

Property transferring 11 Urban Renewal Agency owned parcels to the City of Salem.

SUMMARY AND BACKGROUND:

The Urban Renewal Agency of the City of Salem (Agency) owns 11 parcels of land at multiple locations (Attachment 1). The parcels were acquired as part of various urban renewal projects. Eight of the parcels are remnant parcels created by street improvement projects and three are wetland parcels with completed remediation. Long term ownership of property is not a mission of the Agency so it is necessary to transfer ownership of the properties to the City of Salem (City).

FACTS AND FINDINGS:

The 11 Agency-owned parcels are located in multiple urban renewal areas, total 62.15 acres, and have a total value of \$8,826,140, according to Marion and Polk County assessor's offices. To complete the property transfers, a Purchase and Sale Agreement (Agreement) (Attachment 2) has been created detailing the terms of the transfer. Key terms of the Agreement are shown below.

- Buyer: City of Salem
- Seller: Urban Renewal Agency of the City of Salem
- Purchase Price: \$8,826,140
- Payment Terms: Purchase price not payable until City transfers parcels to a third party. Payment of purchase price will be prorated if City transfers only a portion of the subject parcels. Proceeds from the sale of these properties must be used for purposes consistent with the applicable URA plan
- Deed: Conveyance by bargain and sale deed
- Security: Sale secured by promissory note and trust deed from City
- Closing Date: No later than October 31, 2018

A similar staff report is on the City Council agenda tonight, requesting authorization for the City Manager to execute the Agreement to purchase the land from the Agency.

Clint Dameron
Real Property Services Manager

Attachments:

- 1. Location Map
- 2. Proposed Agreement