



STAFF REPORT

Meeting Type: City Council
Meeting Date: October 19, 2026
From: Tyler Deems, City Manager
Subject: Park Property Purchase

DECISION TO BE MADE:

Whether or not to authorize the City Manager to enter into a purchase agreement for property adjacent to Meinig Park.

APPLICABLE COUNCIL GOAL:

- **Goal 5.1.2:** Pursue opportunities to purchase park land for future park facilities and/or natural area and open space preservation.

BACKGROUND / CONTEXT:

Taxlots 24E13DB01500 and 24E13DB01290 totaling 0.59 acres are directly north of Fantasy Forest and Meinig Park. These parcels were previously slated to be developed into ten townhomes, with 7 equivalent residential units (ERUs) allocated to the project. Staff has been closely evaluating this property given the close proximity to other City property, and the potential benefit it could bring to Meinig Park if the City were able to acquire the land.

This property acquisition directly aligns with Council Goal 5.1.2, which desires to pursue opportunities to purchase park land for future park facilities and/or natural area and open space preservation. Ensuring that this parcel does not develop into housing protects the integrity and atmosphere of Fantasy Forest and Meinig Park.

KEY CONSIDERATIONS / ANALYSIS:

The property in question is the missing link between two other City-owned parcels and offers a variety of potential uses. In the short term, the property could remain undeveloped and preserve natural and open space. In the medium and long term, various potential uses include:

- ADA Access – construct ADA access from the upper parking lot to Fantasy Forest to ensure that this area of Meinig Park is accessible to all users. This would provide a beneficial connection between the upper and lower parking lots, new ADA restrooms, and enhance the user experience for a variety of City and community events.

- Additional Parking – develop additional parking spaces to provide additional capacity during City and community events.
- Vendor amenities – increase the amount of space that is available for vendors for various events that take place in Meinig Park including Mt. Festival, Winterfest, summer concerts, and other programming opportunities.

The land was recently appraised for \$450,000, plus additional value and consideration for the design, engineering, and permits that were purchased for the townhouse project that is no longer slated to move forward. The property owner paid approximately \$198,000 in system development charges when permits were issued for the development, as well as approximately \$37,000 in other costs directly attributed to the development (construction excise tax for Oregon Trail School District and fees for future inspections once development is underway).

There are grant opportunities available for land acquisition that could offset up to 50% of the purchase price. Staff is pursuing grant opportunities to help offset the purchase price. Grants are typically not awarded until spring, so we will not know the official awards until approximately April 2027.

Acquiring this property would allow for the 7 ERUs that are currently allocated to the development to be reallocated to future development opportunities. These ERUs, coupled with expired projects and the upcoming release of 190 additional ERUs, will allow for a more robust ERU allocation process under the terms of the Development Allocation Program (DAP) that the Council recently adopted.

Due to grant application timelines and the seller's desire to get the property under contract, staff is recommending authorizing the City Manager to enter into a purchase agreement with the seller under the following terms:

- Taxlots: 24E13DB01500 and 24E13DB01290
- Purchase price: \$685,200
- Closing date: On or before May 15, 2027 (depending on grant applications)

Further details are included in the attached proposed term sheet.

BUDGET IMPACT:

Approximately \$685,200, representing the value of the land and related system development charges that were paid when the property was slated to be developed. This will be split accordingly among applicable funds including parks capital projects, water, wastewater, and streets.

RECOMMENDATION:

Staff recommends authorizing the City Manager to enter into an agreement for the purchase of two parcels of land adjacent to Meinig Park with terms substantially similar to those provided on the term sheet.

SUGGESTED MOTION LANGUAGE:

"Move to authorize the City Manager to enter into a purchase and sale agreement with Miles Rusth to purchase the property described in the Term Sheet provided to City Council. Further, the City Manager is authorized to acquire the property under substantially similar terms and conditions set out in the Term Sheet and to take all necessary action to acquire the property."

LIST OF ATTACHMENTS / EXHIBITS:

- Proposed Term Sheet for Property Purchase