

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO A LEASE WITH CITY OF PORTLAND PARKS AND RECREATION AND WORLD FORESTRY CENTER FOR THE WEST PARKING LOT IN WASHINGTON PARK

RESOLUTION NO. 12-4355

Introduced by Councilor Shirley Craddick

WHEREAS, Metro owns and operates the Oregon Zoo, a premier destination recreation and educational venue located in the midst of the City of Portland’s Washington Park; and

WHEREAS, the Oregon Zoo benefits from the use of the Washington Park Parking Lot, which is owned by the City of Portland but leased to Metro and the World Forestry Center, under the terms of the Parking Lot Lease and Parking Lot Operating Agreement, which requires that the Washington Park Parking Lot be operated for the benefit of visitors to the Oregon Zoo, the World Forestry Center, Portland Children’s Museum, and Washington Park (the “Attractions”); and

WHEREAS, the West Lot, previously known as the Auxiliary Lot and located between the Portland Children’s Museum (PCM) and World Forestry Center (WFC), consists of approximately 120 additional spaces and serves a valuable role for several of the Attractions, but rights to use and manage the West Lot have never been formally granted by lease from the City of Portland to the Oregon Zoo and the World Forestry Center; and

WHEREAS, the Attractions wish cooperate to obtain land use approval to ratify the use of the West Lot for parking by the visitors to the Attractions, by seeking a conditional use permit from the City of Portland;

WHEREAS, in order to be official applicants for said conditional use permit on City of Portland real property, Metro and the World Forestry Center must own the property or have an interest in the West Lot; and


WHEREAS, the Zoo therefore wishes to lease the West Lot from the City of Portland for the duration of the Parking Lot Lease and Parking Lot Operating Agreement

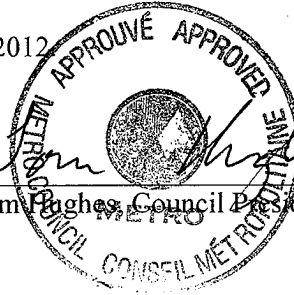
WHEREAS, Metro Code Section 2.04.026 requires that the Chief Operating Officer obtain the authorization of the Metro Council prior to the execution of the following types of contracts: (1) any agreement with another government entity by which Metro acquires any interest in real property , and (2) any contract for the lease of real property; now, therefore,

BE IT RESOLVED that the Metro Council:

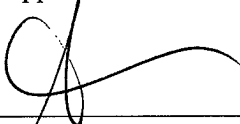
Authorizes the Metro Chief Operating Officer to enter into the West Lot Parking Lease with Portland Bureau of Parks and Recreation and the World Forestry Center, attached as Exhibit A hereto.

ADOPTED by the Metro Council this 21<sup>st</sup> day of June, 2012

  
\_\_\_\_\_  
Tom Hughes, Council President



Approved as to Form:

  
\_\_\_\_\_  
Alison Kean Campbell, Metro Attorney

**2012 WEST LOT PARKING LOT LEASE  
BETWEEN METRO AND THE CITY OF PORTLAND**

This 2012 WEST PARKING LOT LEASE is made and entered into as of the \_\_\_ day of June, 2012, by and between the CITY OF PORTLAND, a municipal corporation of the State of Oregon (“CITY”), METRO, a municipal corporation of the State of Oregon (“METRO”), and the WORLD FORESTRY CENTER, an Oregon nonprofit corporation (“WFC”).

**RECITALS**

WHEREAS, METRO, a municipal corporation, operates the Oregon Zoo, formerly the Metro Washington Park Zoo (“Zoo”), in Washington Park, Portland, Oregon; and

WHEREAS, WFC operates the Discovery Museum, the Julian N. Cheatham Hall, the Harold A. Miller Hall, and the Harry A. Merlo Hall, where it conducts its activities, programs, and functions (the “Center”), and has operated its Center for the use, education, enjoyment, and benefit of the general public on land in Washington Park it has leased from the CITY; and

WHEREAS, the CITY leased to METRO, WFC, and the OREGON MUSEUM OF SCIENCE AND INDUSTRY, an Oregon nonprofit corporation (“OMSI”), the parking lot adjacent to METRO’s Zoo, the WFC’s Center, and the Washington Park OMSI operation (the “Main Parking Lot”), under a 35-year lease entered into in 1979 (“Parking Lot Lease”); and

WHEREAS, METRO, OMSI, and the WFC entered into an Operating Agreement dated April 10, 1979, and amended said Agreement on October 21, 1994 by means of the 1994 Parking Lot Operating Agreement, which currently governs the use, operation, and maintenance of the Main Parking Lot by METRO, the WFC, and the CITY for the public attending their facilities; and

WHEREAS, on November 20, 1997, OMSI reconveyed its leasehold interest in the real property housing its Washington Park operation to the CITY, and the Children’s Museum (“CM2”) now occupies the former OMSI improvements under an agreement with the CITY; and

WHEREAS, during the construction of the light rail station in the Main Parking Lot, approximately 200 permanent parking spaces were lost in the Main Parking Lot, and a portion of the real property leased by the CITY to OMSI and located immediately adjacent to and between OMSI and WFC was converted to a temporary parking lot as further described and depicted herein (this adjacent parking lot is referred to as the “West Parking Lot”) under a Permit of Entry from the CITY date June 30, 1998; and

WHEREAS, it is in the public interest for METRO and the WFC to continue operating and maintaining the West Parking Lot for public parking to serve the visitors to the Zoo, WFC, CM2 and Washington Park, and the parties agree that the West Parking Lot should be included in the premises leased to Metro and WFC for parking purposes; and

WHEREAS, METRO, WFC, and the CITY have entered into this 2012 West Parking Lot Lease, for the purposes of leasing the West Parking Lot to METRO and WFC under substantially similar terms as the existing Parking Lot Lease and for a period of time coterminous with the end of same; and

WHEREAS, CITY, METRO and WFC, and potentially other Washington Park venues intend to submit a new, joint conditional use permit application to the City Bureau of Development Services seeking permanent approval of this shared parking lot in order to provide adequate parking for venue visitors. NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. Leasehold. CITY hereby leases METRO and the WFC the West Park Parking Lot, situated in the City of Portland, County of Multnomah, State of Oregon, and more particularly depicted in Exhibit A attached hereto.

2. Term. The term of the lease shall begin on the last date of signature affixed hereto, and shall extend to April 10, 2014, the date the Parking Lot Lease expires, or upon termination of the existing Parking Lot Lease.

3. Rent. METRO and the WFC agree to pay as rent for the West Parking Lot the sum of \$1 per year, payable on the tenth day of each lease year.

4. Use, Management, Operations, Maintenance and Improvements. METRO, the WFC, and the CITY agree to use the West Parking Lot as a parking lot for the Zoo, WFC, CM2, and Washington Park visitors. Except as otherwise set forth herein, the West Parking Lot will be operated and used in accord with the terms of the Parking Lot Lease and the 1994 Operating Agreement between the parties, the terms of which are hereby ratified, confirmed and incorporated herein.

5. Notices. All notices and communications from one party to the other on legal matters and disputes shall be sent:

To METRO: The Zoo Director  
Oregon Zoo  
4001 S.W. Canyon Road  
Portland, Oregon 97221-2705  
Telephone: (503) 226-1561  
Fax: (503) 226-6836

and METRO Attorney  
600 N.E. Grand Avenue  
Portland, Oregon 97232-2799  
Telephone: (503) 797-1528  
Fax: (503) 797-1792

WFC President

World Forestry Center  
4033 S.W. Canyon Road  
Portland, Oregon 97221-2760  
Telephone: (503) 228-1367  
Fax: (503) 228-3624

and

Secretary and Legal Counsel of the WFC  
Miller, Nash LLP  
111 S.W. Fifth Avenue, Suite 3500  
Portland, Oregon 97204-3638  
Telephone: (503) 224-5858  
Fax: (503) 224-0155

To CITY:

Parks Director  
1220 S.W. Fifth Avenue  
Portland, Oregon 97204-1909  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_

and

City Attorney  
1220 S.W. Fifth Avenue  
Portland, Oregon 97204-1909  
Telephone: (503) 823-4047  
Fax: (503) 823-3089

6. Conflicting Terms: Except as specifically set forth herein to the contrary, all the terms and conditions of the Parking Lot Lease and 1994 Operating Agreement shall govern the agreement between the parties as to the West Parking Lot. In the event a conflict arises between this 2012 West Parking Lot Lease and the terms and conditions of the Parking Lot Lease or 1994 Parking Lot Operating Agreement, the terms and conditions of this West parking Lot Lease shall control as to the West Parking Lot.

IN WITNESS WHEREOF each party has caused this 2012 West Parking Lot Lease to be executed in duplicate by authority of its board of directors or executive board committee, its commissioners, or its council as of the date first above written.

**CITY OF PORTLAND**

**METRO**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**WORLD FORESTRY CENTER**

By: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Harry Michael Auerbach  
Deputy City Attorney

\_\_\_\_\_  
Joel Morton  
Senior Assistant Metro Attorney

\_\_\_\_\_  
Dean D. DeChaine  
Attorney for World Forestry Center



## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 12-4355, FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO A LEASE WITH CITY OF PORTLAND PARKS AND RECREATION AND WORLD FORESTRY CENTER FOR THE WEST PARKING LOT IN WASHINGTON PARK .

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Date: June 21, 2012

Prepared by: Cheryl Twete  
503.797.1774

### BACKGROUND

For the past several months, staff has been working on a variety of new parking and access management tools for Washington Park with Portland Parks and Recreation (PP&R) staff, as well as the other venues within the Park. Staff anticipates returning to Council with a new parking and access management agreement in September 2012.

In the meantime, as part of our land use strategy, staff has determined, in partnership with PP&R, that separating the small parking lot known as the West Lot from the zoo's new conditional use master plan application is the best approach for addressing its future land use status. In the past, the surrounding neighborhood associations did not support the lot receiving permanent status and challenged the city's approvals. After a five-year appeal process, Metro chose to remove the West Lot permanent approval request from the zoo's conditional use master plan which was subsequently approved by the city in 2003. Since then, Metro has worked with the City to pursue a new conditional use approach for permanent approval.

Today, the West Lot, previously known as the Auxiliary Lot and located between the Portland Children's Museum (PCM) and World Forestry Center (WFC), consists of approximately 120 spaces and serves a valuable role for several attractions.

PP&R and Metro will be co-applicants with along with the Portland Children's Museum, World Forestry Center and Hoyt Arboretum for the West Lot Conditional Use Application. The purpose of the conditional use application is to request permanent land use approval for the West Lot, which is integral to the overall parking supply at the south end of Washington Park. It will be considered under a Type III or Hearings Officer decision-making process, so that any interested party may participate. Because it is no longer associated with the zoo's conditional use master plan, staff hopes that the zoo's bond program will not be impacted.

Staff has negotiated a new, short-term lease for the West Lot with PP&R and the World Forestry Center. This lease is expected to be terminated and superseded by a new parking management agreement that will result in PP&R taking over parking management of all Washington Park parking (including this West Lot). The new lease is necessary for the West Lot conditional use application and is structured similarly to the current Main Parking Lot lease (1979) in that:

1. Parties to the lease are identical – PP&R, WFC and Metro; and
2. The use, management operations, maintenance and improvements provisions are in accord with the terms of the Main Parking Lot lease and the 1994 Operating Agreement; and



3. The term expires April 10, 2014, concurrent with the Main Parking Lot lease; and
4. The rent is \$1/year.

A copy of the proposed lease is attached to Resolution No. 12-4355.

#### **ANALYSIS/INFORMATION**

1. **Known Opposition** – The Sylvan-Highlands Neighborhood Association and the Arlington Heights Neighborhood Association have been opposed to use of the West Lot in the past. They believe that the West Lot parking would be unnecessary if enough visitors used light rail to travel to Washington Park, and as a result the West Lot could then be torn out and replanted. Metro and PP&R have engaged in a public process with the neighbor associations to describe a) why this lot is necessary from a transportation management standpoint; b) what the benefits are to the neighborhood for its permanent operation; c) to better understand the neighborhood's issues and opportunities; and d) to develop a new, positive working relationship going forward.
2. **Legal Antecedents** Metro Code Section 2.04.026 requires that the Chief Operating Officer obtain the authorization of the Metro Council prior to the execution of the following types of contracts: (1) any agreement with another government entity by which Metro acquires any interest in real property , and (2) any contract for the lease of real property.
3. **Anticipated Effects** – The Oregon Zoo and the World Forestry Center will obtain official leasehold rights to use the West Lot, to be managed together with the main parking lot at the Zoo. This leasehold interest allows Metro to serve as co-applicant with PP&R for the West Lot conditional use application, which if approved will make the West Lot permanent.
4. **Budget Impacts** – the lease rental rate is \$1/year from date of execution (June 2012) to April 10, 2014.

#### **RECOMMENDED ACTION**

Approve Resolution No. 12-4355 to authorize the Metro Chief Operating Officer to enter into a West Lot Parking Lease with PP&R and the WFC.