

Date: March 28, 2018

To: Board of Directors

From: Doug Kelsey

Subject: **RESOLUTION 18-03-28 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE PURCHASE OF REAL PROPERTY LOCATED AT 3225 SW BARBUR BLVD IN PORTLAND**

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) approve a resolution authorizing the acquisition of real property located at 3225 SW Barbur Blvd. in Portland (Property) at the request of the property owner as a hardship acquisition for the Southwest Corridor Light Rail Project.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other Real Property Purchase

3. Reason for Board Action

Board approval is required for real property transactions obligating TriMet to pay an amount in excess of \$1,000,000.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

TriMet is currently planning its Southwest Corridor Light Rail Project (Project), which would extend TriMet’s light rail system from downtown Portland to Tigard and Tualatin. The Project is currently in design and is expected to begin construction in 2023.

The Property is located directly below Oregon Health and Sciences University (OHSU) on Barbur Blvd. It is expected to be impacted by the Project in order to construct pedestrian access between Barbur Blvd. and OHSU, which is an essential Project component.

The Property is owned by the Congregation Ahavath Achim, a small Sephardic Jewish congregation, one of only about a dozen in the United States. The Property houses the Congregation’s synagogue, which serves as its spiritual and cultural center. Their previous

place of worship was acquired and relocated through eminent domain in the 1960s for a City of Portland urban renewal project, and at that time they were moved to their current location. As time has passed, most of the Congregation's community has moved, and the current site is now two to three miles away from the heart of their community in the Hillsdale neighborhood. This is problematic, since members of the Congregation aren't supposed to drive on the Sabbath. To mitigate this situation, the Congregation has been planning a move to Hillsdale. However, in order to afford to purchase a new facility and finance a move to it, the Congregation has to sell their current site. The Property was listed for sale, and one written offer was received. However, that offer fell through, and with the impending Project impact it was highly unlikely that they would be able to sell the property.

Federal Transit Administration (FTA) rules allow a transit agency, at the request of a property owner, to purchase property prior to the conclusion of the environmental (NEPA) process, in a case where the property owner can document on the basis of health, safety, or financial reasons that remaining on the property poses an undue hardship to the owner. This is called a hardship acquisition. In this case, the Congregation requested that TriMet purchase the Property for the Project as a hardship acquisition, and TriMet agreed. TriMet then made the request to FTA, which approved the acquisition of the Property for hardship purposes, which also means that the Property is an eligible Project expense.

After FTA approval for the purchase, TriMet obtained an appraisal of the Property, which determined fair market value of the Property to be \$1,580,000. After settlement discussions with the owner, TriMet has agreed to purchase the Property for \$1,660,000, based on an appraisal obtained by the owner. As required by federal law, TriMet will also provide relocation benefits to the Congregation to assist their move to the new location. In addition, TriMet expects to lease the Property back to the Congregation for its use until their new facility is built or it is needed for the Project, whichever comes first, in exchange for the Congregation providing maintenance and security services on the Property.

The Property, which is shown on Exhibit A, consists of approximately .46 acres (20,100 square feet) with an existing synagogue that was built in 1965.

6. Procurement Process

The purchase of the Property will occur as a hardship acquisition at the request of the owner, in accordance with FTA rules.

7. Financial/Budget Impact

The purchase price is included in the FY2018 Project budget.

8. Impact if Not Approved

If approval is not given, TriMet will not be able to buy the Property, creating a hardship on the owner since a sale of the Property on the open market is highly unlikely to occur given the expected impact of the Project on the Property.

RESOLUTION 18-03-28

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE PURCHASE OF REAL PROPERTY LOCATED AT 3225 SW BARBUR BLVD IN PORTLAND

WHEREAS, ORS 267.200(2) authorizes and empowers TriMet to acquire, by purchase, lease, devise, gift or voluntary grant, real and personal property or any interest therein that is located inside the boundaries of the TriMet District for the purpose of providing or operating a mass transit system in the District and aiding in the objects of the District; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated October 25, 2017, adopted a Statement of Policies requiring the Board to approve real property transactions obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the General Manager or his designee is authorized to purchase the real property shown and described on the attached Exhibit A (the Property), which Exhibit is incorporated into and made part of this Resolution.
2. That the General Manager or his designee is authorized to execute any documents necessary for and in connection with the purchase of the Property.

Dated: March 28, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department

Resolution 18-03-28

Exhibit A

3225 SW Barbur Blvd



Image capture: Sep 2017 © 2018 Google

Resolution 18-03-28

Exhibit A

Real property in the County of Multnomah , State of Oregon, described as follows:

PARCEL I:

THAT PORTION OF LOTS 4, 5, 6, 7 AND THE SOUTH 10 FEET OF LOT 8, IN BLOCK 111, CARUTHERS ADDITION TO THE CITY OF PORTLAND [PLAT BOOK 1, PAGE 0035], AS LAID OUT BY THE SOUTH PORTLAND REAL ESTATE ASSOCIATION, WHICH LIES WESTERLY OF THE WESTERLY LINE OF SW BARBUR BOULEVARD, AS LAID OUT AND OPENED BY ORDINANCE NO. 63536, PASSED BY THE COUNTY OF THE CITY OF PORTLAND, IN THE CITY OF PORTLAND, COUNTY OF MULTNOMAH AND STATE OF OREGON.

THE LEGAL DESCRIPTION WAS CREATED PRIOR TO JANUARY 01, 2008.

PARCEL II:

A PARCEL OF LAND IN THE ELIZABETH THOMAS CARUTHERS DONATION LAND CLAIM, IN THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 1 SOUTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, IN THE CITY OF PORTLAND, COUNTY OF MULTNOMAH, OREGON, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIPE ON THE WEST LINE OF BLOCK 111, CARUTHERS ADDITION TO THE CITY OF PORTLAND [PLAT BOOK 1, PAGE 0035], AS LAID OUT BY THE SOUTH PORTLAND REAL ESTATE ASSOCIATION, WHICH POINT IS 40.0 FEET SOUTH OF THE NORTHWEST CORNER THEREOF;
THENCE SOUTH ALONG THE WEST LINE OF SAID BLOCK 111, A DISTANCE OF 160.0 FEET TO THE SOUTHWEST CORNER OF SAID BLOCK 111;
THENCE WEST ALONG THE WESTERLY PROLONGATION OF THE SOUTH LINE OF SAID BLOCK 111, A DISTANCE OF 30.0 FEET;
THENCE NORTHWESTERLY A DISTANCE OF 31.05 FEET TO A POINT, WHICH POINT IS 8.0 FEET NORTH OF AN IRON PIPE SET AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF SAID BLOCK 111 AND THE WEST LINE OF S.W. 3RD AVENUE;
THENCE NORTH PARALLEL WITH AND 60.0 FEET DISTANT FROM THE WEST LINE OF SAID BLOCK 111, WHEN MEASURED AT RIGHT ANGLES THERETO, A DISTANCE OF 127.0 FEET TO AN IRON PIPE;
THENCE EAST PARALLEL TO THE SOUTH LINE OF SAID BLOCK 111, A DISTANCE OF 30.0 FEET;
THENCE NORTH PARALLEL TO THE WEST LINE OF SAID BLOCK 111, A DISTANCE OF 25.0 FEET TO AN IRON PIPE;
THENCE EAST A DISTANCE OF 30.0 FEET TO THE POINT OF BEGINNING, CONSISTING OF FORMER STREET AREA VACATED BY ORDINANCE NO. 114988, PASSED BY THE COUNCIL OF THE CITY OF PORTLAND MARCH 29, 1962, A COPY OF WHICH WAS RECORDED JUNE 8, 1962 IN VOLUME 2119, PAGE 0691.

THE LEGAL DESCRIPTION WAS CREATED PRIOR TO JANUARY 01, 2008.