



## Staff Report

**File #:** 19-161

**Version:** 1

**Date:** 4/22/2019

**Item #:** 6.b.

**TO:** Mayor and City Council

**THROUGH:** Steve Powers, City Manager

**FROM:** Kristin Retherford, Urban Development Department Director

Peter Fernandez, Public Works Department Director

### SUBJECT:

Completion of transfer of real property between the City of Salem and Salem-Keizer School District 24J.

Ward(s): 1, 2, 3, 4, 5, 7, 8

Councilor(s): Kaser, Andersen, Nanke, Leung, Ausec, Cook, and Lewis

Neighborhood(s): Faye Wright, Grant, Highland, NEN, Northgate, SCAN, SESNA, South Gateway, Sunnyslope, West Salem

Result Area(s): Good Governance; Natural Environment Stewardship; Safe Community; Welcoming and Livable Community.

### ISSUE:

Update on completion of real property transfer via Intergovernmental Agreement with Salem-Keizer School District 24J.

### RECOMMENDATION:

Information only.

### SUMMARY:

On September 26, 2016, Council authorized the City Manager to enter into an Intergovernmental Agreement (Agreement) (Attachment 1), as amended, with Salem-Keizer School District 24J (District) for the transfer of real property.

Over several decades, the City and District acquired properties adjacent to each other with the intent of co-locating and jointly operating schools and parks. During this period, City and District improvements were constructed, maintenance responsibilities were developed, and uses evolved without regard for property ownership or boundary lines. As a result, both the City and District

owned managed, utilized, and maintained assets that were wholly or partially located on property owned by the other entity. To correct and clarify responsibilities, the City and the District entered into the Agreement to exchange ownership of multiple properties. The exchange involved co-located park and school properties where current ownership does not align with current uses and users, or with responsibilities for maintenance and operation. The key objectives of the proposed property transfer were:

1. Properties primarily used by the District will be owned and operated by the District;
2. Properties primarily used by the City will be owned and operated by the City; and
3. The City and the District shared equally in the costs related to this transfer.

### **FACTS AND FINDINGS:**

The final deeds related to the property transfer were recorded on March 19, 2019. In total, the City acquired 33.104 acres from the District and the District acquired 29.589 acres from the City. As outlined in the Agreement, the City paid the District \$75,000 per acre of additional land acquired, less the value of the outdoor restroom facility at West Salem High School (\$75,000) which was transferred to the District, and the District's portion of the due diligence/closing costs (\$43,679.61). In total, the City paid the District a net cash amount of \$144,947.46. A detailed summary of the transfer is shown on Attachment 2.

### **BACKGROUND:**

The Agreement was authorized by Council on September 26, 2016, and amended on June 12, 2017, December 11, 2017, and March 26, 2018 to allow additional time to complete the transfer. Funds for the acquisition came from Parks System Development Charges.

Clint Dameron  
Real Property Services Manager

#### **Attachments:**

1. Agreement
2. Property Transfer Summary