



CITY OF SALEM

585 Liberty St SE
Salem, OR 97301

Staff Report

File #: 21-524

Version: 1

Date: 12/6/2021

Item #: 3.3a.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Rutherford, Urban Development Department Director

Peter Fernandez, Public Works Department Director

SUBJECT:

Real estate donation agreement with Ward Development, LLC for acceptance of property adjacent to Fairview Park

Ward(s): 3

Councilor(s): Phillips

Neighborhood(s): Morningside

Result Area(s): Environment Stewardship; Welcoming and Livable Community

SUMMARY:

Ward Development, LLC (Steven Ward, Manager) (Donor) is donating property (Property) adjacent to Fairview Park (Attachment 1) in return for reimbursement of Donor's street improvement cost along the frontage of the Property.

ISSUE:

Shall City Council authorize the City Manager to accept donation of the Property and create a new park acquisition project - "Legacy Heights Subdivision Lot 75 Donation - Donor Reimbursement" in the FY 2021-22 Sustainable Fairview Development District to be funded with Sustainable Fairview Development District Infrastructure Fees?

RECOMMENDATION:

Authorize the City Manager to accept donation of the Property and create a new park acquisition project - "Legacy Heights Subdivision Lot 75 Donation - Donor Reimbursement" in the FY 2021-22 Sustainable Fairview Development District to be funded with Sustainable Fairview Development District Infrastructure Fees.

FACTS AND FINDINGS:

Staff and Donor have come to agreement on terms of a donation agreement (Donation Agreement) (Attachments 2&3). Key facts of the Donation Agreement are below.

Property: Lot 75 of the Legacy Heights Subdivision

Acreage: 1.71

Closing: No later than December 31, 2021

Contingencies: City may terminate if any environmental conditions are unacceptable.

Special Conditions: City to reimburse Donor \$149,274.45 for street improvements abutting Property frontage. City to fund and construct a park plaza named after the Ward Family. City to have sole discretion over type, size, and timing of park plaza improvement/construction.

Appraised Value of Property: \$785,000

The total estimated cost for the acquisition is \$156,275. This amount includes \$149,275 for the reimbursement of the street frontage improvement along Lot 75 and \$7,000 for staff time and real property services. The Fairview Development District is the funding source and has enough budget and expenditure authority to complete the Property acquisition.

BACKGROUND:

The Sustainable Fairview Development District is a 275-acre area abutting Reed Road SE, Battle Creek SE, Pringle Road SE, and Old Strong Road SE that was adopted by Council to pay Development District Fees. The Fairview Development District was formed to fund infrastructure improvements within the District boundary.

Fairview Park is a 27.5-acre, undeveloped park acquired in 2016 to fulfill a need for more community parks and active recreation opportunities in south and east Salem. It is classified as a Community Park in the Salem Comprehensive Park System Master Plan. Community parks generally range in size from 20-50 acres and serve the entire community. Phase 1 development of Fairview Park is tentatively scheduled for construction in 2024.

Clint Dameron
Real Property Services Manager

Attachments:

1. Location Map
2. Donation Agreement
3. Exhibit B of Donation Agreement

