

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE EAST)
BUTTES/BORING LAVA DOMES TARGET AREA)
REFINEMENT PLAN TO AUTHORIZE)
ADDITIONAL LAND ACQUISITIONS IN THE)
EAST BUTTES)

RESOLUTION NO. 98-2724

Executive Officer
Introduced by Mike Burton

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 July 25, 1996 via resolution 96-2361, the Metro Council adopted a refinement plan for the East Buttes/Boring Lava Domes regional target area, which included a confidential tax-lot specific map identifying priority properties for acquisition, and which encouraged partnerships involving Metro and local governments; and

WHEREAS, the East Buttes/Boring Lava Domes Target Area refinement plan creates partnership opportunities by allocating \$4,000,000 of bond measure funds to a challenge grant program through which Metro provides 75% of the purchase price for properties on Mt. Scott, Mt. Clatsop, Powell Butte, Kelley Butte, Rocky Butte, and Mt. Talbert, if the local jurisdiction containing the subject property provides the remaining 25% of the purchase price; and

WHEREAS, Metro and several jurisdictions have acquired 75 acres and expended 54% of the funds allocated to the challenge grant program, including the acquisition of 67 acres on Mt. Talbert; and

WHEREAS, Metro and the North Clackamas Parks and Recreation District (NCPRD) have the opportunity to more than double the amount of acreage protected on Mt. Talbert, due to the existence of willing sellers on neighboring properties; and

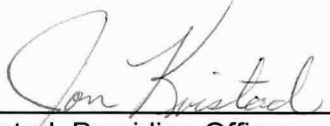
WHEREAS, due to the high fair market value of the neighboring properties on Mt. Talbert, and due to the need to respond to willing sellers on the other five buttes targeted in the challenge grant program, an increase in the challenge grant account is necessary to allow Metro to provide its 75% share of the purchase price for properties on these buttes; now therefore

BE IT RESOLVED,

That the Metro Council approves and authorizes the amendment of the East Buttes/Boring Lava Domes Target Area refinement plan in order to increase the allocation of

existing bond measure funds to the challenge grant program and to remove any cap on the challenge grant account.

ADOPTED by the Metro Council this 12th day of NOVEMBER, 1998.



Jon Kvistad, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

Staff Report

CONSIDERATION OF RESOLUTION NO. 98-2724 FOR THE PURPOSE OF AMENDING THE EAST BUTTES/BORING LAVA DOMES TARGET AREA REFINEMENT PLAN TO AUTHORIZE ADDITIONAL LAND ACQUISITIONS IN THE EAST BUTTES

Date: October 22, 1998

Presented by:

**Charles Ciecko
Jim Desmond**

Proposed Action

Resolution No. 98-2724 requests the amendment of the East Buttes/Boring Lava Domes Target Area refinement plan to authorize additional land acquisitions at Mt. Scott, Mt. Clatsop, Powell Butte, Kelley Butte, Rocky Butte, and Mt. Talbert by removing the existing \$4 million cap on the challenge grant account established by the refinement plan for such acquisitions.

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 "[e]ncourage 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." The refinement plan allocated \$4,000,000 of regional bond measure funds to a challenge grant account. According to challenge grant program guidelines, Metro will draw from this account 75% of the purchase price for properties on any of the buttes identified in the refinement plan, provided the local jurisdiction containing the subject property contributes the remaining 25%.

Mt. Talbert is a priority acquisition area for the challenge grant program for several reasons. First, it is an undeveloped forested butte which is prominently in view from as far away as downtown Portland, and from as close as I-205. Second, the Mt. Talbert forest contains healthy stands of second growth and remnant old growth trees which shade Mount Scott Creek. Third, standing amidst the rapid urbanization of the I-205/Sunnyside Road area, Mt. Talbert's wooded slopes provide natural area opportunities for an area which will continue to experience rapid growth.

The challenge grant program has resulted in the acquisition of 75 acres and the outlay of 54% of account funds. The most significant of these acquisitions, which Metro accomplished with the assistance of the North Clackamas Parks and Recreation District (NCPRD), was the purchase of 67 acres on Mt. Talbert from Bon/Chia Development Corporation. At the time of acquisition, the Bon Development property had a platted and approved subdivision plan. Now, the cooperative efforts of Metro and NCPRD have established a foot path that traverses the woods on the property, and the natural features of the property are protected.

Our work on Talbert, however, is not complete. Metro and NCPRD have an opportunity to expand the trail and the protection established through the Bon Development acquisition by acquiring as many as six neighboring properties, totaling 190 acres. Initial negotiations indicate that these properties have willing sellers. NCPRD's financial commitment to Metro and to future land acquisition on Mt. Talbert was recently documented by NCPRD Director Mike Henley in a letter to Metro. This commitment will allow Metro to leverage up to \$1.6 million in land acquisition funds from NCPRD.

Metro Council authorized the acquisition of the properties in question on Mt. Talbert when Council approved the East Buttes/Boring Lava Domes Target Area refinement plan. Sufficient bond measure funds exist to acquire more properties on Mt. Talbert and the buttes identified in the challenge grant program and still meet acreage and budget goals in the thirteen other regional target areas. To date, Metro has acquired 3,708 of the targeted 6,000 acres, using 44% of bond measure funds.

Although Metro Council has already approved additional Mt. Talbert acquisitions, and although bond measure funds allow for these acquisitions without detracting from other program goals, the refinement plan directs the Open Spaces staff to draw from the challenge grant account to make Mt. Talbert acquisitions. Due to several factors, the challenge grant account contains insufficient funds to secure these acquisitions. The Bon Development acquisition drew challenge grant funds down significantly due to its advanced stage in the development process and its location in the heart of a rapidly urbanizing area. Neighboring properties share these characteristics and will require a significant investment from Metro and NCPRD to acquire them. In addition, the opportunities for open space acquisitions on Mt. Talbert exceed the expectations upon which the challenge grant account was funded. Properties such as Bon Development were slated for development at the time the East Buttes/Boring Lava Domes Target Area refinement plan was created. Consequently, a piecemeal conservation effort on Mt. Talbert was anticipated. Instead, the Bon Development acquisition creates the opportunity to permanently protect the bulk of Mt. Talbert as a public natural area open space.

Expansion of the challenge grant account would not only allow Metro and NCPRD to take advantage of acquisition opportunities on Mt. Talbert, it would also allow Metro to work with willing sellers on the other buttes targeted in the challenge grant program. Metro and the City of Portland have worked together to acquire nearly 20 acres on Powell Butte. Additional challenge grant program funding would allow Metro and the City to expand upon this effort, as well as their collaborative acquisitions on Rocky Butte.

For these reasons, removal of the existing \$4 million cap on the challenge grant account is requested to take advantage of the rare opportunity to preserve an undeveloped urban butte with high natural resource qualities, as well as pursue other partnership opportunities within Tier IB properties of the adopted refinement plan.

Findings

Expansion of the challenge grant program account created in the East Buttes/Boring Lava Domes Target Area refinement plan is recommended, based on the following:

- The East Buttes/Boring Lava Domes Target Area Refinement Plan identifies Mt. Talbert, an undeveloped butte with second growth and remnant old growth forest cover, as a regional

priority for protection through a challenge grant program. In addition, the challenge grant program targets Mt. Scott, Mt. Clatsop, Powell Butte, Kelley Butte, and Rocky Butte for similar reasons.

- Metro and NCPRD acquired 67 acres atop Mt. Talbert with the assistance of challenge grant funding, which protected a significant portion of the butte from development, and which leveraged the opportunity to expand this protection through the acquisition of neighboring properties.
- Metro Council authorized additional acquisitions on Mt. Talbert and the five other buttes in the East Buttes/Boring Lava Domes Target Area refinement plan. Acquisition of neighboring properties will allow Metro and NCPRD to fulfill refinement plan objectives as well as the goals of the NCPRD parks master plan, which both focus on the protection of Mt. Talbert's high quality forest for the scenic and park benefits it offers to an urbanizing area.
- Funds remaining in the challenge grant program account are insufficient to allow Metro and NCPRD to acquire available neighboring properties, due to the cost of properties already acquired with challenge grant funds, the number of additional but unexpected acquisition opportunities created by past purchases, and the significant costs anticipated for the acquisition of these additional opportunities.
- Additional acquisitions on Mt. Talbert are possible without negating other target area or regional goals and opportunities.
- Funds added to the challenge grant account shall apply only to Mt. Scott, Mt. Clatsop, Powell Butte, Kelley Butte, Rocky Butte, and Mt. Talbert properties identified as Tier IB on the existing confidential tax lot map for the East Buttes/Boring Lava Domes Target area.
- Future acquisitions on Mt. Talbert shall proceed in accordance with the Open Spaces Implementation Work Plan, including negotiations with willing sellers, purchase prices which do not exceed fair market value, and standard due diligence.
- The remaining provisions of the East Buttes/Boring Lava Domes Target Area refinement plan shall remain unchanged, with the sole modification being the removal of any cap or limit on the amount of funds available in the challenge grant program account.

Budget Impact

Funds currently existing in the challenge grant program account would be supplemented by additional bond measure funds to the extent that Metro can continue to provide its 75% share of each Mt. Talbert acquisition. This shall apply to any of the sites listed as a Tier 1B site at Mt. Scott, Mt. Clatsop, Powell Butte, Kelley Butte, Rocky Butte, and Mt. Talbert on the confidential tax lot map approved by Metro Council pursuant to Resolution 96-2361. The estimated cost of the six targeted properties can be funded out of existing bond measure proceeds and 25% contributions from local jurisdictions.

Executive Officer's Recommendation

The Executive Officer recommends passage of Resolution No. 98-2724.