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**URBAN RENEWAL AGENCY MEETING AGENDA**

**MONDAY, JULY 10, 2017**

**Community Auditorium  
1915 Main Street  
Forest Grove, OR 97116**

**9:00 PM – Urban Renewal Agency Meeting**

**PETER B. TRUAX, DIRECTOR BOARD CHAIR**

Thomas L. Johnston, Vice Chair  
Timothy A. Rippe  
Ronald C. Thompson

Elena Uhing  
Matthew J. Vandehey  
Malynda H. Wenzl

All meetings of the Urban Renewal Agency Board are open to the public and all persons are permitted to attend any meeting except as otherwise provided by ORS 192. The public may address the Urban Renewal Agency Board as follows:

➔ **Public Hearings** – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign in for any Public Hearing prior to the meeting. The presiding officer will review the complete hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Board, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Board action.

➔ **Citizen Communications** – Anyone wishing to address the Board on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Board, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Citizen Communications is limited to two minutes unless the presiding officer grants an extension.

The public may not address items on the agenda unless the item is a public hearing. Routinely, members of the public speak during Citizen Communications and Public Hearings. If you have questions about the agenda or have an issue that you would like to address to the Urban Renewal Agency Board, please contact the City Recorder, [aruggles@forestgrove-or.gov](mailto:aruggles@forestgrove-or.gov), 503-992-3235.

All meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder, [aruggles@forestgrove-or.gov](mailto:aruggles@forestgrove-or.gov), 503-992-3235, at least 48 hours prior to the meeting.

**9:00**

1. **URBAN RENEWAL AGENCY MEETING:** Roll Call
  
2. **CITIZEN COMMUNICATIONS:** Anyone wishing to speak to Urban Renewal Agency Board on an item not on the agenda may be heard at this time. *Please sign-in before the meeting on the Citizen Communications form posted in the foyer.* In the interest of time, please limit comments to two minutes. Thank you.
  
3. **CONSENT AGENDA:**
  - A. *Approve Urban Renewal Agency Regular Meeting Minutes of June 12, 2017.*
  
4. **ADDITIONS/DELETIONS:**
  
5. **PRESENTATIONS:** None
  
6. **URA RESOLUTION NO. 2017-03 OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY DECLARING INTENT TO SELL CERTAIN PROPERTIES OF NO FURTHER PUBLIC USE AND SETTING A PUBLIC HEARING**

Paul Downey, Administrative  
Services Director  
Jesse VanderZanden, City Manager

**9:30**

7. **ADJOURNMENT:**



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**Monday, June 12, 2017**  
**Urban Renewal Agency Meeting Minutes** **7:00 p.m., Community Auditorium**

***Minutes are unofficial until approved by the Urban Renewal Agency.***

**1. CALLED TO ORDER AND ROLL CALL:**

Peter Truax, Urban Renewal Agency (URA) Director Chair, called the regular URA meeting to order at 7:01 p.m.

**ROLL CALL: URA DIRECTORS PRESENT:** Thomas Johnston, Vice-Chair; Timothy Rippe; Ronald Thompson; Elena Uhing; Matthew Vandehey; Malynnda Wenzl; and Mayor Peter Truax, Chair.

**STAFF PRESENT:** Jesse VanderZanden, Executive Director; Ashley Driscoll, City Attorney; Paul Downey, Administrative Services Director; Jon Holan, Community Development Director (in the audience); Dan Riordan, Senior Planner (in the audience); and Anna Ruggles, City Recorder.

**2. CITIZEN COMMUNICATIONS:** None.

**3. CONSENT AGENDA:**

A. Approve Urban Renewal Agency Meeting Minutes of February 13, 2017.

**MOTION:** Director Vandehey moved, seconded by Director Wenzl, to approve the Consent Agenda as presented. **MOTION CARRIED 7-0 by voice vote.**

**4. ADDITIONS/DELETIONS:** None.

**5. PRESENTATIONS:** None.

**6. PUBLIC HEARING AND URA RESOLUTION NO. 2017-02 ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING THE TAX INCREMENT FOR FISCAL YEAR COMMENCING JULY 1, 2017, AND ENDING JUNE 30, 2018**

**Staff Report:**

Downey presented the above-proposed resolution for Board consideration, noting the URA Budget Committee approved at its meeting of May 11, 2017, a proposed budget of \$198,736 and declared tax increment be collected for Fiscal Year

commencing July 1, 2017, and ending June 30, 2018. Downey reported this is the third operating budget for the URA, noting principal revenues that will be available in Fiscal Year 2017-18 are taxes collected on incremental increase in assessed value of the URA. Downey added the budget also contains \$20,000 in funding for storefront improvement grants in the Town Center area, noting funds available for other URA projects will depend upon amount of taxes generated above debt repayment for land purchase and loan for development costs. In conclusion of the above-noted staff report, Downey advised staff is recommending approval of the proposed budget in the amount of \$198,736 for Fiscal Year 2017-18.

Before proceeding with Public Hearing and Board discussion, Director Chair Truax asked for a motion to adopt URA Resolution No. 2017-02.

VanderZanden read URA Resolution No. 2017-02 by title.

**MOTION: Director Rippe moved, seconded by Director Vice Chair Johnston, to adopt URA Resolution No. 2017-02 Adopting the Budget, Making Appropriations, and Declaring the Tax Increment for Fiscal Year Commencing July 1, 2017, and Ending June 30, 2018.**

**Public Hearing Opened:**

Director Chair Truax opened the Public Hearing and explained hearing procedures.

**Testimony Heard:**

No one testified and no written comments were received.

**Public Hearing Closed:**

Director Chair Truax closed the Public Hearing.

**Board of Directors Discussion:**

Hearing no discussion from the Board, Director Chair Truax asked for a roll call vote on the above motion.

**ROLL CALL VOTE: AYES: Directors Johnston, Rippe, Thompson, Uhing, Vandehey, Wenzl, and Chair Truax. NOES: None. MOTION CARRIED 7-0.**

7. **ADJOURNMENT:**

Director Chair Truax adjourned the URA regular meeting at 7:05 p.m.

Respectfully submitted,

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Anna D. Ruggles, CMC, City Recorder

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<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	6.
MEETING DATE:	
FINAL ACTION:	

**URBAN RENEWAL AGENCY STAFF REPORT**

**TO:** Urban Renewal Board of Directors

**FROM:** Jesse VanderZanden, Executive Director

**MEETING DATE:** July 10, 2017

**PROJECT TEAM:** Paul Downey, Director of Administrative Services

**SUBJECT TITLE:** Declaring Property of No Public Use and Authorizing Sale Process

**ACTION REQUESTED:**

<input type="checkbox"/>	Ordinance	<input type="checkbox"/>	Order	<input checked="" type="checkbox"/>	Resolution	<input type="checkbox"/>	Motion	<input type="checkbox"/>	Informational
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*X all that apply*

**ISSUE STATEMENT:** An issue has been discovered with one tax lot owned by the Urban Renewal Agency (URA) and an adjacent property owner is interested in acquiring another tax lot adjacent to its property that is owned by the URA but is of no use to URA due to its size and shape. Staff has prepared a resolution to declare a portion of one tax lot and the other tax lot as of no public use so the properties can be disposed of by sale by the URA.

**BACKGROUND:** Both lots are part of what was known as the Times Litho purchase. The City had the entire Times Litho property surveyed in preparation of selling the property to the URA which subsequently sold a portion of the property to Tokola Properties. The two tax lots will be discussed separately. A pdf showing the location of the lots is attached.

Lot 1 – Parcel 1 Doc. No. 2012-111247

This lot is the northern edge of TAX LOT 1S306BB03702 of the remaining property owned by the URA. The owner of the property on the corner of 21<sup>st</sup> Street and B Street is trying to sell his property which is adjacent to the northern boundary line of Lot 1. The survey, completed by the City several years after the City purchased the property, showed that 4.7 feet of that property’s back yard and fence is actually on the lot owned by the URA. Staff was not aware of this issue until the property owner inquired about how to address the issue. A picture is attached showing the where the property line is shown by a stake with a pink ribbon. The property line is about 3 inches to the right of the gutter. The property is a duplex and one of the units would be unusable if the actual property line was enforced by the URA. The entrance to one of the units is in the back yard and there would be insufficient room for the required access to that unit.

Jon Holan and I met with the Bryan Bayless, the property owner, and his real estate agent at their request to see what could be done about the issue. He purchased his property in 2013 and was not aware until recently of the issue. He is interested in selling his property but needs this issue

resolved. The real estate agent's research showed that the fence has been its current location since at least 1980. She could find no information before that date.

Staff told him that the 4.7 feet of property in question was not considered by the City as part of the Times Litho purchase since the City was not aware that was part of the property and has no plans to use it and that staff would recommend to the Board that the property be sold to him if he did the survey work required. He has done that and will spend about \$3,500 for the survey work. The surveyor recommended that the amount of property disposed of go one inch past the fence to make sure the whole fence is included so the total proposed adjustment will be for 4.8 feet on the northern property line.

#### Lot 2 – Parcel X, Tract B, Doc. No. 2012-111247

This lot is a 327 square foot L-shaped lot that is 3 feet wide by 100 feet long with another small strip that is 1 foot wide by 27 feet long. The long strip is located between the former post office and the former Ruralite building with the small strip running along the southern border of the former Ruralite building. The URA has no use for this lot as it does not own any adjacent property. Tokola Properties specifically excluded this lot from its purchase of the property for the Jesse Quinn building as they had no use for it. The only party this lot would benefit due to the shape of the lot would be A Street Investors who purchased the Ruralite building.

Staff recommends that the URA not keep the property since it has no use for the property and can do nothing with the property. Staff recommends that, due to the size and shape of the property, the property be sold to A Street Investors.

#### **DISCUSSION**

Unlike personal property, the URA cannot just declare the property as surplus property and dispose of it as such. Per the City Attorney's Office, there are two statutory provisions at issue: ORS 271.310 and ORS 221.725.

ORS 271.310 provides that "whenever any political subdivision possesses or controls real property not needed for public use, or whenever the public interest may be furthered, a political subdivision may sell, exchange, convey or lease for any period not exceeding 99 years all or any part of the political subdivision's interest in the property to a governmental body or private individual or corporation. The consideration for the transfer or lease may be cash or real property, or both." The statute goes on to say that a local government cannot dispose of real property needed for public use, unless an exception applies (none apply here).

ORS 221.725 lays out the process the City must use in selling real property:

1. Council will declare the property not needed for public use. No hearing or advertisement is required at this step. While there are no specific criteria the governing body must follow to declare property "not needed" or "surplus," a rational basis must support the declaration (i.e. no need for the property; need the money; etc.)

2. If the property is within 100 feet of railroad ROW, or within 500 feet of an at-grade crossing, the city must give notice to ODOT's railway division at least 30 days before listing or placing the property for sale.
3. City will obtain appraisal, market the property and negotiate a purchase and sale agreement ("PSA") with buyer.
4. Governing body must hold at least one hearing on the sale prior to closing the transaction.
  - a. At least five days before the hearing, the city must publish a notice of the proposed sale and the hearing in a newspaper of general circulation.
    - a. The notice must state the time and place of the hearing, a general description of the property, the proposed uses for the property (if known) and the reasons why the city considers it necessary to sell it.
    - b. At the hearing, the nature of the proposed sale and its terms must be "disclosed" (i.e. available for anyone interested) and an appraisal or other evidence of market value must exist.
5. Sign PSA with the buyer.
6. Permit the buyer to complete due diligence as permitted in PSA.
7. Close sale and transfer property to buyer.

Staff recommends following this process. A regular appraisal on either property will be difficult to obtain as one is just a portion of a backyard of an existing home that is only of use to that property owner and the other lot is small and irregularly shaped. City Attorney and staff are discussing an alternative method to come up with a value. Staff feels any value will be small. Staff will most likely recommend that the property be sold in exchange for the buyers paying all of the costs of completing the transactions which both purchasers are willing to do.

**FISCAL IMPACT:** The two lots are of minimal value to the URA. It would be difficult to negotiate a price as there are no other willing buyers who would have any practical use for the property and no other development can occur on the two lots. The other parties will pay the fees for the transactions.

**STAFF RECOMMENDATION:** Staff recommends the Board of Directors approve the attached resolution declaring the two lots having no public use and authorizing staff to go through the process to sell the lots to the adjacent property owners.

**ATTACHMENT(s):** URA Resolution Declaring Surplus Property  
Tax Lot Map Showing Locations of Lot 1 and Lot 2  
Picture of Property Line for Lot 1



**URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE**

**URA RESOLUTION NO. 2017-03**

**RESOLUTION OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY  
DECLARING INTENT TO SELL CERTAIN PROPERTIES OF NO FURTHER  
PUBLIC USE AND SETTING A PUBLIC HEARING**

**WHEREAS**, the Urban Renewal Agency (URA) is presently the owner of the properties described as tax lot 1S306BB03400 which is 0.01 acre lot located at 2022 "A" Street and tax lot 1S306BB03702 located at 2033 "B" Street; and

**WHEREAS**, the northern 4.7 feet of tax lot 1S306BB03702 has been used by the neighboring property for at least 37 years and the property owner needs that property to have legal access to a residence on his property; and

**WHEREAS**, the URA has investigated the desirability of retaining ownership of tax lot 1S306BB03400 and the northern 4.8 feet of tax lot 1S306BB03702 and finds it has no need of said properties now or in the future; and

**WHEREAS**, the adjacent property owners are the only other parties who would have need of these two properties.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AS FOLLOWS:**

**Section 1.** That the Forest Grove Urban Renewal Agency Board hereby declares its intent to sell said real property to the adjacent property owners and authorizes staff to negotiate the sales terms.

**Section 2.** A hearing is set for August 14, 2017, at 7:00 p.m. to hear any remonstrance and objections, if any, to the proposed sale.

**Section 3.** This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board.

**PRESENTED AND PASSED** this 10<sup>th</sup> day of July, 2017.

\_\_\_\_\_  
M. Jesse VanderZanden  
Urban Renewal Agency Executive Director

**APPROVED** by the URA Board Chair this 10<sup>th</sup> day of July, 2017.

\_\_\_\_\_  
Peter B. Truax  
Urban Renewal Agency Chair



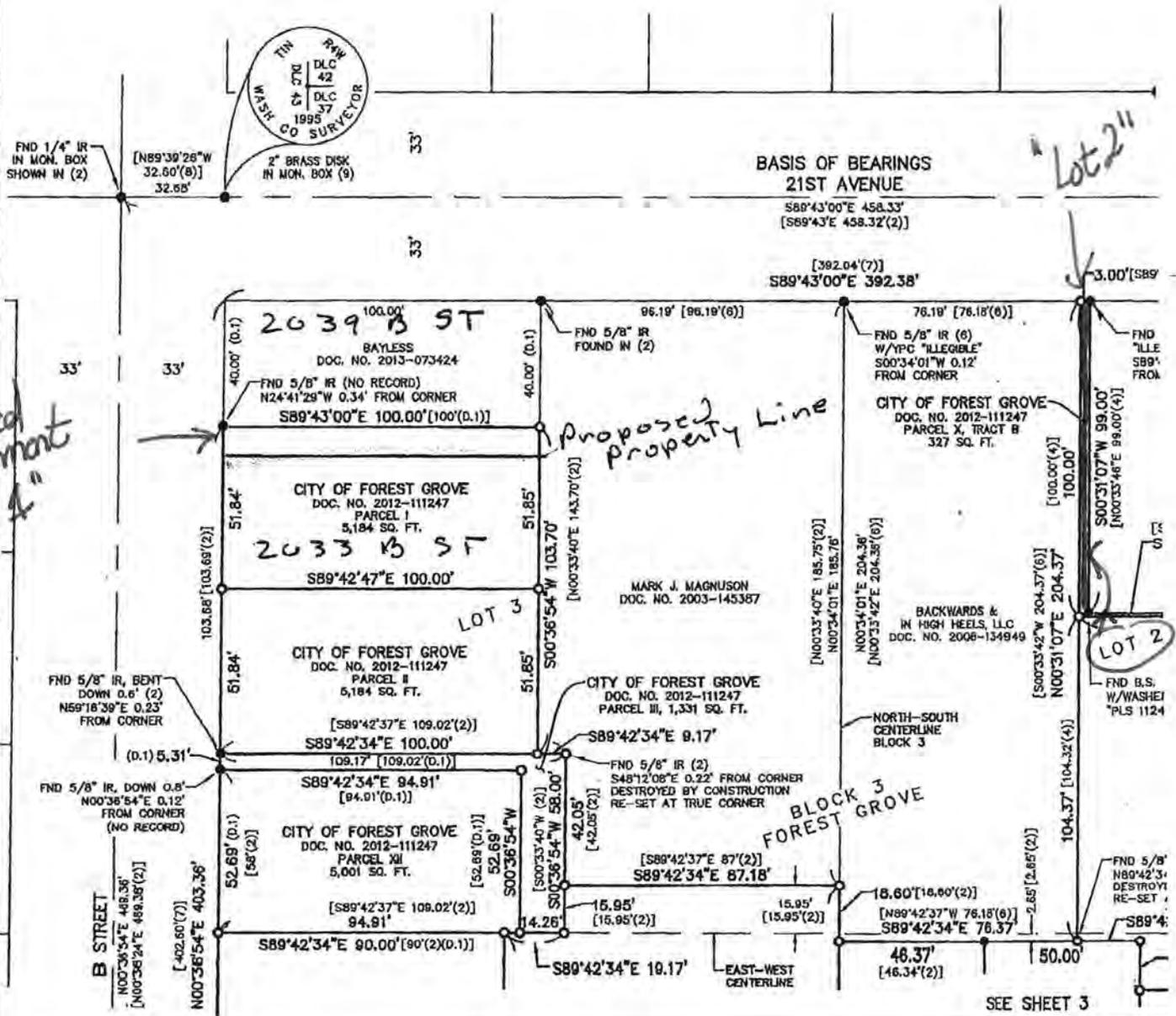
0 15' 30'  
SCALE: 1"=30'

# RECORD OF SURVEY

A PORTION OF BLOCK 3, TOWN OF FOREST GROVE, AND / WALKERS ADDITION TO THE TOWN OF FOREST GROVE, IN THE 1/4 THE NE 1/4 OF SECTION 1, T.1S., R.4W., THE SE 1/4 OF SECTION 1/4 OF SECTION 31, T.1N., R.3W., OF THE WIL CITY OF FOREST GROVE, WASHINGTON CO  
DATE: NOVEMBER 13, 2015

## LEGEND

- FOUND MONUMENT AS NOTED
- SET 5/8" x 30" IRON ROD WITH YELLOW PLASTIC CAP MARKED "WESTLAKE CONSULTANTS"
- ⊗ SET BRASS PLUG MARKED "WESTLAKE CONSULTANTS"
- △ SET WAG NAIL WITH WASHER
- FND FOUND
- IR IRON ROD
- B.S. BRASS SCREW
- W/YPC WITH YELLOW PLASTIC CAP
- DOC. NO. DOCUMENT NUMBER WASHINGTON COUNTY RECORDS



*Proposed adjustment "Lot 1"*

*Proposed Property Line*

*"Lot 2"*

*LOT 2*

SEE SHEET 3



property stake →