

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE ) RESOLUTION NO. 12-4397  
CHIEF OPERATING OFFICER TO )  
PURCHASE CERTAIN PROPERTY SUBJECT ) Introduced by Chief Operating Officer  
TO AN UNUSUAL CIRCUMSTANCE IN THE ) Martha J. Bennett with the concurrence of  
TUALATIN RIVER GREENWAY TARGET ) Council President Tom Hughes  
AREA WITH 2006 NATURAL AREAS BOND )  
MEASURE PROCEEDS )

WHEREAS, at the general election held on November 7, 2006, the voters of the Metro region approved Ballot Measure 26-80, authorizing Metro to issue \$227.4 million of general obligation bonds to fund natural area acquisitions and water quality protection (the “Natural Areas Program”);

WHEREAS, on March 1, 2007, the Council approved Resolution No. 07-3766A, “Authorizing the Chief Operating Officer to Purchase Property with Accepted Acquisition Guidelines as Outlined in the Natural Areas Implementation Work Plan” (the “Work Plan”), authorizing the Metro Chief Operating Officer to acquire properties identified on a Council-approved target area confidential refinement map so long as the properties meet the “Acquisition Parameters” and “Due Diligence Guidelines” set forth in the Work Plan;

WHEREAS, on September 13, 2007, the Council adopted Resolution No. 07-3849, “Approving the Natural Areas Acquisition Refinement Plan for the Tualatin River Greenway Target Area” establishing the goal for the target area of providing “additional or enhanced access that will allow people to enjoy the river”;

WHEREAS, Metro staff has identified an opportunity to purchase 1.6 acres of property located along the Tualatin River and identified as a Refinement Plan Tier I objective in the Tualatin River Greenway Target Area, which property is more specifically identified as “River Road” on the attached Exhibit A (the “Property”);

WHEREAS, the Property meets the Refinement Plan Tier I objective of “enhancing the water trail by providing access point sites along the Tualatin River Greenway” and is adjacent to two existing Metro holdings currently being planned and designed as a future non-motorized public launch site;

WHEREAS, Metro entered into a purchase and sale agreement with the current owner of the Property and in accordance with the Work Plan Acquisition Parameter obtained an MAI appraisal (the “Appraisal”) of the Property, which Appraisal valued the Property at below the originally negotiated purchase price of \$220,000.00, and;

WHEREAS, the appraisal issue described above is an “unusual circumstance” under the Acquisition Parameters and Due Diligence Guidelines of the Work Plan and because the negotiated purchase price is higher than the fair market value established by the Appraisal, so Council must approve acquisition of the Property;

WHEREAS, acquisition of the Property is necessary to achieve the goals and Tier I objectives of the Tualatin River Greenway Target Area, as it will allow Metro to maximize the recreational opportunities and reduce the resource impacts of Metro’s future non-motorized launch site; and

WHEREAS, acquisition of the Property at a purchase price above the appraised value is a wise investment in light of the benefits that the Property will provide the citizens of the region; now therefore

BE IT RESOLVED that Metro Council hereby authorizes the Chief Operating Officer to acquire the Property, identified in Exhibit A, at a price no greater than \$195,000, notwithstanding the unusual circumstance related to the Appraisal of the Property, provide that the acquisition is otherwise in accord with the other Acquisition Parameters and Due Diligence Guidelines of the Natural Areas Implementation Work Plan.

ADOPTED by the Metro Council this \_\_\_\_\_ day of December 2012.

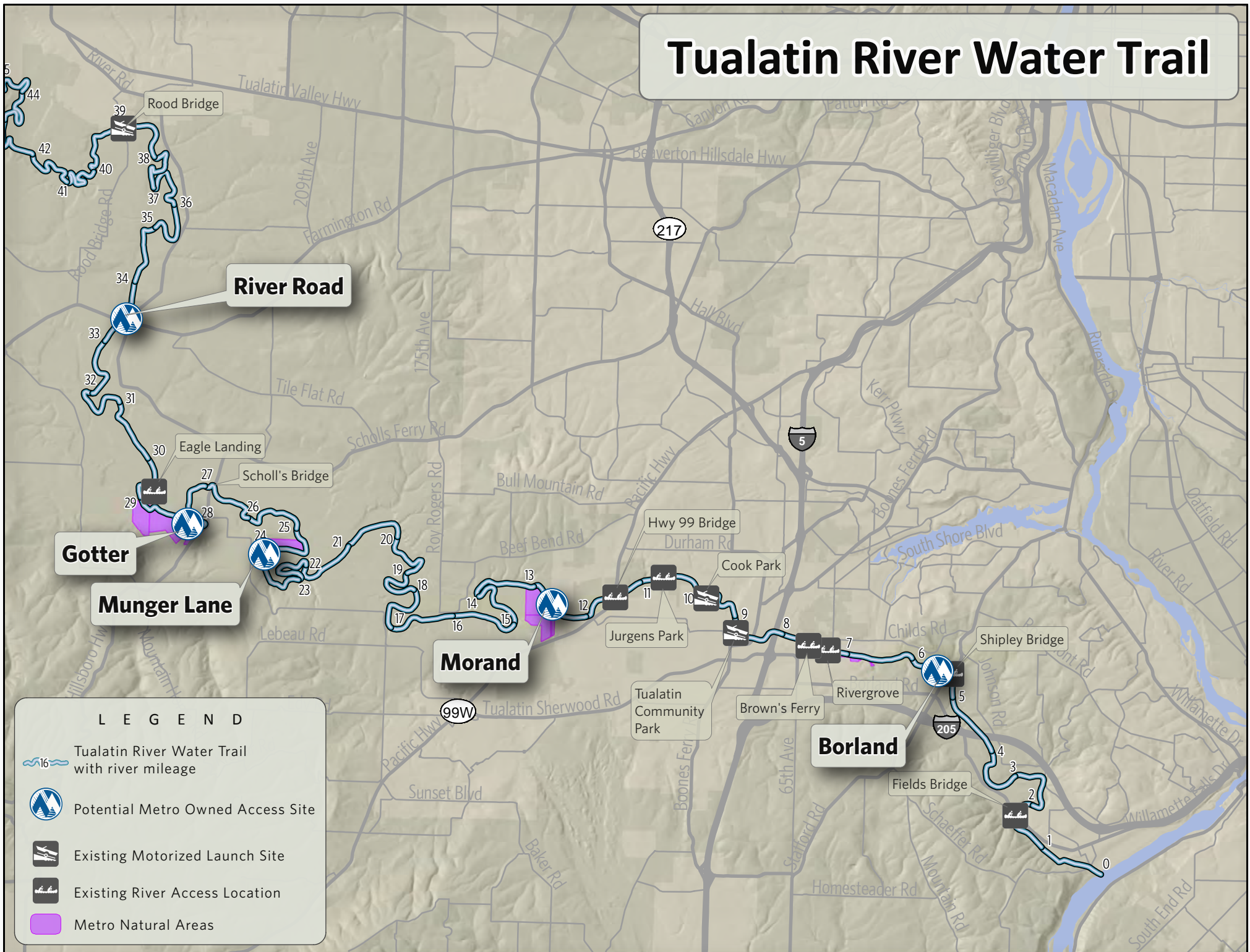
WITHDRAWN

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






Approved as to Form:

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

# Tualatin River Water Trail



## LEGEND

-  Tualatin River Water Trail with river mileage
-  Potential Metro Owned Access Site
-  Existing Motorized Launch Site
-  Existing River Access Location
-  Metro Natural Areas

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 12- 4397 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO PURCHASE CERTAIN PROPERTY SUBJECT TO AN UNUSUAL CIRCUMSTANCE IN THE TUALATIN RIVER GREENWAY TARGET AREA WITH 2006 NATURAL AREAS BOND MEASURE PROCEEDS

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Date: December 13, 2012

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## BACKGROUND

Metro has an opportunity to acquire a parcel of land in the Tualatin River Greenway Target Area. The 1.6-acre subject parcel is more specifically identified as “River Road” in Exhibit A attached to the Resolution (the “Property”). The Property is adjacent to two parcels currently owned by Metro that were acquired in two separate transactions in March of 2000 (the “Existing River Road Holdings”). Acquisition of the Property will serve to achieve the target area goal of providing “additional or enhanced access that will allow people to enjoy the river.” Metro staff has entered into a Purchase and Sale Agreement with the owners of the Property. The purpose of this report is to describe the background and information related to the opportunity to acquire the Property despite the fact that the current terms for the acquisition fall outside the parameters of the Natural Areas Implementation Work Plan (the “Natural Areas Work Plan”), adopted by the Metro Council via Resolution 07-3766A.

### Goals and Objectives of the Tualatin River Greenway Target Area

The area where the Property is located has long been a focus of a larger strategy to provide public access to the Tualatin River. The Property’s location was identified as a Tier One objective in both the 1995 Open Spaces, Parks and Streams Bond Measure (the “1995 Bond Measure”) and the 2006 Natural Areas Bond Measure (the “2006 Bond Measure”), mainly due to its inclusion in the 1992 Greenspaces Master Plan.

In the Greenspaces Master Plan, the Tualatin River Greenway Target Area was described as follows: *“The Tualatin River is typical of the slow flowing, meandering small rivers and streams that flow through the Willamette Valley floor. The relatively low slope makes it ideal for canoeing and for amateur boaters. There are few access points on the Tualatin along its course, which makes land acquisition for recreation uses more important.”*

A Tier I objective of the 1995 Bond Measure Tualatin River Access Points Refinement Plan, adopted by the Metro Council in 1996, was to “acquire a minimum of 266 acres to establish four regional access point sites along the Tualatin River Greenway that meet the following objectives:

- Locations along the river at intervals of 5 to 10 river miles, allowing for day trips and shorter trips than is now practicable.
- Safe accessibility from a public roadway that can adequately accommodate additional traffic.
- Developable for boat ramps and/or docks by reason of existing shallow slopes and banks
- Associated with sufficient uplands for such features as parking, restrooms, picnic areas, and buffering from the River and adjacent uses.”



The Tier I objectives of the 2006 Bond Measure's Tualatin River Greenway Target Area Refinement Plan are to:

- Protect natural areas adjacent to existing public lands to provide public access and improve wildlife habitat protection.
- Continue the work begun in 1995 to enhance the water trail by providing access point sites along the Tualatin River Greenway that meet the following criteria:
  - Locations along the river at intervals of 5 to 10 river miles, allowing for day trips and shorter trips than is now practicable.
  - Safe accessibility from a public roadway that can adequately accommodate additional traffic.
  - Developable for boat ramps and/or docks by presence of existing shallow slopes and banks.
  - Associated with sufficient uplands for such features as parking, restrooms, picnic areas and buffering from the river and adjacent uses.
  - Associated with key locations where there is particular interest in additional boat access/pull-outs including: south of Farmington Road, north side of the river in the vicinity of Rainbow Lane, and in the vicinity of Elsner Road

### **Launch Site Identification Process**

Acquiring and developing additional non-motorized launch sites along the Tualatin River have been goals of Metro and its partners for over the last 20 years. The stretch of the Tualatin that was targeted for site acquisition was between Hillsboro's Rood Bridge Park (River Mile 39) and the confluence with the Willamette River (River Mile 0). Please see Exhibit A to the Resolution, which describes the locations of the Metro owned properties and current existing launch sites along the Tualatin River.

In 2011, Metro began the effort to identify the most appropriate Metro owned sites for public river access as part of a budget amendment that provided funding to begin the first phase of an effort to plan and design the Tualatin River Water Trail. The Metro Council was recently updated on its progress when it passed Ordinance 12-1291, "For the Purpose of Amending the FY 2012-2013 Budget and Appropriations Schedule to Provide Funding for Land Use Application Planning and Design Steps Needed for a Publicly Accessible Tualatin River Canoe Launch at the River Road Natural Area Location". As part of the ordinance package, Metro staff described how it had (a) analyzed the feasibility of five potential public access sites, (b) convened an advisory team, (c) conducted public outreach, (d) selected the River Road natural area site, (e) and completed engineering, topographic, wetlands, and other analyses needed to pursue Washington County approval for a land use application." These efforts resulted in the selection of a site at the intersection of SW Farmington and SW River Roads, comprised of Metro's Existing River Road Holdings, as the best choice for a future public access site. The intersection has a bridge over the river, making it accessible from several directions and enhancing the public benefit. The site has high visibility and is located along two significant arterials. Metro has started the planning and design of the River Road site and concluded that the Property is necessary for the optimal access site design. The ordinance specifically mentioned that Metro was proceeding with attempts to acquire the Property, noting that such acquisition would improve the recreational opportunities and reduce the natural resource impacts of the canoe launch site.

### **The Property**

On August 23, 2012, a Purchase and Sale Agreement (the "Agreement") was executed between Metro and the landowner of the Property. The site includes a 1,760 s.f. residence and an approximate 3,000 sq. ft. shop area. Following the customary procedures required by the Natural Areas Work Plan, an independent MAI appraisal was ordered which ultimately concluded a value of \$130,000, significantly below the \$220,000 Agreement purchase price.

The landowner is not willing to sell the Property to Metro at its appraised value. This staff report requests authorization to acquire the Property at a purchase price of \$195,000.

**Unusual Circumstance**

The Work Plan authorizes the Chief Operating Officer to close real estate transactions related to the 2006 Bond Measure provided certain criteria are met. With the exception of the Appraisal Guidelines, all the criteria in the Work Plan Acquisition parameters have been or will be met before Metro acquires the Property. The Appraisal Guidelines set forth certain conditions to allow the Chief Operating Officer to approve an upward adjustment from the appraisal value to the purchase price within certain limits but since this report is requesting approval for an adjustment over the Work Plan limits this may be considered an unusual circumstance. Approval by the Metro Council is required under the Work Plan when the Chief Operating Officer encounters unusual circumstances in the course of a transaction.

The Work Plan Acquisition Parameters suggest that approval to pay a landowner more than an appraisal value should be based on the following criteria in order to conclude that such a purchase is in the public interest:

**That failure to acquire the property will significantly compromise Metro’s ability to achieve the goals in the adopted Refinement Plan;**

The failure to acquire the Property will compromise Metro’s ability to achieve the goals described in the Refinement Plan for the Tualatin River Greenway target area because the current Metro River Road access site, at approximately 4.5 acres, may not be large enough for a public access site. Acquisition of the Property would allow Metro to potentially develop the access road restroom on higher ground, therefore less likely to flood annually. The River Road location is the only Metro site currently under consideration for a public access site. The Property would help fulfill the Tier I objectives of the Tualatin River Greenway Target Area Refinement Plan.

**Spending on this purchase will not significantly compromise Metro’s financial capability to achieve the target area’s goals;**

The purchase of this Property will not compromise Metro’s ability to achieve the goals described in the Refinement Plan for the Tualatin River Greenway target area. Seventy acres have been purchased to date, and more acquisition is planned.

**There are immediate and known competing offers or other market pressures that put Metro at risk of permanently losing the opportunity to purchase this parcel;**

There are no known competing offers at this time. However, the fact that the landowner is currently a willing seller, may change in the future. The landowner is facing a decision whether to sell the Property to Metro or invest in improving the residence.

**Whether any other parties are making financial contributions toward the purchase price.**

There are no other parties making direct financial contributions toward the purchase price, but other parties may be investing in improving the river access site as a whole through grants and partnership funds.

## **ANALYSIS/INFORMATION**

### **1. Known opposition**

None known

### **2. Legal Antecedents**

The voters' approved Metro's 2006 Natural Areas Bond Measure at the general election held on November 7, 2006.

Resolution No. 07-3766A "Authorizing the Chief Operating Officer to Purchase Property With Accepted Acquisition Guidelines as Outlined in the Natural Areas Implementation Work Plan," was adopted by the Metro Council on March 1, 2007, and established the Acquisition Parameters and Due Diligence Guidelines for the purchase of properties as part of the 2006 Natural Areas Bond Program.

Resolution No. 07-3849, "Approving the Natural Areas Acquisition Refinement Plan for the Tualatin River Greenway Target Area," was adopted by the Metro Council on September 13, 2007.

### **3. Anticipated Effects**

Acquisition of the Property would also allow Metro to achieve its Tier I objectives of enhancing the water trail by providing access points along the Tualatin River Greenway.

### **4. Budget Impacts**

Metro will close on the Property for a purchase price of \$195,000 with funds from the 2006 Natural Areas bond measure.

## **RECOMMENDED ACTION**

The Chief Operating Officer recommends passage of Resolution No. 12-4397.