

Agenda Bill 2021-07-12-05

Date Prepared: June 23, 2021

For Meeting Date: July 12, 2021

To: Jules Walters, Mayor
West Linn City Council

From: Morgan Coffie, Public Works Management Analyst

Through: Lance Calvert, PE, Public Works Director/City Engineer *LEC*
Jerry Gabrielatos, City Manager *JG*

Subject: Oregon Department of Transportation Surplus Property Acquisition

Purpose

To receive Council approval to acquire surplus property owned by the Oregon Department of Transportation (ODOT) to be used for future construction of a new Operations Facility.

Question(s) for Council:

Does Council wish to expend funds in order to acquire the ODOT property for the purpose of basic city utility operations?

Public Hearing Required:

None required.

Background & Discussion:

For decades, Public Works and Parks operations have been constrained by a lack of space for city maintenance activities. Over several years, staff researched any and all available opportunities for improved space for this type of use. A number of constraints limited options and resulted in the continued use of the existing 2.07 acre facility. This is by far the smallest and most decaying operations facility of any comparable city in the Portland metro area. The existing facility has not changed in size since it was original acquired in 1937 with structures well beyond their useful life, many of which don't meet current building and safety codes or requirements. In addition, none of the existing facilities are seismically resilient at all.

After considerable review and discussion with ODOT staff, the City began the process of acquiring unused ODOT/I-205 right of way for this future purpose. Following federal and state regulations/requirements, the City needed to come to agreement with ODOT on the details of the property, complete survey of the property, appraisal of the property, allow other state and federal agencies to consider their own potential use of the property, and finally purchase the property from ODOT after approval from FHWA due to adjacency to the interstate freeway. Once acquired from ODOT, the city will still need to go through the land use and regulatory process for future use of the property.

In 2020, the City hired an acquisition consultant, Universal Field Services, to oversee survey and appraisal for the 32.98 acre ODOT owned property located north of the I-205/10th St. exit & east of Riverknoll Way (see attached map and appraisal summary). The appraisal was conducted by an Oregon state-certified appraiser and conforms to state and federal standards. While this is a large parcel, a majority of the parcel is not useable due to steep slopes. In addition, the property has several limitations for any private use due to the nature of the location which results in a lower appraisal value than traditional privately held developable property within the city. Future access to the property would be taken from Salamo Road (near Greene Street) with a considerable buffer maintained to any adjacent existing residential use. No plans have been developed for the site as staff awaits final property acquisition.

After consultation with the City's Attorney, staff has authorized a refundable deposit payment for the property in the amount of \$39,600.00. These funds were issued from Storm, Sewer, Streets, and Water SDC funds. These funds were allocated within the City's Budget and Capital Improvement Plan.

Budget Impact:

Total acquisition cost is \$396,000, with remaining \$356,400 balance due to ODOT. These funds are budgeted within Storm, Sewer, Water, and Street SDC funds and will be split evenly for payment.

Sustainability Impact:

N/A. However, any future facility constructed on the site is anticipated to be completed in accordance with the latest sustainable and energy saving building practices.

Council Goal/Priority:

This action relates to Guiding Principal #0: Core Services of West Linn City Government.

Council Options:

1. Approve expenditure of SDC funds in order to procure the ODOT property so that work can continue on a future Operations Facility at this location.
2. Deny procurement of the property and direct staff to remain in the City's current facility while looking elsewhere for a future facility/property.

Staff Recommendation:

Approve expenditure of budgeted SDC funds in order to procure the ODOT surplus property.

Potential Motion:

I move to authorize the City Manager to acquire the designated property from the Oregon Department of Transportation in the total amount of \$396,000 for the future purpose of a City operations facility on the site.

Attachments:

1. Property Appraisal Summary & Map

ODOT Property Acquisition Appraisal Summary

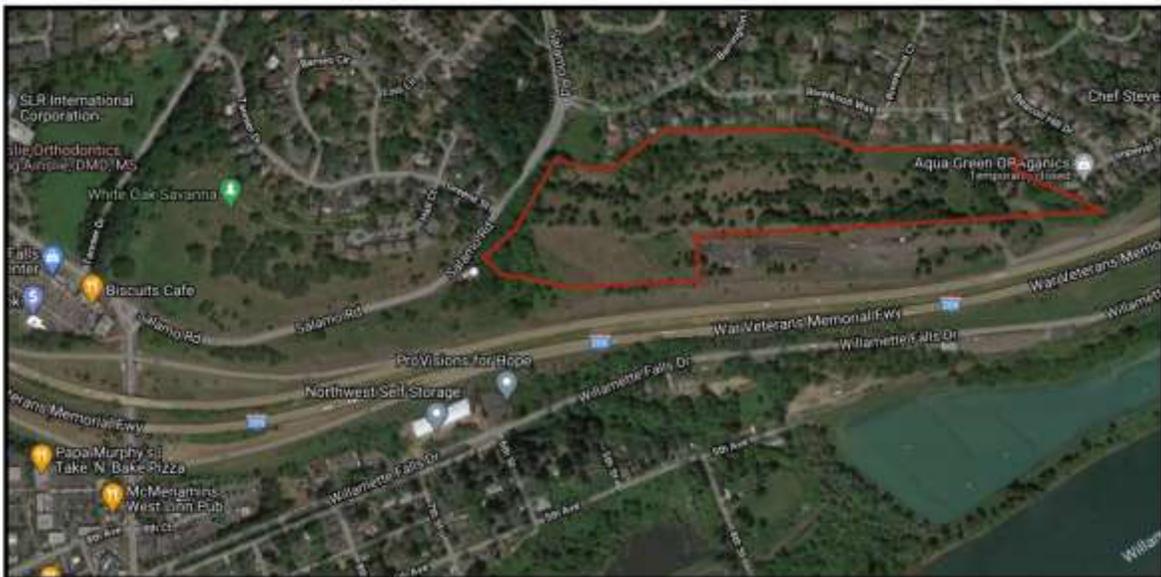
1. Property Owner

State of Oregon
Oregon Department of Transportation
Right-of-Way Section
417 Transportation Building
Salem, Oregon 97310

File/Name: N/A
Section: West Linn
Highway: Interstate 205
County: Clackamas
Description Dated: June 10, 2020
Appraiser: David E. Balfour, MAI
Inspection Date: December 2, 2020

2. Location of Property

Unimproved land located immediately north of (and within) Interstate 205 and east of Salamo Road in the City of West Linn, Oregon. The Barrington Heights development (84 residential lots) adjoins the subject property to the north and east. The situs of the first Barrington Heights lot adjoining the subject property directly east of Salamo Road is 3320 Barrington Drive, West Linn, OR 97068. An (approximate) aerial of the subject has been provided below:



3. Tenancy

None – unimproved land. The site is significantly sloped and the proposed surplus property area represents unimproved land with natural vegetation. Subject ownership (Oregon Department of Transportation) utilized a +/-7.5-acre area south of the subject surplus land tract identified herein as a maintenance yard.

4. Area (size) of Surplus Property

As to the subject (surplus) land tract analyzed herein, the appraiser(s) have relied upon a metes and bounds legal description and survey prepared by Centerline Concepts Land Surveying, Inc. dated June 10, 2020. The subject surplus property totals approximately 32.98 acres in size.

5. Value Summary

Independent Site: \$396,000
Assemblage Value: \$396,000