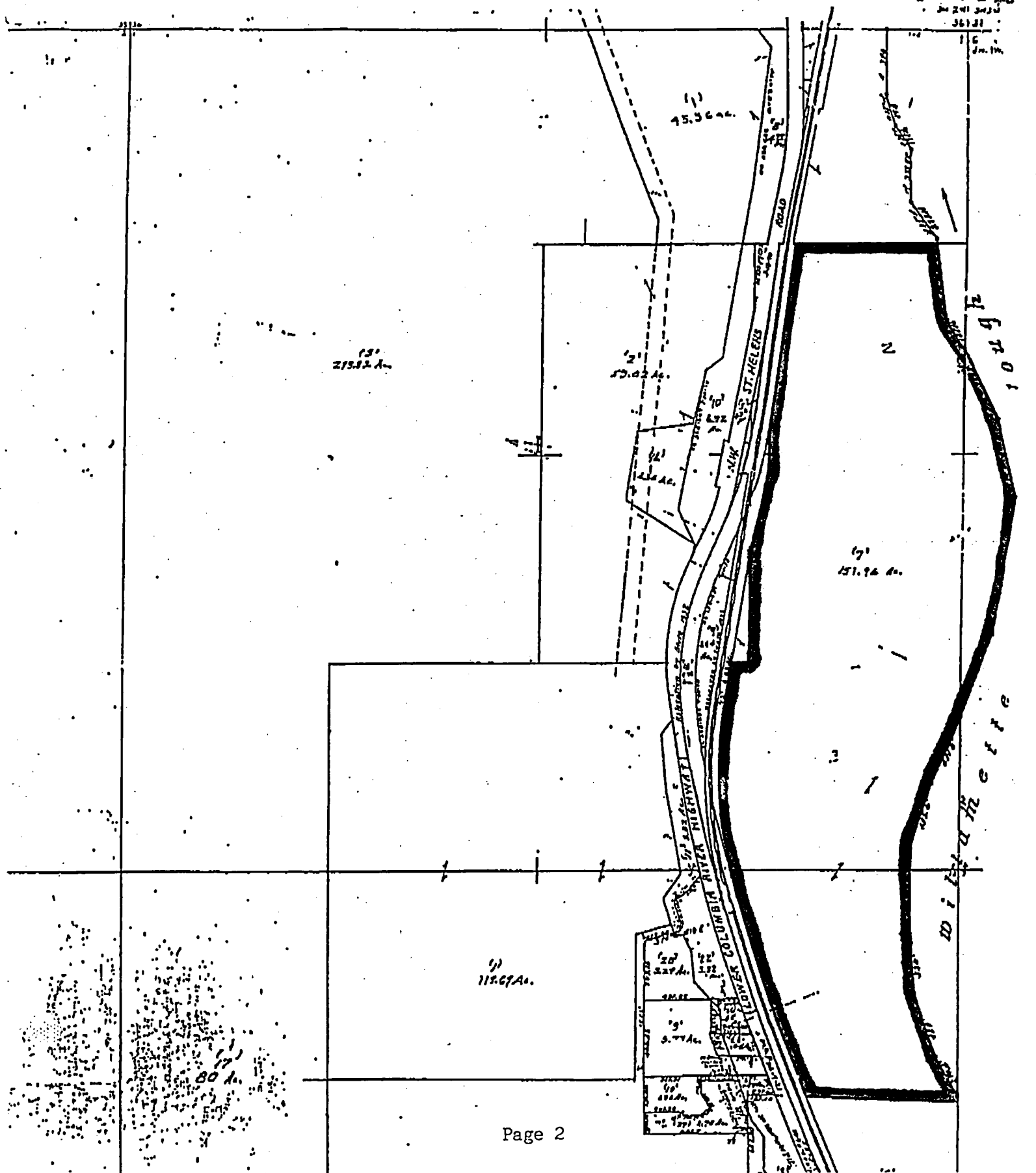
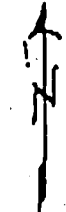
Exhibit A

Resolution 97-2476

LEGAL DESCRIPTION

Government Lot 1 of Section 6, Township 2 North, Range 1 West of Willamette Meridian and Government Lot 3 of Section 1, Township 2 North, Range 2 West of the Willamette Meridian, and all those portions of the following described property lying Easterly of the Easterly line of the Spokane; Portland & Seattle Railway Co. right of way as relocated in 1972, to wit:

Government Lot 2, the Northeast one-quarter of the Southeast one-quarter and the Southwest one-quarter of the Southeast one-quarter of Section 1 and the West one-half of the Northeast one-quarter and Government Lot 1 of Section 12, Township 2 North, Range 2 West of the Willamette Meridian, in the County of Multnomah and State of Oregon.



Staff Report

CONSIDERATION OF RESOLUTION NO. 97-2476 FOR THE PURPOSE OF AUTHORIZING THE EXECUTIVE OFFICER TO PURCHASE PROPERTY IN THE MULTNOMAH CHANNEL TARGET AREA.

Date: March 12, 1997

Presented by: Charles Ciecko
Nancy Chase

PROPOSED ACTION

Resolution No. 97-2476 requests authorization for the Executive Officer to purchase property in the Multnomah Channel Target Area.

BACKGROUND AND ANALYSIS

The property is 151.96 acres in size and is located on the east side of NW St. Helens Highway, across the channel from Sauvie Island. The parcel is located in Tier I in the adopted refinement plan. It contains significant wetlands, riparian habitat and has over 5,700 feet of shoreline. Approximately 60% of the site is estimated to be wetland. The area along the channel is characterized by an ash, willow and cottonwood forest. The majority of the property is open pasture. The area provides important habitat for a variety of wildlife. Multnomah County zoning allows 20-acre lots, and therefore this property could be approved for seven homesites.

The Nature Conservancy and Metro have been negotiating with the owners for almost two years. Value of the property has been the central point of the discussion. An independent appraisal has been obtained and the negotiated price exceeds that appraised value by 14%. Based on the Open Spaces Implementation Work Plan, this purchase price is an "unusual circumstance" requiring Council approval.

FINDINGS

Acquisition of this property is recommended based on the following:

- The property is listed as a Tier I property in the adopted refinement plan for the Multnomah Channel.
- The target area description in the Bond Measure Fact Sheet is as follows: "Multnomah Channel. Acquire 500 acres along west bank of channel for wildlife habitat in Willamette River Greenway." Acquisition of the 151.96-acre parcel is necessary in order to meet this acreage goal.

- The site has important scenic and wildlife qualities, excellent accessibility and exposure to a major highway.
- The large size of the parcel, its proximity to Portland, the exposure to a major highway and the 5,700 lineal feet of river frontage make the process of establishing a price very subjective. The owner has recently received two offers for greater values than the price offered by Metro, and those offers have been verified by an independent appraiser retained by Metro.
- The appraisal states that it is "reasonably safe to consider an appreciation rate in the range of 5 to 10% per year." Based on this fact the 14% difference in price would be accounted for in less than two years.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends passage of Resolution No. 97-2476.