



City of Oregon City

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Staff Report

File Number: 20-359

Agenda Date: 7/1/2020

Status: Agenda Ready

To: City Commission

Agenda #: 7g.

From: City Manager Tony Konkol

File Type: Report

SUBJECT:

Public Works Upper Yard Charter Park Discussion

RECOMMENDED ACTION (Motion):

Staff is requesting direction from the Commission on how to proceed with the designation of the Public Works Upper Yard as a Charter Park.

EXECUTIVE SUMMARY:

The Commission requested that staff prepare the estimated value of the Upper Yard, tax lot 1700 and the Armory Building, which is estimated at \$2,450,000. A potential boundary of a Charter Park has been included which includes the property lines for the Armory Building, tax lot 1700 and the Upper Yard (tax lot 500). The boundary of the Upper Yard would be approximately 1-2 feet behind the cliff edge at the top of the bluff. To bring forward an Ordinance designating the Upper Yard area as a Charter Park staff has proposed hiring a consultant to complete a lot line adjustment or minor partition of tax lot 500. Staff has requested direction on the disposition of tax lot 1700 and the timing of adopting the Armory Building tax lot as a Charter Park.

BACKGROUND:

At the May 20, 2020 City Commission meeting staff presented a proposed process to remove the two Adair Buildings from the Public Works Upper Yard and to begin the process to designate the Upper Yard as a Charter Park (5/20/20 Staff Report attached). To bring forward an Ordinance, staff proposed to hire a consultant to prepare a partition or lot line adjustment of tax lot 500 to accurately reflect the Commission's desire to dedicate the Upper Yard as a Charter Park.

At the conclusion of the May 20, 2020 City Commission meeting staff was directed to obtain the values of the Public Works properties and provide a preliminary map demonstrating the potential lot line adjustment or partition property lines for tax lot 500. Staff worked with Capacity Commercial Group to obtain a broker opinion of value for the 7 properties associated with the Public Works Operations Center. The broker opinion of value (attached) assumed that the properties would be rezoned to a residential zoning similar to the surrounding neighborhoods.

For land values discussion purposes the following estimate has been made. This estimate is not an engineering cost estimate and is for discussion purposes only. The estimated value for the Upper Yard, Armory property and tax lot 1700 is \$3,300,000. (5.15 acres at 5.8 units per acre = 30 lots. Remove 25% of the lots for new streets = 22 lots. 22 lots at \$150,000 per lot =

\$3,300,000) The estimated cost of the demolition and site work for a residential development is \$850,000, resulting in a value of \$2,450,000.

Staff has prepared a map attached to this staff report generally showing the potential boundary of the Upper Yard, Armory property and tax lot 1700. The proposed boundary would be located approximately 1-2 feet behind the cliff edge at the top of the bluff. This would result in a parcel that is approximately 5.15 acres.

Staff is requesting Commission direction on the following:

1. Staff proposal to hire a consultant to prepare a partition or lot line adjustment of tax lot 500.
2. Staff is requesting direction on the disposition of tax lot 1700, which is located at 520 1st Street. This property was obtained with utility funds and the utility funds should be reimbursed if it is to be used as a park.
3. Staff is requesting direction on the inclusion of the Armory Building tax lot as a Charter Park.
4. Once the partition of lot line adjustment is completed, an Ordinance designating the applicable tax lots will be brought forward for Commission consideration.
5. Staff understands that the Adair Buildings must be demolished or withheld from designation as a Charter Park, it is not the Commission's intention to retain the two buildings.

OPTIONS:

1. Approve the proposed process with the clarifications concerning tax lot 1700 and the Armory Building tax lot.
2. Deny the proposed process.
3. Amend the proposed process.