

TO: Public Works Committee
FROM: Dan Smith, Director – Water Resources & Sustainability
DATE: July 18, 2024
SUBJECT: LOTT Deschutes Valley Properties Purchase Update

1) Recommended Action:

None. This is an update only.

2) Background:

In late 2011, LOTT acquired former Brewery properties in the Deschutes valley intending to construct a satellite reclaimed water treatment plant. Recent capital planning efforts revealed alternatives for reclaimed water production at existing facilities, and the Deschutes valley properties have been declared surplus. In November 2023, the City and LOTT executed an agreement to allow the City time to conduct due diligence regarding a potential acquisition of the properties. SCJ Alliance completed their work recently providing the City sufficient justification to move to the next step. Staff will provide an overview of the initial assessment and outline considerations that will be necessary to negotiate a purchase and sale agreement with LOTT.

3) Policy Support:

1. Opportunity | We seize opportunities to improve our community's social, environmental, and economic well-being.
 2. Environment | We act to preserve and enhance the natural environment and the social fabric of our community.
 3. Be a Leader in Environmental Sustainability – Include environmental protection in City projects.
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4) Alternatives:

- ☐ Do not continue to pursue acquisition of the properties.
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5) Fiscal Notes:

SCJ Alliance completed the assessment on time and under the allocated budget. Acquisition of the properties will be divided among the funds appropriate for the associated future land uses. Purchase price will be determined following review of remaining considerations and negotiations with LOTT.

6) Attachments:

- A. LOTT Deschutes Valley Property Assessment