

ORDINANCE No. 184564

*Authorize acquisition of 146 acres of land in southwest Portland to preserve as a natural area (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Trust for Public Land (“TPL”) holds an option to purchase 146 acres of land in southwest Portland between SW Macadam Avenue and SW Palatine Hill Road, the undeveloped, forested portion of River View Cemetery.
2. The property is comprised of Tax Lot 1S1E27DA 200; and portions of Tax Lot 1S1E22 200 and Tax Lot 1S1E27 100, depicted in Exhibit A to this Ordinance (“Property”). River View Cemetery Association will complete a lot line adjustment prior to closing, creating a legal lot for transfer.
3. TPL has agreed to exercise its option to purchase the Property and to sell it to the City of Portland (“City”) for \$11,250,000 which is \$2,750,000 under the fair market value according to an independent appraisal. The terms of the purchase are stipulated in an April 1, 2011 “Agreement for Sale of Real Property” (“Agreement”) between the City and TPL.
4. Portland Parks & Recreation (“Parks”) has determined that the Property lies within the Westside Wildlife Corridor, a Parks Local Share target area, meets acquisition criteria of the Natural Area Acquisition Strategy, and as such qualifies for a share of natural area acquisition funds available in the City of Portland Metro Local Share Program.
5. The Bureau of Environmental Services (“BES”) has determined that significant water quality, wildlife habitat, and passive recreation benefits will occur as a result of the City's acquisition and management of the properties, and that it meets the guidelines of the Bureau's Grey to Green Initiative.
6. Both bureaus assert that the acquisition addresses the need to protect important terrestrial wildlife connectivity and critical fish habitat in the lower Willamette River. The acquisition area is an undeveloped portion of River View Cemetery, a unique ecological asset to the City that supports an upland wildlife corridor from Forest Park to Tryon Creek State Natural Area. The Property comprises half of a 300-acre contiguous forest canopy. Seven undeveloped streams (totaling 2.2 miles) flow through the Property as direct tributaries to the Willamette River. The tributaries and their forested buffers support critical habitat in the lower Willamette, where there are documented Pacific lamprey, coastal cutthroat trout, steelhead, chum, coho, and chinook.

7. Metro will provide \$2,000,000 of the purchase price to the City in exchange for a conservation easement over the 146 acres pursuant to the terms stipulated in an April 1, 2011 Agreement for Purchase and Sale of a Conservation Easement ("Easement Agreement") between the City and Metro.
8. According to the terms of the Agreement, at closing the City will deposit \$10,500,000 of the \$11,250,000 purchase price into escrow and execute a promissory note for the remaining \$750,000 in favor of TPL. The funding package for the purchase will come from the following sources:
 - 1) \$6,000,000 from BES' Grey to Green Initiative, Sewer System Operating Fund FY 2010-2011 Budget, Bureau of Environmental Services, WBS element E10190.L65;
 - 2) \$2,500,000 from Parks from Portland's Local Share of the 2006 Metro Natural Areas Bond Measure WBS element P00493.CL, and
 - 3) \$2,000,000 from Metro through the purchase of a conservation easement.
9. Funding for payoff of the \$750,000 promissory note is anticipated from proceeds from an Oregon State Parks Grant, submitted in April of 2011.
10. The Director of Parks and BES estimate a one-time site stabilization cost of \$220,000 to prepare the Property for public ownership. The expenses are to be funded from Grey to Green and Local Share acquisition funds. Additional restoration costs over the next four years are estimated at an additional \$325,000, which will be raised from donations and grants.
11. The Director of Parks estimates that the on-going operation and maintenance (O&M) costs will ramp up as restoration is completed over the first five years. The expected O&M requests will be FY 12-13: \$80,000, FY 13-14: \$130,000, FY 14-15: \$180,000, and FY 15-16 and thereafter: \$255,000.
12. Assuming due diligence results are acceptable, Parks and BES recommend acquisition of the Property for use as natural area because it is in the public interest and for the general benefit and use of the people of the City of Portland for watershed health and access to nature.

NOW, THEREFORE, The Council Directs:

- a. The Commissioner of Parks and Director of BES are authorized to execute closing documents and take all other actions necessary to close the transaction in accordance with the Agreement.

- b. The Commissioner of Parks and Director of BES are authorized to execute a promissory note with TPL for the loan of \$750,000, once it has been approved as to form by the City Attorney. The promissory note shall be substantially similar to the "Unsecured Promissory Note" attached as Exhibit B to this ordinance.
- c. The Commissioner of Parks and Director of BES are authorized to grant a conservation easement to Metro over the 146 acre Property that is substantially similar to the "Form of Conservation Easement" attached as Exhibit C to this Ordinance, and approved as to form by the City Attorney.
- d. The Director of Parks is directed to fund \$30,000 from the Parks local share funds as a one time cost to prepare the Property for public ownership, and is directed to add 146 acres of the Property to the City's Natural Area Park inventory;
- e. The Director of BES is directed to fund \$190,000 from Grey to Green Initiative funds as a one time cost to prepare the Property for public ownership.
- f. In accepting responsibility for the Property for park natural area, the Council acknowledges the need to fund the on-going O&M cost estimated to ramp up to \$255,000 per year, and directs the Bureau of Management and Finance to transfer these funds from the General Fund to the Parks and Recreation budget beginning as per the following schedule, to be included in Parks budget requests. FY 11-12: \$8,000, FY 12-13: \$80,000, FY 13-14: \$130,000, FY 14-15: \$180,000, and FY 15-16 and thereafter: \$255,000

Section 2. The Council declares that an emergency exists in order to avoid delay in the completion of this high priority land acquisition; therefore, this Ordinance shall be in force and effect from and after its passage by Council.

Passed by the Council **MAY 04 2011**
 Commissioner Fish
 Commissioner Dan Saltzman
 Prepared by: Deborah Lev

LaVonne Griffin-Valade
 Auditor of the City of Portland
 By *Emily Matasar*
 Deputy

Agenda No.
ORDINANCE NO. 184564
Title

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<p>INTRODUCED BY Commissioner/Auditor: Fish, Saltzman</p>	<p>CLERK USE: DATE FILED APR 29 2011</p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish <i>[Signature]</i></p> <p>Position 3/Affairs - Saltzman <i>[Signature]</i></p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Parks & Recreation Bureau Head: Zari Santner <i>[Signature]</i></p> <p>Prepared by: Deborah Lev: ack Date Prepared: April 15, 2011</p> <p>Financial Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date May 4, 2001</p>	<p>ACTION TAKEN:</p>
<p>City Attorney Approval</p>	

AGENDA

TIME CERTAIN ☒
Start time: **10:05 am**

Total amount of time needed: 20
(for presentation, testimony and discussion)

CONSENT ☐

REGULAR ☐
Total amount of time needed: _____
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input checked="" type="checkbox"/>	
4. Leonard	4. Leonard	<input checked="" type="checkbox"/>	
Adams	Adams	<input checked="" type="checkbox"/>	