

CITY OF KEIZER MISSION STATEMENT
KEEP CITY GOVERNMENT COSTS AND SERVICES TO A MINIMUM BY
PROVIDING BASIC CITY SERVICES TO THE COMMUNITY IN A
COORDINATED, EFFICIENT AND LEAST COST FASHION

A G E N D A
KEIZER CITY COUNCIL
EXECUTIVE SESSION

Monday, September 21, 1992
6:30 p.m.

Robert L. Simon Council Chambers
Keizer City Hall
Keizer, Oregon 97303

1. CALL TO ORDER

2. ROLL CALL

3. DISCUSSION

- a. ORS 192.660(1)(e) - Consideration of Acquisition of Real Property.

4. OTHER BUSINESS

This time is provided to allow Council members the opportunity to bring matters before the Council which are not on tonight's agenda.

5. WRITTEN COMMUNICATIONS

To inform the Council of significant written communications and petitions.

6. ADJOURN



City of Keizer — Community Development

Phone: 390-3700 • Fax # 390-8295

930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, Oregon 97307-1000

CITY COUNCIL EXECUTIVE SESSION: Sept. 21, 1992

AGENDA ITEM NUMBER: _____

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.P.A,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR 

SUBJECT: ACQUISITION OF PROPERTY - SANDY DRIVE AND RIVER ROAD

DISCUSSION:

Bill Peterson will be at the Council meeting to discuss the history and options for acquisition of the property necessary for construction of the Sandy Drive and River Road signal.





City of Keizer — Community Development

Phone: 390-3700 • Fax # 390-8295
930 Chemawa Rd. N.E. • P.O. Box 21000 • Keizer, Oregon 97307-1000

CITY COUNCIL EXECUTIVE SESSION: Sept. 21, 1992

TO: MAYOR AND CITY COUNCIL

THROUGH: DONALD H. OTTERMAN M.S.P.A.,
CITY MANAGER

FROM: JOHN N. MORGAN, AICP
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: ACQUISITION OF PROPERTY FOR PARK SITE ADJACENT TO NEW
CLEAR LAKE AREA SCHOOL

DISCUSSION:

Salem/Keizer Public Schools has decided to build a new elementary school in the Clear Lake area. This school will be open two years from now, for the 94-95 school year.

Keizer's Parks Plan calls for the development of a five acre park adjacent to this new school. This is one of three new parks called for in the plan. The School District knows of this plan and has indicated their support by offering to purchase 15 acres instead of the 10 required for the school, as long as a purchase agreement can be reached with the City for acquiring the five acre park site. The District will sell the land to the City for the same price it is paying for it, which is \$25,000 per acre.

The District's real estate agent has prepared a draft memorandum of understanding presenting proposed terms of this sale. A copy of this draft is attached.

Staff's review of the proposed terms found they were beyond the City's means. The Parks Development Fund does not have money available for the \$25,000 down payment, nor can Staff project parks system development charge revenue being



City Council
September 21, 1992

adequate to pay off the contract in the two years proposed, especially given the quarterly payment schedule.

Staff has reviewed these concerns with the District staff and agents. They indicated their willingness to consider a counter proposal. The School Board is meeting Tuesday, September 22nd in executive session and would like to hear the City's position and proposals for proceeding with this acquisition.

Tonight, staff will present ideas for funding the park acquisition, as well as concerns about the potential impacts on other park activities and the city budget as a whole. It is hoped a consensus can be reached on two points:

1. The City's willingness to proceed with this acquisition; and
2. If the City is going to proceed, the general direction for funding the purchase.

John,
For your review - please contact me at 371-3226

Draft

LETTER OF UNDERSTANDING

Whereas the Salem-Keizer School District is purchasing ground for a new elementary school in the north area of the City of Keizer, and

Whereas the City of Keizer desires to place a City owned park along side the new school site,

The Salem-Keizer School District and the City of Keizer hereby agree to the following:

The City of Keizer will purchase approximately 5 acres of ground from the Salem-Keizer School District at a price that is equal to the price that the Salem-Keizer School District pays for the ground. The location of such ground will be mutually agreed upon but is generally as outlined in Exhibit A.

The ground will be purchased by the City of Keizer on a Land Sales Contract with the following terms and conditions:

1. A note for \$5,000 payable to the Salem-Keizer School District will be executed by the City of Keizer as Earnest Money on the property at the time a Sale Agreement is executed.
2. Upon closing of the transaction, which will be at the same time that the school district closes its purchase of the land, the note will be paid in full and an additional \$25,000 cash will be given to the Salem-Keizer School District by the City of Keizer as an additional down-payment.
3. The City will make monthly interest only payments to the School District at a rate of 7% per annum, with interest to begin on closing.
4. At the end of each three-month period, following the closing date, a sum of one-eighth of the remaining balance of the purchase price shall be paid to the Salem-Keizer School District by the City of Keizer as additional principle payments. The entire amount of the remaining balance of the principle will be paid in full within 24 months after the execution of the Sale Agreement.
5. The City of Keizer will be responsible for the systems development charges that may be assessed to the property by the City of Keizer. The City will also be responsible for their share of any street improvements; sewer and water development, and construction costs; engineering, surveying and inspection cost; partitioning and boundary establishment costs, and any other costs related to the site that may need to be incurred to make the site usable by the public.

This understanding is based upon the Salem-Keizer School District purchasing said ground from Reimann & Associates, directly from the Beiers, or from another developer.

If the Salem-Keizer School District does not purchase this ground or some other mutually acceptable ground in Keizer for a new school or if the District is unable to purchase enough property to place both a school and a park on the property, then the District will be unable to sell any ground to the City of Keizer and this Letter of Understanding is null and void.

Any Sale Agreement with the City of Keizer has to be formally approved by the Salem-Keizer School Board.