

City of Springfield
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, MAY 24, 2004.

The City of Springfield council met in a work session in the Jesse Maine Room, 225 Fifth Street, Springfield, Oregon, on Monday, May 24, 2004 at 5:30 p.m., with Mayor Leiken presiding.

Mayor Leiken called the work session to order.

Willamalane Superintendent Bob Keefer called the Willamalane Board of Directors meeting to order.

ATTENDANCE

Present were Mayor Leiken and Councilors Ballew, Woodrow, Lundberg, Fitch and Ralston. Also present were City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, City Attorney Joe Leahy, Clerk III Trudy Borrevik and members of the staff.

1. Joint Meeting with the Willamalane Board of Directors

Mayor Leiken welcomed and introduced the members of the Willamalane Board of Directors. Members include chair Jim Mayo, Greg James, Blake Hastings, Helen Wagner, Gary Ross, Staff Bob Keefer, Administrative Services Division Director Pam Caples and Planning & Development Manager Greg Hyde.

City Manager, Mike Kelly discussed the purpose of tonight's meeting and the process that would be taken during the work session.

Mayor Leiken asked if an agreement was to be established to move forward would it be decided at a public meeting.

Mr. Kelly stated that yes; all they were looking for tonight is if the two boards would like to have the negotiations continued with the property owners.

Bob Keefer, Willamalane Superintendent, acquainted the board and council with the Gray property with maps provided by DSD staff. He stated that the entire parcel was 215 acres, 39 acres owned by Elva Gray which houses the oldest house in Springfield and consists of two parcels; and 176 acres owned by Linda Cook, Hugh Gray and Connie Jacqua. He pointed out that a lot of the property is well timbered and rises about 1000 feet from the base near the highway to the top of the property. It has a mix of second and third growth timber, 60 year old stand throughout the property. Some has been well managed (Hugh Gray's property) and has routinely had timber taken off over the years and some has been less managed (Elva Gray's property) and has a lot of undergrowth in it.

Mr. Keefer stated how this property fits into the parks and recreation comprehensive plan. There is a high need or high amount of desire by the community for natural area parks, places where citizens can come and enjoy nature close to home. He stated in reviewing the comprehensive plan there are at least eight different directives in it that talk about managing natural areas. He acknowledged that it was great

working with partners like the City and other governmental partners on acquiring these types of parcels for multiple purposes besides parks and recreation. This parcel also adjoins a piece of Bureau of Land Management (BLM) property. It is in the vicinity of the MountainGate development. Willamalane will end up, at least in preliminary discussions, with over 90 acres of property in MountainGate and a lot of it will be natural area and trails. Having the possibility of that linkage there is awesome. When they look at their comprehensive plan some of the highest priorities are natural areas and trails. The second highest activity that people in Springfield do is walking for pleasure. Before the comprehensive plan was prepared, it was worked on as a team with all the partners in the area on a "River to Ridges" plan. There is a portion of the area identified as a potential for the ridge line trail system for southeast Springfield, which is also identified as a potential open space acquisition spot. When looking at the big picture and the potential for trail development starting at this key area, there is one property between this property and MountainGate. From MountainGate you can go down along the Lowell Road and down into the Jasper-Natron area and start connecting. If you are real creative, you may even be able to connect into Clear Water Park and into the Mill Race. It is that big of a vision that this place can lead into. From a standpoint of parks and recreation and a legacy for what we want the community to look like, not necessarily today but what it might look like in 50 years, this is one of the legacy projects that we may want to look at very seriously. It is similar in scope as Dorris Ranch was in the 1970's when that was first acquired. It is significant dollars, there are a lot of hoops and things to go through, but it is a great vision for what could happen in this community.

Councilor Ralston asked about the piece of property off Glacier Drive which is between the city limits and the proposed property and how annexation would affect that parcel. He also asked about the triangular piece of property which is in the subject property but outside the urban growth boundary and if that caused a problem.

Mr. Kelly responded to the first part of Councilor's Ralston's question in that he believes Steve Williams owns that property and that he sought annexation several years ago but that it had problems as there was no sewer available and street access was a problem. He stated the triangular piece of property wouldn't be a problem if it was parks and open space, but if it was buildable a permit would have to be obtained from Lane County.

Councilor Woodrow asked if the Jacqua ownership is the same Jacqua associated with PeaceHealth.

Mr. Kelly stated that Connie Jacqua is divorced from John Jacqua, Jr. and she is the sister of Hugh Gray and Linda Cook.

Councilor Ballew asked how much of the property is buildable and how much is forest.

Mr. Kelly pointed out on the map this property and showed which area was buildable, a total of about 60 acres. He stated that this is the part that can be developed right now based on water limitations and elevation and reservoir and service levels. He further stated that there had been some discussion with SUB during the MountainGate development and in the future that there might be other reservoir levels that might allow other portions of this property to be served with domestic water.

Greg Hyde from Willamalane stated that the 870 feet line roughly corresponds to somewhere in the general area where the land starts getting very steep, where there are slopes that may be prohibitive to development. There are some areas above that show up on the state's map of landslide hazards.

Councilor Ballew asked if the lower part were to be developed and the upper part was not, what that did for the responsibilities for water flow and if there was liability associated with water runoff.

Mr. Kelly responded that yes there is a liability issue. When they get into discussions regarding the options those are important issues to talk about. There would be some sharing on a water quality basis between the city and the downstream developer and those negotiations would have to be completed if the city were going to continue to seek some public ownership in the upper portion.

Councilor Ballew asked if there were any natural springs.

Mr. Kelly responded that yes there were natural springs located on the property.

Councilor Ballew asked if the lines running through the East boundary were SUB transmission high voltage lines.

Mr. Kelly stated that he imagined that they were because they were going over the mountain. He thought that they had been put in about six or seven years ago.

Mr. Kelly gave a background on how the City got involved in this property and how the City was approached in regards to this property. He discussed how staff had been doing research on this land and the studies that have been done to determine if the property is marketable. He stated the city was approached by the owners, Hugh Gray and Connie Jacqua and representing their sister Linda Cook, in March, 2004. They stated that they wished to sell their family property, but were concerned about preserving part of the property for open natural land and wondered if City would have any interest in the property. At that time they had received a verbal offer from some developers. The developers were interested in acquiring the property because it was in the urban growth boundary and the developers wanted to make plans to develop the property over a number of years. Mr. Gray and Ms. Jacqua, because the property had been in their family for years, did not want to sell it, have the timber logged and have it maximized for housing. They wanted to see a more sensitive development. The City stated that it didn't have a lot of money but had interest in the property. They stated that they didn't have to get full value for the property; part of it could be given to the public, especially the upper portion which is timber. The City was given forty-five days to research the property and determine what the City's interest might be in regards to the property. During the forty-five day period, which expired May 15th, a local firm was hired to look at the property and assess it to determine whether or not it would make sense for the City and Willamalane to acquire any or all of the property and then open it up for development.

Mr. Kelly said a study was done, the result of which was provided to the Council and Willamalane Board. The study showed that if the City and Willamalane bought the property, it could be developed over time and paid for and a profit made from the development of the property. What the study didn't do was to put a time value and money on it, assuming the 90 acres could be developed over time and sold for a certain price with a return on the money and more. Obviously we would want to get that confirmed if we wanted to proceed with the most aggressive option which would be to buy the properties, do research as to the number of lots that could be sold and at what price, etc. The thrust by the company who prepared the study of the property was more of a design theme. They came up with a ranch concept that would be unique to Springfield where you would cluster the housing, create open spaces and have central stables for people who want to live somewhere and board a horse across the street.

Mr. Kelly outlined several options for the board and council's consideration.

Option 1: Direction from council and board would be to do nothing; there isn't enough interest or enough money to proceed. The city would wait until annexation of the property is requested in the future by a developer and then negotiate with the developer in the annexation process to leave some acres for open space. This option is basically a low risk, low benefit option.

Option 2: Direction from council and board is more of a middle of the road approach. This would be for the City to work with the developer with the division of the land as a partnership, so that the City and Willamalane could purchase the upper land for a park and trail system. Each party would receive only the property that they are interested in. This option is a moderate risk, moderate gain of public ownership option.

Option 3: Direction from council and board is the most aggressive approach. The City and Willamalane purchase the property and then control and oversee the type of development of the property and only sell enough over time to make payments to the owners and in the end do not have a lot of expense. Maybe even partner with other agencies to obtain grants, etc. in order to develop the lower property and leave the upper portion for open space. This option is an aggressive option.

Mr. Kelly stated the purpose of the work session is to discuss those three options, make sure everyone understands them and answer any general questions about how they might work. In the executive session, more specifics would be discussed.

Councilor Ralston asked if the idea was to annex the property into the city. He asked if the open space would be annexed in as well and if it needed to be. He also asked if horses were allowed in city limits. Looking at the options and the potential revenues that the City and Willamalane would gain from the purchase and resale of this property, he asked if that was the correct amount listed in the study. He stated he was all in favor of the issue and with the financial situation of the City this would be a smart thing to do.

Greg Hyde stated that the Springfield Planning Commission would require annexation for the property. Police Chief Smith stated that horses are allowed in the City with a minimum square footage requirement. Mr. Kelly gave a little more background regarding the potential revenues and the various options and factors that would affect the final revenue received by both agencies.

Councilor Ballew asked about the family house and if there were any other improvements on the property.

Mr. Kelly stated that at this time no. There used to be an old logging hunting cabin but it was burned down years ago. He stated that Elva Gray wanted the house to be preserved and that will be a point of discussion that will have to be negotiated. The sellers see the house as adding value to the property while the developers might not see that.

Blake Hastings stated that he was related to Elva Gray in a distant way but wanted this to be made public. He questioned that there was no mention in any of the options about a conservation easement that allows for public access and preservation conditions so that the tax deduction can be applied to the person that either acquires the property or to Grays and Jacqua at this point in time. He outlined ways in which a conservation easement would be beneficial for tax purposes.

Mr. Kelly outlined the developer's offers and due diligence and how a conservation easement could work into one of the options. He outlined different scenarios as far as development of the property for housing and open space.

Jim Mayo stated his concern was mostly with the MountainGate subdivision and the timing that we would be flooding the market with buildable lots all in the same end of town, all in the same time frame. However, he felt that with a different type of development as previously mentioned, that horse people might be more drawn to that type of development.

Mr. Kelly responded to his question and stated that Option 2 or 3 would allow the city and Willamalane to do further research to determine the need, pricing, etc. of the development.

Gary Ross asked if the timber was marketable and if the options allow for cleaning it up for selling the timber and making up some of the loss. He also stated that something to think about when considering the development is the interest of those looking for buildable lots and that potential home buyer's look at what schools their children would be attending.

Mr. Kelly stated that just under \$1 million in marketable timber is on the property. He stated that the owners have been marketing about \$70,000 per year which could continue at that rate for many years.

There was discussion about what the limitations were on harvesting within the city limits and urban growth boundaries of timber on the property. The size of the lots that would be marketed was also discussed.

Councilor Ballew asked if the property in question had a particular zone.

Mr. Kelly stated that it was zoned low density, single family.

Joint Work Session adjourned at 6:20 p.m. and each agency went into Executive Session.

Joint Work Session reconvened at 6:58 p.m.

Mr. Kelly stated that he had received instruction from the City Council to proceed with discussions with the developer and land owners and to specify, before a final agreement is reached, the roles of the City and Willamalane in regards to the development of this property.

Mr. Mayo stated that is where the Willamalane board was in general.

It was discussed that joint staff will be involved in the negotiations.

Meeting adjourned at 7:00 p.m.

Minutes Recorder – Trudy Borrevik

Sidney W. Leiken
Mayor

Attest:

Amy Sowa
City Recorder