

FOR MULTNOMAH COUNTY, OREGON

WHEREAS, the Board of County Commissioners adopted Resolutions 90-55, and 90-81 declaring intent to sell the Edgefield Property; adopting criteria for evaluating offers to buy the property; and creating an Advisory Task Force to review the criteria, identify the appropriate and feasible retail development, and advise the Board on a process to market the property; and

WHEREAS, the Board of County Commissioners reviewed the Advisory Task Force Report at the informal Board meeting on July 31, 1990;

The Board of County Commissioners hereby accepts the report, approves the recommendations to develop a Request For Proposals for selection of a real estate firm to market the Edgefield property, and accepts the offer of the Advisory Task Force to assist with the selection process.

BY Gladys McCoy
Gladys McCoy
Multnomah County Chair

BY John Dubay



MULTNOMAH COUNTY OREGON

DEPARTMENT OF ENVIRONMENTAL SERVICES
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BOARD OF COUNTY COMMISSIONERS
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July 18, 1990

TO: BOARD OF COUNTY COMMISSIONERS
FROM: EDGEFIELD MARKETING TASK FORCE:

Wayne Atteberry
Kandis Brewer
Don Drake
Marge Ille
Ron Kawamoto
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REPORT FROM EDGEFIELD MARKETING TASK FORCE

The Task Force met on June 12, 26, and July 3, 1990 with representatives of the Department of Environmental Services, County Counsel Office and Commissioner Anderson's Office. Commissioners McCoy and Kelly were present at the initial meeting to review the Board charge to the Task Force, and the criteria adopted by the Board for development of the property. (Copies of these are attached.)

The Task Force reviewed site characteristics, recent history of the property, city zoning change, and state law restrictions on methods of sale.

The Task Force gave careful thought to the criteria (goals) for future development established by the County Board and took note of both assets and challenges associated with the property that could affect marketing and development.

Assets

- The Edgefield Property is a large area of contiguous parcels, with approximately 240 acres of mainly undeveloped lands available for sale.
- The property has proximity to airport and metropolitan service centers.

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Challenges

- Presence of wetlands on Parcel A;
- Separation of Parcels A and C by the Union Pacific Rail Line;
- Separate ownership of the 12.8 acre Edgefield Manor site which divides Parcel E;
- Twelve years remaining on the 6 acre lease within Parcel E by the Children's Center;
- Abutting presence of the Correctional Facility;
- Still undetermined route of the proposed Mt. Hood Parkway through parcels C and E.

General Conclusions

Whole Area Sale vs. Parcelization

While not ruling out the possibility of an outright cash or contract sale to a single entity, parcelization of the site for smaller sales may be the most productive approach to marketing in order for the County and the City of Troutdale to realize the earliest development for tax roll and economic development purposes and for the largest financial return.

Financing Climate

The current financing climate for large scale industrial, retail, office, and hotel development is significantly less favorable than it was even six months ago. There is more current potential for financing housing development for single family residential and multifamily development.

Practicality of a 99 Year Lease

It is very doubtful that development on a 99 year lease-hold could be financed. Therefore, long term leasing is not recommended and would also work against the County goal to set up a Natural Areas Trust Fund from proceeds.

Parcels A and C

These parcels are zoned for light industrial but are not prime industrial sites because of a plethora of other sites in the County and because they are negatively impacted by the existence of wetlands. They are more likely to attract smaller buyers.

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Residential Development

Targeted low income housing development, a goal of the County, would require pricing concessions or infrastructure contributions as incentives.

Appropriate Size for Retail Development

The "market" usually dictates, but this site does not appear to have the size, location, access, or terrain characteristics suitable for development of a mall of 300,000 square feet, let alone a regional mall of over 750,000 square feet.

Community Consensus

The lack of community consensus, including formal opposition, compromises the County's ability to move this property. Consensus on type, amount, and timing of development is essential in order to attract qualified buyers.

Property Marketing Recommendations

The Task Force believes the property can be most effectively marketed by a brokerage firm with a strong national or regional sales network to recruit the most productive prospects. Analytical capability to produce economic models of alternative proposals for a pricing and marketing strategy is essential for the County to best weigh trade-offs and is typically a service provided by firms of the magnitude recommended.

Up-front Marketing Cost/Expected Marketing Commission

The County should expect that up-front marketing materials and expenses will be shared with the brokerage house. The County's share could be anticipated to range from \$25,000 to \$50,000. A probable sales commission will range from 6% for the first \$500,000 down to 2 to 3% on a \$10 Million total, and may vary from firm to firm.

Use of an RFP Selection Process

An appropriate selection process for engaging a brokerage firm would consist of a Request For Proposals letter and pre-bid conference to clearly describe the property and the County's expectation. Response proposals should address method of compensation, proposed marketing analysis, pricing methodology, marketing methods and budget, timetable, firm's qualifications, and

up-front marketing costs.

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The Task Force is prepared to extend its work to assist with development of the RFP letter, a list of potential firms, and evaluation of proposals for selection.

Attachments: BCC Charge
BCC Adopted Criteria
Edgefield Map



GLADYS McCOY, Multnomah County Chair

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CHARGE TO EDGEFIELD TASK FORCE

WHAT:

Advise the Board how to develop a "Solicitation for Offers" document to foster creative development proposals for the property, consistent with criteria adopted by the Board and designed to maximize sale value.

Identify the type and scope of retail development appropriate, considering the nature of the site, its location, and the needs of the region.

Evaluate the desirability and feasibility of a 99 year lease approach (or similar device).

Advise the Board on a process to market the property, i.e. strategies, methods and timelines.

Offer any other guidance, individually or collectively, to the Board leading to the successful disposition of the property, including recommended changes to the adopted criteria.

Recommend standards for evaluating purchase offers.

HOW:

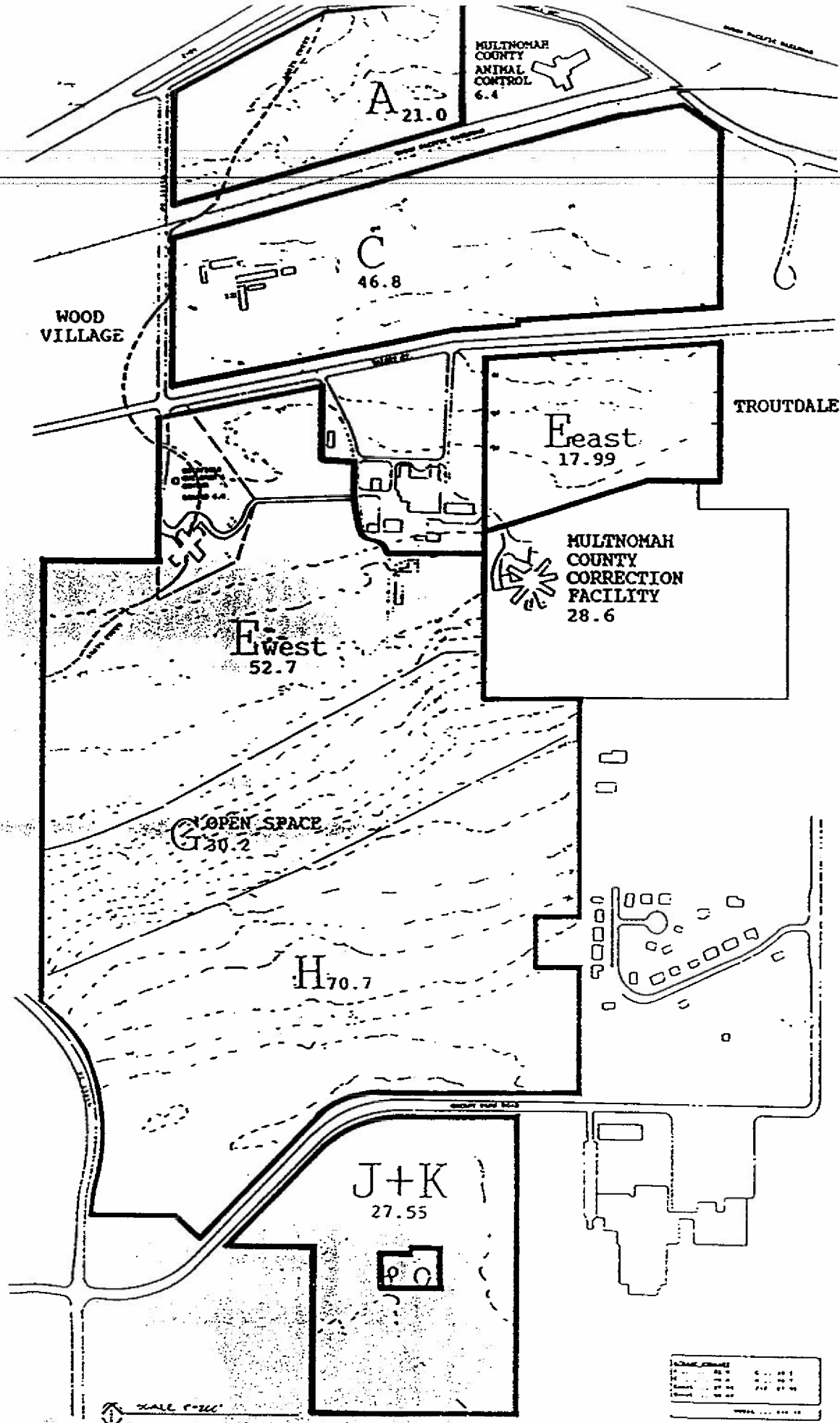
Department of Environmental Services will staff the meetings, make available personnel for technical assistance, and assist in preparing the final report of the Task Force.

CRITERIA

Overarching goal: Maximize the monetary value of the property consistent with public purposes.

Criteria:

1. Compatibility with adjoining land use including less intensive development adjacent to residential areas.
2. Retention of a minimum of thirteen percent of the property for open space or outdoor recreation, not necessarily located in Parcel G.
3. Preservation of existing creek and wetlands.
4. Maximization of opportunity for use of public transit.
5. Minimization of impact of traffic on surrounding neighborhoods.
6. Encourage development that would provide for a creative and appropriate mix of housing, commercial, and light industrial uses.
7. Encourage a mix of housing densities including affordable rental housing on the property; and encourage "linkage" proposals that would increase accessibility of housing for low income levels, not necessarily on this site.
8. Allow one retail center on the entire property of no more than 300,000 square feet.
9. Maintenance of accessibility to Parcel F (Multnomah County Correctional Facility Site) that protects future marketability.



Parcel	Area	Acres
A	21.0	21.0
C	46.8	46.8
East	17.99	17.99
West	52.7	52.7
G	30.2	30.2
H	70.7	70.7
J+K	27.55	27.55
Total	267.04	267.04