



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Helgeson, Brown, Mital, Simpson and Carlson

FROM: Lisa McLaughlin, Environmental and Property Supervisor
Tim O'Dell, Right-of-Way Agent

DATE: September 22, 2017

SUBJECT: Disposition of EWEB surplus property

OBJECTIVE: Information Only

Issue

This memo is in response to a Board request for information on EWEB's plan for identification and disposition of surplus property.

Background

EWEB owns approximately 1,479 acres of land in Lane County. This is made up of 249 tax lots, 221 of which are actively used and 28 that are held for future use. Of this inventory, some property is no longer essential for EWEB's needs.

Staff developed a procedure to identify and dispose of property that is no longer considered necessary for utility purposes. The process includes (1) creating a list of surplus property through an internal concurrence process, (2) formally declaring property surplus through Board action, (3) developing marketing strategies, and (4) marketing surplus property for sale. Staff have completed a property inventory and have identified properties that can be declared as surplus.

Discussion

Properties identified as surplus –

The following properties, or portions thereof, are considered surplus to EWEB's needs:

Electric Properties			
Description	Map & Tax Lot	Total Acreage	Surplus Acreage ¹
Portion of Willakenzie Substation	17-03-21-11-00200	4.57	2.00
River Loop Substation Site	17-04-01-34-03502	1.00	1.00
Portion of Jessen Substation	17-14-16-41-09200	1.95	0.70
Hillaire Substation Site	17-04-19-00-02900	5.34	5.34
Portion of Danebo Substation	17-04-21-42-13400	7.18	4.90
Total Electric Acreage			13.94

1-Approximate surplus acreage. May be adjusted prior to sale due to land use actions or other circumstances.

Water Properties			
Description	Map & Tax Lot	Total Acreage	Surplus Acreage ¹
Portions of OR AQUA	17-02-20-00-00407	48.46	15.00
Shasta 1150 Pump Station Site	18-03-16-20-07400	0.28	0.28

Total Water Acreage 15.28

1-Approximate surplus acreage. May be adjusted prior to sale due to land use actions or other circumstances.

Generation Properties			
Description	Map & Tax Lot	Total Acreage	Surplus Acreage ¹
Potter Lane Rock Pit	17-01-23-00-00100	2.00	2.00

Total Generation Acreage 2.00

1-Approximate surplus acreage. May be adjusted prior to sale due to land use actions or other circumstances.

The total surplus property identified at this time is 31.22 acres.

Next Steps –

Staff will formally request that the Board declare the above parcels as surplus later this fall. Following the formal declaration, the following process will ensue:

- 1) Staff will order an appraisal of the property to determine market value and highest and best use.
- 2) The City of Eugene (City) will be notified of EWEB’s intent to sell and the appraised value of the land to be sold. This will trigger the City’s 30 day first right of refusal.
- 3) In the event that the City is interested in the property, EWEB will proceed with negotiations and maintain an interest in receiving compensation that reflects true market value.
- 4) Once the City’s first right of refusal has expired, staff will provide a memo to the EWEB Board indicating our intent to designate surplus properties as available for marketing and sale. The memo will include an estimated listing price and marketing strategy.

In order to maximize value, some parcels may require a planning action prior to listing, such as;

- 1) Re-Zoning
- 2) Reservation of an Easement
- 3) Formal Partition
- 4) Subdivision
- 5) Verification of Unit of Land/Legal Lot Status
- 6) Lot line adjustment
- 7) Use of conservation easement or Covenants, Conditions & Restrictions to protect social and/or environmental values important to EWEB and/or the community.

Where necessary, staff will consult with appraisers, land use experts, and brokers regarding the cost/benefit of any given strategy. Though it is not EWEB’s intent to become land speculators, it may be possible to maximize the value of these assets while protecting EWEB’s interests and other important social and/or environmental benefits.

Recommendation

This memo is for informational purposes only.

Requested Board Action

No Board action is requested at this time. At the December Board meeting, staff will ask the Board to approve resolutions declaring the identified properties as surplus.