

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF UPDATING THE)	RESOLUTION NO. 24-5389
NATURAL AREAS WORK PLAN TO FUND)	
REAL PROPERTY PURCHASES BY PUBLIC)	Introduced by Chief Operating Officer
PARTNERS THROUGH THE BOND)	Marissa Madrigal in concurrence with
ACQUISITION PROGRAMS OF THE 2019)	Council President Lynn Peterson
PARKS AND NATURE BOND MEASURE)	

WHEREAS, on June 6, 2019, the Metro Council adopted Resolution No. 19-4988, referring to the voters of the Metro area the question of authorizing Metro to issue general obligation bonds in an amount not to exceed \$475 million for the purposes of protecting natural areas, water quality and fish and wildlife habitat and connecting people to nature (the “2019 Parks and Nature Measure”); and

WHEREAS, at the election held on November 5, 2019, the voters in the Metro area approved the 2019 Parks and Nature Measure via Ballot Measure 26-203; and

WHEREAS, the 2019 Parks and Nature Measure directs Metro to use a portion of the total bond proceeds to continue to protect and connect greater Portland’s special places by purchasing land for restoration to support plants, animals and people in 24 identified regional target areas (the “Protect and Restore Land Program”) and to acquire property and easements for trail segments in 39 regional corridors (the “Create Trails for Walking and Biking Program”) while meeting criteria focused on racial equity, community engagement and climate resilience (together, the “Bond Acquisition Programs”); and

WHEREAS, on December 12, 2019, the Metro Council approved Resolution No. 19-5055, directing the Bond Acquisition Programs to continue to acquire property in accordance with the Acquisition Parameters and Due Diligence Guidelines of the Amended and Restated Natural Areas Implementation Work Plan adopted pursuant to Metro Council Resolution No. 14-4536 (the “Work Plan”); and

WHEREAS, on April 14, 2022, the Metro Council approved Resolution No. 22-5250, adopting individual acquisition plans for each of the 24 target areas of the Protect and Restore Land Program and the 39 trail corridors of the Create Trails for Walking and Biking Program (collectively referred to as the “Target Area Refinement Plans) and authorizing the Chief Operating Officer to acquire specific properties identified on confidential tax-lot maps provided such acquisitions comply with applicable Work Plan requirements; and

WHEREAS, as Metro has implemented the Bond Acquisition Programs through the guidance of the Work Plan, it has identified locations where Metro has shared goals with local jurisdictional partners, primarily related to locations where Metro’s targeted areas for purchase overlap with the jurisdictions of parks providing partners, and flexibility in partnership structure will allow Metro and its partners to leverage capacity and bond investments to effect the 2019 Parks and Nature Measure desired outcomes; and

WHEREAS, Metro staff now proposes to update to the Work Plan to allow Bond Acquisition Program funds to be used to support property acquisitions made by local government partners working in the Metro Area when such acquisitions would best achieve the goals and objectives of the 2019 Parks and Nature Measure and the Target Area Refinement Plans; now therefore,

BE IT RESOLVED that the Metro Council (1) approves the Acquisition Parameters for Partner Transactions, attached hereto as Exhibit A, (2) authorizes the Chief Operating Officer to use Bond Acquisition Program funds for the purposes and in accordance with the requirements stated in Exhibit A, and (3) updates the Work Plan to incorporate Exhibit A.

ADOPTED by the Metro Council this 7th day of March 2024.



Lynn Peterson, Council President

Approved as to Form:



Carrie MacLaren, Metro Attorney

Exhibit A

Amendment to the Natural Areas Implementation Work Plan Acquisition Parameters for Partner Transactions Bond Acquisition Programs, 2019 Parks and Nature Bond Measure

Definitions:

"Partner" is a local government or other public entity working in the Metro Area who is committed to protecting fish and wildlife habitat, improving water quality and quantity, and connecting people to nature close to home.

"Bond Acquisition Program" includes the Protect and Restore Land Program and Create Trails for Walking and Biking Program.

"Partner Transactions" are real property acquisitions led by Partners that result in the property coming into public ownership, but that do not result in Metro holding a real property interest or assuming any ongoing management responsibility or liability.

"Partner Acquisition Parameters" are the Metro Council-approved criteria and conditions under which the Chief Operating Officer and their designees are authorized to contribute Bond Acquisition Program funds to a Partner Transaction. Metro may contribute Bond Acquisition Program funds to Partner Transactions that do not meet the Partner Acquisition Parameters but only with specific Council review and approval.

Partner Acquisition Parameters:

The Metro Council authorizes the Chief Operating Officer and their designees to contribute Bond Acquisition Program funds to a Partner Transactions provided all of the following conditions are met:

- No more than 10% of the total Protect and Restore Program funds and 25% of the total Create Trails for Walking and Biking Program funds are used for Partner Transactions.
- Metro Bond Acquisition Program staff has visited the property and confirmed its acquisition meets the goals and objectives of the applicable Target Area Refinement Plan.
- The property is identified on a Council-approved confidential tax-lot map that corresponds with the applicable Target Area Refinement Plan.
- The landowner is a willing seller.
- The amount of the Bond Acquisition Program funds contributed by Metro does not exceed the market value of the property, as reasonably determined by Metro's parks and nature real estate specialist; in no case will Metro's contribution to any individual Partner Transaction exceed \$500,000.00.
- The Partner has completed commercially reasonable due diligence, and nothing has been identified that could materially restrict the Partner's ability to use the property for its intended purpose as a natural area or trail.

- Metro and the Partner have entered into an intergovernmental agreement whereunder the Partner agrees to own and manage the property in a manner consistent with the purpose of the 2019 Parks and Nature Bond Measure, restrictions on general obligation bond funding, and applicable Bond Acquisition Program goals.

Notices and Reports to Council Regarding Completed Transactions

The Conservation Program Director shall notify the Council promptly following the closing of any Partner Transaction that received Bond Acquisition Program funding.

IN CONSIDERATION OF RESOLUTION NO. 24-5389, FOR THE PURPOSE OF
UPDATING THE NATURAL AREAS WORK PLAN TO FUND REAL PROPERTY
PURCHASES BY A PUBLIC PARTNER THROUGH THE BOND ACQUISITION
PROGRAMS OF THE 2019 PARKS AND NATURE BOND MEASURE

Date: February 29, 2024
Department: Parks and Nature
Meeting Date: March 7, 2024

Prepared by: Shannon Leary
Presenter(s), (if applicable): Jon Blasher
(he/him), Director
Shannon Leary (she/her), Real Estate
Manager
Length: 10 minutes

ISSUE STATEMENT

Metro has an opportunity to provide more flexibility in how it implements the Protect and Restore Land and Create Trails for Walking and Biking programs (collectively, the “Bond Acquisition Programs”) that will increase the capacity of Metro staff to close real estate transactions across the region, leverage bond investments through partnerships, permit staff to work with partners and willing sellers in a more effective and efficient manner and ensure partner jurisdictions will assume responsibility for management operating expenditures and ongoing liability related to property ownership.

ACTION REQUESTED

Adopt Resolution 24-5389.

IDENTIFIED POLICY OUTCOMES

Adoption of this Resolution continues to implement the Bond Acquisition Programs of the 2019 Parks and Nature bond measure by leveraging Metro resources with other public partners to achieve the goals of the 2019 Parks and Nature bond measure and associated Target Area Refinement Plans.

The creation of pre-approved *Partnership Acquisition Parameters* will outline the general terms for scenarios in which the Metro Council supports the COO contributing to this type of partnership transaction, as well as clearly identify when a partnership contribution would require further Council review and approval. If Council adopts the proposed Partnership Acquisition Parameters through a Natural Areas Work Plan update, it will increase the capacity of Metro staff to close real estate transactions across the region, leverage bond investments through partnerships, permit staff to work with partners and willing sellers in a more effective and efficient manner and ensure partner jurisdictions will assume responsibility for management operating expenditures and ongoing liability related to property ownership.

POLICY QUESTION(S)

Through this Natural Areas Work Plan update, staff request that the Metro Council adopt the *Partnership Acquisition Parameters*, attached to the Resolution, which will delegate authority to the Chief Operating Officer to expend bond funds for acquisition of a limited number of properties Metro identifies as regional priorities meeting its Target Area Refinement Plans if Metro has shared goals with a local jurisdictional partner if that partner has the capacity to or is best positioned to negotiate or close on the property. This is likely to occur in limited circumstances, almost exclusively related to regional trail right-of-way acquisition or within the urban target area of Protect and Restore Land where Metro's targeted areas for purchase overlap with the jurisdictions of parks providing partners.

The *Partnership Acquisition Parameters* attached to the Resolution reflect feedback from the Metro Council at the February 13, 2024 work session on the same topic.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

1. Adopt the Natural Areas Work Plan update. This scenario allows Metro to leverage resources (both financial and capacity) more effectively alongside partners in the region who have shared priorities. This will clearly state the Council's support for the Bond Acquisition Programs to contribute to property purchases that meet the 2019 Parks and Nature bond measure intent and criteria, as well as the Target Area Refinement Plan goals and objectives, regardless of whether Metro is leading a real estate transaction or will have an ownership interest.
2. Do not adopt the Natural Areas Work Plan update. This will prohibit Metro staff from contributing funds to partner-led transactions. It will require either Metro staff to either take a lead role in all partnership transactions or discuss with Council each time. It will not leverage resources effectively and may also result in Metro owning small pieces of property or easement interests in urban areas across the region which is inconsistent with Parks and Nature's role as established in the Parks and Nature System Plan or Metro's role in planning and supporting development of the regional trail network.

STAFF RECOMMENDATIONS

Staff recommend the Metro Council adopt Resolution 24-5389.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The Metro Council and voters in the region have strongly supported the 2019 Parks and Nature bond measure, which sets aside funds for acquiring land and trail easements from willing sellers to protect fish and wildlife habitat and connect people to nature. The Metro Council has adopted Resolutions setting forth policy directing staff to acquire properties that meet specific goals and objectives in each target area, identified in the Target Area Refinement Plans and on associated confidential tax lot maps, and set the process through which the Council delegates authority to the COO to acquire these properties through a Natural Areas Work Plan. The Metro Council approved a Work Plan (or an update) for the

COO to acquire properties that meet Target Area Refinement Plan goals in 1995, 1996, 2007, 2010, 2014 and 2019. In 2019, the Council directed staff to continue to use the 2014 work plan for an interim period while acknowledging differences in the 2019 bond measure would likely require additional updates in the future.

This proposed update is a result of key differences between the 2019 and 2006/1995 bond measures.

- In 2016 the Metro Council adopted a system plan, which established Metro's role in the region alongside its partners in delivering a world class regional system of parks, natural areas and trails.
- The 2019 bond measure set aside dedicated funding for acquisition for easements or properties specifically for trail purposes, thereby increasing the number of trail acquisitions likely to be completed.
- The 2019 bond measure established a broad target area within the urban growth boundary, referred to as the urban target area, and the 2022 refinement plans identified 13 subzones within the urban target area in which to focus land acquisition efforts.

System Plan establishing Metro's role in the region

As established in the 2016 System Plan, Metro's role in the region is big nature close to home. Metro does not typically manage small parcels within other park-providing jurisdictions. Local park providers are the experts in providing nature or outdoor experiences within their communities and Metro's goals are as a regional convener and through the bond measures, funding support for these efforts. Related, Metro's role in the regional trail system is to convene jurisdictions to plan and adopt a Regional Trails System Plan every five years and provide funding and support for trail right-of-way acquisition. The local park providers' role is holding the property interest, and designing, building, and managing the trails. Clarity around these roles is important context for developing acquisition plans for trail rights of way and urban lands that Metro considers priorities but exist within the boundaries of other park providing jurisdictions.

Dedicated funding for trails

The 2019 bond measure prioritized dedicated funding for acquiring, designing, and building trails in the regional trail network. There are 39 corridors identified for acquisition and priorities were established in the Target Area Refinement Plans (with associated tax lots on the confidential tax lot maps). As stated previously, Metro and its public partners must work together to advance the goals of the regional trail network. Metro's role is to provide funding and support for right of way acquisition, and its partners role is to hold the property interest, design, build and manage the trails. In some cases the value Metro can bring to a partnership includes expertise in right of way acquisition as well as funding to complete these transactions. In other cases partners have the capacity, expertise and relationships to complete the transactions themselves, but would benefit from Metro funding that has been identified for regional trail acquisition.

Urban target area overlaps with partner jurisdictions

Much like the trail program area, urban target area properties identified on Metro's confidential tax lot maps as meeting the goals established in the Target Area Refinement Plans are entirely within other park providing jurisdictions, and partnership is essential to successful completion of transactions. As established in the system plan, Metro's role is to provide big nature close to home, but also to advance goals related to improving water quality, habitat conservation, and connecting people nature close to home across the region through various mechanisms. Partnership with local park providers is required to be successful in this target area and depending on the circumstances of the transaction, Metro will benefit from local park provider participation either through management of the property, sharing in funding costs, working to acquire the property, or, more likely, a combination of the above.

The current Natural Areas Work Plan (approved through Reso. 14-4536) already delegates authority to the Chief Operating Officer and their designee to negotiate and close transactions meeting these parameters for Metro. The work plan does not explicitly permit the Chief Operating Officer to contribute to transactions that Metro identifies as regional priorities meeting its Target Area Refinement Plans, and have shared goals with the local jurisdictional partner if that partner has the capacity to or is best positioned to negotiate or close on the property. This is likely to occur in limited circumstances, almost exclusively related to regional trail right-of-way acquisition or within the urban target area of Protect and Restore Land, where Metro's targeted areas for purchase overlap with the jurisdictions of parks providing partners.

Legal Antecedents

- Metro Council Resolution No. 22-5250, For the Purpose of Approving Acquisition Target Area Refinement Plans for the 2019 Parks and Nature Bond Measure (April 14, 2022)
- Metro Council Resolution No. 19-4988, For the Purpose of Submitting to the Voters of the Metro Area General Obligations Bonds in the Amount of \$475 Million to Fund Natural Area and Water Quality Protection and to Connect People to Nature Close to Home; and Setting Forth the Official Intent of the Metro Council to Reimburse Certain Expenditures Out of the Proceeds of Said Bonds Upon Issuance (June 6, 2019)
- Metro Council Resolution No 19-5055, For the Purpose of Accepting the November 5, 2019 General Election Abstract of Votes for Metro and Authorizing the Continuation of the Parks and Nature Program During Refinement Planning (December 12, 2019)
- Metro Code Chapter 9.02.040(d)
- Metro Council Resolution No. 14-4536, For the Purpose of Amending and Updating the Natural Areas Implementation Work Plan (August 14, 2014)
- Metro Council Resolution No. 15-4670, For the Purpose of Adopting the Parks and Nature System Plan (February 4, 2016)
- Metro Council Resolution No. 10-4122, For the Purpose of Amending the Natural Areas Implementation Work Plan to Authorize the Chief Operating Officer to More Efficiently Acquire and Assign Trail Easements (February 4, 2010)

- Metro Council Resolution No. 07-3766A, For the Purpose of Authorizing the Chief Operating Officer to Purchase Property With Accepted Acquisition Guidelines as Outlined in the Natural Areas Implementation Work Plan (March 1, 2007)
- Metro Council Resolution No. 06-3672B, For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisition and Water Quality Protection (March 9, 2006)
- Metro Council Resolution No. 96-2424, For the Purpose of Authorizing the Executive Officer to Purchase Property with Accepted Acquisition Guidelines as Outlined in the Amended Open Spaces Implementation Work Plan (January 9, 1997)
- Metro Council Resolution No. 95-2228A, For the Purpose of Authorizing the Executive Officer to Purchase Property with Accepted Acquisition Guidelines as Outlined in the Open Spaces Implementation Work Plan (November 2, 1995)
- Metro Council Resolution No. 95-2074A, For the Purpose of Changing the Election Date of the Submission to the Voters of a General Obligation Bond Indebtedness to Proceed With the Acquisition of Land for a Regional System of Greenspaces (January 15, 1995)
- Metro Council Resolution No. 92-1637, For the Purpose of Considering Adoption of the Metropolitan Greenspaces Master Plan (July 23, 1992)

Anticipated Effects

Adoption of Resolution No. 24-5389 will support further acceleration of 2019 parks and nature bond spending as the agency will be able to contribute funds to acquisition projects that meet shared goals of Metro and local park providers, while retaining Metro staff capacity for acquisition projects that meet Metro goals.

ATTACHMENTS

n/a