Memorandum Date:

Order Date:

April 14, 2009

None, discussion only

TO:

Board of County Commissioners

DEPARTMENT:

Public Works

PRESENTED BY:

Frank Simas, Right of Way Manager and

Ryan Ruggiero, McKenzie River Trust

AGENDA ITEM TITLE:

In the Matter of Direction to Staff Regarding the Sale of a Parcel of

County-owned Road Fund Property Identified as Lane County

Assessor's Tax Lot 300 on Map 17-03-04

I. MOTION

None, discussion only.

II. AGENDA ITEM SUMMARY

Public Works staff has been contacted by representatives of the McKenzie River Trust (MRT) with regard to the potential sale of a parcel of surplus county-owned Road Fund property located along both sides of the McKenzie River and located downstream from Armitage Park and Camp Harlow in the SW quarter of Section 4, Township 3 South, Range 3 East, Willamette Meridian. Staff seeks direction from the Board regarding the potential sale of this property.

Subject Tax Lot 300 is a portion of lands originally purchased by Lane County in two transactions; the first in 1956 and the second in 1964, together totalling about 38.9 acres. For a time in the early 1960s the property was used by the County for gravel mining, and at one time it had been considered as a possible future location for a new bridge crossing the McKenzie River. In 1982, the County sold approximately 20.11 acres to the City of Eugene, acting by and through the Eugene Water and Electric Board (EWEB). The property originally purchased by Lane County is shown on the attached map labeled "Attachment 1" outlined in heavy dashed lines, and Tax Lot 300, currently owned by Lane County and containing approximately 18.79 acres, is located directly northerly of the EWEB property and is shown crosshatched and labeled as "Lane County Property".

This property has been held as a Road Fund surplus property since the mining was completed in the 1960s, and as far as can be determined, no use has been made of the property by the County since the early 1990s. The property has no legal road access from either bank of the river, and therefore the only legal access is from the McKenzie River via a boat or other watercraft.

Other limitations of this property are the fact that it has not been surveyed to determine the location on the ground of the boundaries of the property, and because the bed of the McKenzie River has moved in the relatively recent past, it is unknown how much of the total acreage is below the mean high water mark of the River and therefore under the jurisdiction of the Oregon Division of State Lands. The current zoning for this property is Exclusive Farm Use - 30 acre minimum, and it is not within the Eugene Urban Growth Boundary. The property has deposits of sand and gravel on and beneath the surface of the land, but according to representatives of the Oregon Department of Geology and Mineral Industries (DOGAMI), the property is not suitable for, nor legally capable of being mined for sand and gravel.

The McKenzie River Trust (MRT), is a non-profit land trust which is also a registered 501(c)(3)

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corporation that actively works to conserve land through acquisition by donation, purchase and through the holding of conservation easements. MRT wishes to purchase this parcel of land using funds allocated by EWEB pursuant to Articles 412 and 413 in connection with the Federal Energy Regulatory Commission (FERC) relicensing of EWEB hydropower facilities on the McKenzie River. The Trust would manage the property for riparian wildlife habitat and water quality benefits, and would work with neighboring property owners, including EWEB and the First Baptist Church (Camp Harlow), to expand conservation opportunities where feasible. The Trust would also explore the educational value of the property and look for ways to utilize it as an educational resource.

MRT proposes the following with regard to the sale of this property:

- 1. MRT has commissioned an appraisal of the property and it is in the process of performing a detailed evaluation of the conservation values of the property.
- 2. Once the appraisal is complete, MRT will submit the Appraisal Report to County Public Works Staff for review as to its compliance with appraisal standards and the reasonableness of its conclusions.
- 3. Provided the appraisal review finds the appraisal to be satisfactory, MRT proposes to purchase the property from the County at the reviewed amount under the provisions of ORS 271.30 and 275.030.

III. Financial and/or Resource Considerations

Because this property was originally purchased with Road Funds, any proceeds from its sale would go back to the Road Fund as required pursuant to Article IX, Section 3a of the Oregon Constitution relating to the use of tax revenues levied on the sale of motor fuels.

IV. Analysis

Sales of parcels such as the subject property are permitted pursuant to ORS 271.310 and 275.030. Because a portion of the land encompassed within the legal description is very likely under the jurisdiction and ownersip of the Oregon Divsion of State Lands, it is recommended that the conveyance, if ultimately approved by the Board, be completed by Quitclam Deed rather than Bargain and Sale Deed. The title conveyed could be all of the County's right, title and interest, or it could be restricted to allow only certain conservation uses or to prohibit certain uses such as gravel mining.

V. Alternatives/Options

The Board can direct staff to pursue the proposal requested by MRT as described above, and to return to the Board with a recommendation when the property appraisal has been received and reviewed.

VI. RECOMMENDATION

None.

VII. FOLLOW-UP

If directed, staff will process appropriate Agenda materials for Board consideration.

VIII. ATTACHMENTS

Attachment 1- Map showing property location and boundaries

