

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



---

### Action: Sale of the Willow Creek Property

---

Meeting Date: February 22, 2016  
Department: Planning and Development Department  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 3  
Staff Contact: Stephanie Jennings  
Contact Telephone Number: 541-682-5529

---

#### ISSUE STATEMENT

The City Council is asked to approve the sale of the Willow Creek property, a 2.77-acre parcel located just north of 18<sup>th</sup> Avenue and roughly ¼ mile west of Beltline Road, for \$306,000. See Attachment A for a map of the site.

#### BACKGROUND

In 2001, the City acquired the Willow Creek property for \$306,913.63 using federal Community Development Block Grant (CDBG) funds from the Department of Housing and Urban Development (HUD). The City purchased the property as a land bank site to be developed in the future for affordable housing. It was envisioned as part of a larger nodal development, and the Willow Creek property would rely on road access constructed by the adjacent property owner. Unfortunately, the privately-owned property never developed and the access road was never constructed. To date, the Willow Creek property remains isolated from transit and services.

In 2012, HUD asked the City to take action towards developing the property with affordable housing or reimburse the City's CDBG program account. Due to the lack of private development around the Willow Creek property and the additional cost to provide infrastructure to the site, the City determined that it would be best to reimburse the program account and work towards selling the site.

In 2013, after declaring the Willow Creek site surplus property, the City listed the property with the City's contracted broker.

In 2014, the City replenished its CDBG program account using General Fund housing dollars in the amount of \$306,913.63. The proceeds from the sale of the Willow Creek property will replace those General Fund housing dollars. These funds are available for CDBG eligible programs, but staff have waited to identify specific uses until the sale of Willow Creek property was completed.

In October 2015, the City Manager signed a Purchase and Sale Agreement with Jamie Paddock. Mr. Paddock is related to the entity that sold the Willow Creek property to the City in 2001. In addition, Mr. Paddock still owns other property located adjacent to the Willow Creek property.

On February 2, 2016, Mr. Paddock provided the City with written notice of his satisfaction and waiver of conditions and intent to move forward with the purchase. The Purchase and Sale Agreement establishes the closing date as March 15, 2016, and conditions the sale upon council approval on, or prior to, the closing date.

#### **RELATED CITY POLICIES**

The proceeds of the sale of the Willow Creek property will replenish General Fund housing dollars and will allow staff to move forward with a proposed reallocation of funds for CDBG-eligible uses to be considered by the council later this spring.

#### **COUNCIL OPTIONS**

1. Approve the sale
2. Decline to approve the sale.

#### **CITY MANAGER'S RECOMMENDATION**

The City Manager recommends that the City Council approve the sale.

#### **SUGGESTED MOTION**

Move to approve the sale of the Willow Creek property.

#### **ATTACHMENT**

- A. Map – Willow Creek Property

#### **FOR MORE INFORMATION**

Staff Contact: Stephanie Jennings  
Telephone: 541-682-5529  
Staff E-Mail: Stephanie.A.Jennings@ci.eugene.or.us