



Staff Report

December 7, 2020 Regular Meeting

Green Mountain Area Property Acquisition

Presenter: Steve Wall, Public Works Director and Shawn MacPherson, City Attorney

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SUMMARY: The City has negotiated the attached purchase and sale agreement for approximately 115 acres of land on the west side of Green Mountain located adjacent to Ingle Road. The 115 acres is currently part of the Green Mountain Planned Residential Development (PRD) and is identified through the PRD as Phase 3. An appraisal for the property was completed by the Sellers in September 2020 that placed a fee simple value on the total 115 gross acres at \$20.1 million. As stated in the Purchase and Sale Agreement (PSA), approximately 60 acres, identified as "Parcel 1", appraised at approximately \$15.5 million would be donated to the City with a closing date on or before December 31, 2020. The remaining 55 acres, identified as "Parcel 2" with an appraised value of \$4.6 million, would be purchased by the City at a negotiated price of \$3.8 million. The closing date for Parcel 2 would be October 31, 2021. See Figure 1 and Figure 2 below for the Site Location and a graphic representation of Parcel 1 and Parcel 2.

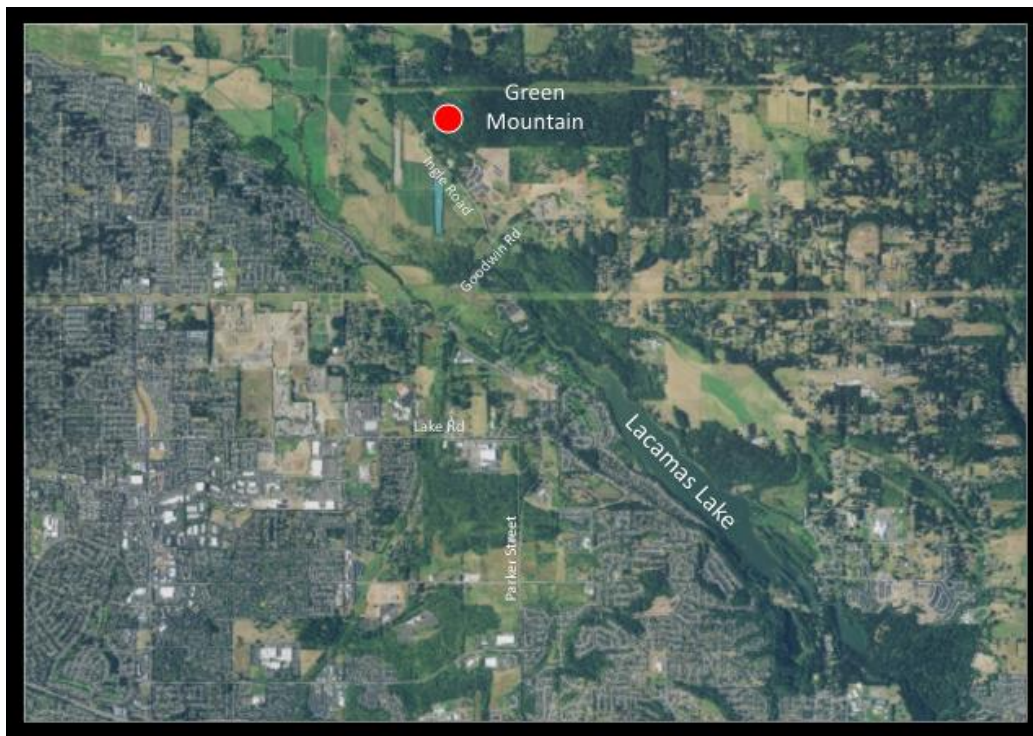


Figure 1: Green Mountain Site Location

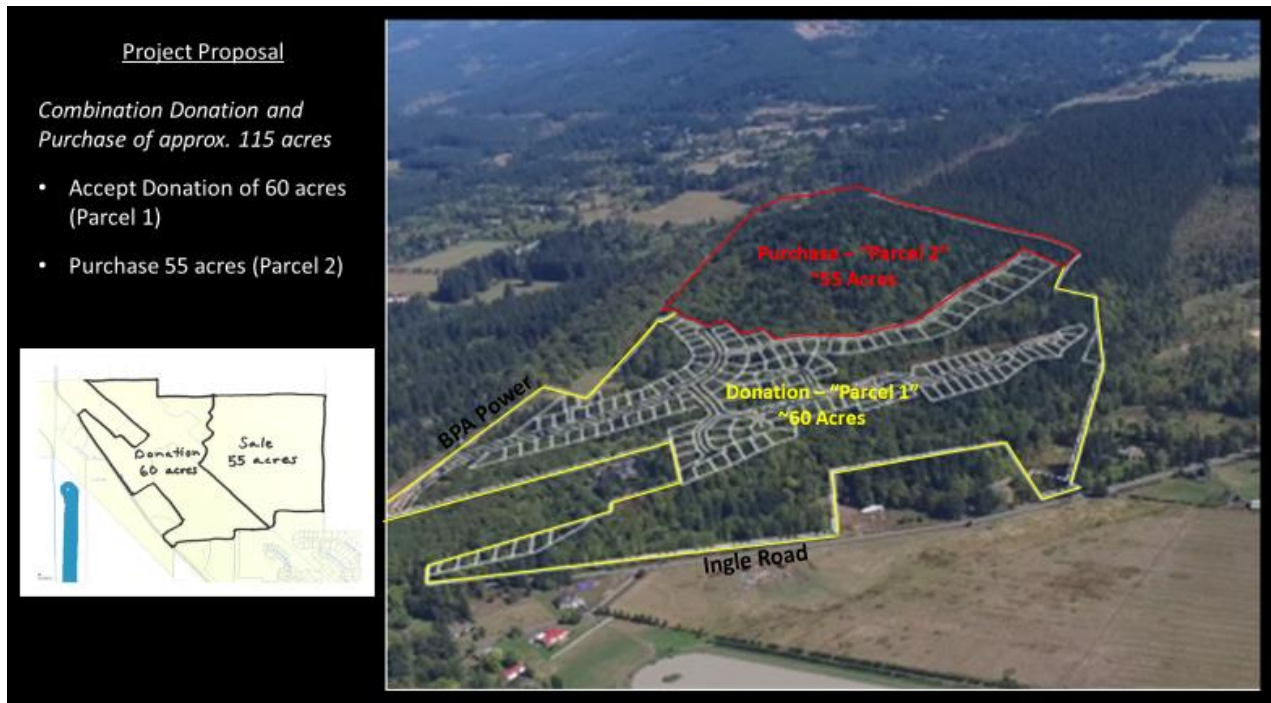


Figure 2: Green Mountain Donation (Parcel 1) and Acquisition (Parcel 2)

Other terms and conditions of the PSA include a requirement that the City provide an interim access and utility easement across Parcel 1 at the closing of Parcel 1, until the closing of Parcel 2 occurs and the City becomes the owner of both parcels. Additionally, there are three separate development agreements associated with the Green Mountain PRD that are addressed in the PSA. The PSA includes provisions to remove the City from any duties or obligations the developers or successors may have associated with a development agreement for the Green Mountain Park. In regard to the remaining two development agreements, the PSA states that the “Sellers and Buyer [City] shall use commercially reasonable efforts, to negotiate and reach agreement on the form and content of an amendment” to the agreements that would remove the City and the Sellers from any duties and obligations associated with the agreements. The PSA further recognizes that any amendments to the agreements “shall comply with all lawful procedures, including public hearings”.

Confirmation of this purchase and sale agreement will remove land slated for development, including Phase 3 of the Green Mountain PRD which has preliminary plat approval for 159 lots. The addition of the land to the City’s inventory would help protect and conserve the Green Mountain area and make the land available for public use for future generations. The area is identified in the adopted Parks, Recreation and Open Space Plan as a key to not only the City’s long-term recreation vision, but also a County-wide link to existing open spaces and future trails. The property is located in an area surrounded by existing State-, County-, School District- and City-owned land and will provide for long-term parks, trails and opens space system links.

EQUITY CONSIDERATIONS:

- What are the desired results and outcomes for this agenda item?
 - Acceptance of donated property and acquisition of real property in support of the City's parks, open space, and trail systems.
- What's the data? What does the data tell us?
 - N/A
- How have communities been engaged? Are there opportunities to expand engagement?
 - N/A
- Who will benefit from, or be burdened by this agenda item?
 - Additional acreage will be added to the City's parks and open space network. This will benefit future generations and provide public access to approximately 115 acres on and around Green Mountain and connections to other publicly-owned land in the area.
- What are the strategies to mitigate any unintended consequences?
 - An appraisal was completed on the 115 acres in September 2020 by the Sellers. An appraisal review will be completed prior to the closing of Parcel 2 to confirm the value of the purchased property. Additionally, due diligence will be completed on both the donated portion of the property and on the acquisition portion of the property.
- Does this agenda item have a differential impact on underserved populations, people living with disabilities, and/or communities of color? Please provide available data to illustrate this impact.
 - N/A
- Will this agenda item improve ADA accessibilities for people with disabilities?
 - N/A
- What potential hurdles exist in implementing this proposal (include both operational and political)?
 - N/A
- How will you ensure accountabilities, communicate, and evaluate results?
 - N/A
- How does this item support a comprehensive plan goal, policy, or other adopted resolution?
 - The City's adopted Parks, Recreation and Open Space (PROS) Plan identifies the desire to include parks and open space around Green Mountain, including improving public access and potentially creating a viewpoint at the top of the mountain. The general area in question is also identified in other County-wide planning documents and efforts, including the Clark County PROS Plan and the

Clark County Conservation Areas Acquisition Plan. The area is also adjacent to and in close proximity to other parks and open space already owned by the City, County, Department of Natural Resources, and the Camas School District and will ultimately be a key location for the connections of the Vancouver Lake-to-Lacamas Lake Trail and trail connections to Camp Bonneville and the Lacamas Heritage Trail.

BUDGET IMPACT: As discussed above, 60 acres of land will be donated to the City with Parcel 1 with an appraised value of approximately \$15.5 million. 55 acres of land will be acquired, identified as Parcel 2, for a negotiated purchase price of \$3.8 million. The City will also contribute 50% of the closing costs for each parcel. In addition, the PSA includes provisions pertaining to \$100,000 in earnest money, which is to be deposited by the City into escrow with the title company within five (5) days of the Execution Date of the PSA.

City funds to be used towards purchase of the property will likely come from the City's Real Estate Excise Tax Fund and/or a combination of general obligation bonds. Staff will be working to find all available grant opportunities that could retroactively be used towards the purchase of Parcel 2. Though grants are never guaranteed, staff believes the parcels have the amenities and are located in key areas that will increase the City's chances of success with grant applications.

Based on the approval of 159 lots associated with Phase 3 of the Green Mountain PRD, there would be a loss in property tax revenue, Real Estate Excise Tax, utility revenues and bonding capacity assuming building of homes occurs; however, estimating the potential loss is difficult based on the potential variation in housing allowed and indications from the developer that donation of a large portion of the property would likely occur regardless. It is also noted there will be less infrastructure and area in which the City would need to provide public services which will help offset the loss in revenues.

RECOMMENDATION: Confirm the terms of the purchase and sale agreement for real property located adjacent to Ingle Road at Green Mountain, authorize the City Administrator, or his designee, to begin due diligence on Parcels 1 and 2, and close on Parcel 1 upon completion of the Parcel 1 due diligence. Closing authorization on Parcel 2 will be presented to Council in 2021 upon completion of the development agreement amendments and appraisal review process.