PDC | PORTLAND DEVELOPMENT COMMISSION
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DATE: May 11, 2016

TO: Board of Commissioners

FROM: Patrick Quinton, Executive Director

SUBJECT: Report Number 16-23

Authorizing the Executive Director to Grant and Accept Certain Real Property Rights

BOARD ACTION REQUESTED

Adopt Resolution No. 7180.

ACTION DESCRIPTION

This action by the Portland Development Commission (PDC) Board of Commissioners (Board) will authorize the Executive Director to grant and/or accept certain real property rights, such as easements and right-of-way deeds that previously required PDC Board approval prior to execution. Currently, any real estate transaction, regardless of size, requires PDC Board approval. Through this action, the PDC Board would delegate certain minor real estate transactions to the Executive Director. The authority under this delegation is limited to grants of real estate interest that do not materially and adversely affect any remnant real property value and that do not materially and adversely limit development options on the remnant. The authority under this delegation is further limited to the acceptance of real estate interests that do not generate a new, material, and adverse liability for PDC.

BACKGROUND AND CONTEXT

Portland City Chapter 15 currently reserves to the PDC Board authority to approve all real property transactions. Such transactions include the granting and/or acceptance of minor real estate interests such as requests for deeds for right-of-way purposes, access easements for maintenance and repairs, granting of quitclaim deeds for publicly owned real properties for public purposes, acceptance of real property dedications, and street vacations. These requests are typically received from public entities with the majority involving the Portland Bureau of Transportation, Portland Water Bureau, and Portland Bureau of Environmental Services.

On occasion, PDC may also receive similar requests from private entities such as utility service providers, telephone and internet service providers, cellular telephone providers, private real property owners, and developers. Transactions with other public entities are typically for public purposes; transactions with private parties may necessitate compensation. Compensation for transactions with private entities may be negotiated and a method of determining the financial value could be achieved through a real property appraisal or other methods. Transactions within the scope of this delegated authority that are a material part of a PDC development agreement or other disposition or more major acquisition will continue to be reviewed and approved by the PDC Board. The Executive Director may also refer specific transactions to the PDC Board even though they are within the delegated authority of this action.

COMMUNITY AND PUBLIC BENEFIT

The community and public will benefit by having more streamlined processes between PDC and its partners.

PUBLIC PARTICIPATION AND FEEDBACK

There was no community outreach regarding this action.

BUDGET AND FINANCIAL INFORMATION

There will be no budget or financial impacts until such time each individual request for the granting and/or acceptance of a certain real property right is presented to PDC.

RISK ASSESSMENT

There are few risks to this proposed action. Any property transaction will continue to be reviewed by the PDC Financial Investment Committee. PDC Real Estate staff and General Counsel's office will continue to assess due diligence matters such as the environmental condition or other potentially dangerous conditions. As noted above, the Executive Director may also elect to refer specific transactions to the PDC Board for consideration.

ALTERNATIVE ACTIONS

The PDC Board could elect to:

- Reject the proposed action, which would maintain the status quo and ensure that all real estate transactions, regardless of size, would require PDC Board approval for execution; or
- Approve the proposed action, but change the conditions under which certain transactions are exempted from PDC Board consideration.

ATTACHMENT

None.