

## City agrees to \$2.65 million settlement with Juniper Ridge Partners

by Bruce Ewert

Mayor Abernethy read a short statement about the decision the Council had made in Executive Session prior to the regular meeting to accept the offer of Juniper Ridge Partners settlement offer. The Council has directed staff and management to implement the agreement. Mayor Abernethy stated afterwards that he hopes to have the agreement finalized in 7-10 days, prior to the Feb. 20 City Council meeting. The key points are:

- 1) The City pays JR Partners \$2.56 million.
- 2) Juniper Ridge Partners completes the Master Plan over the next three months, working with the City.
- 3) Juniper Ridge Partners hands over ownership of the Master Plan to the City.
- 4) The MOU is no longer in force and there is no longer a Master Developer relationship, specifically including Section 11.5 and its prohibition of the City working with other parties for six months after the new UGB, which will include some portion of Juniper Ridge, is finalized and in force.

In media interviews, Mayor Abernethy stated this would finally allow the City to move forward, both with JR and with the Cooley/97 interchange. One huge sticking point to the interchange issue is that ODOT may only allow an additional 1500 trips, not the 3000 expected, stating that it believes that 1500 would be needed for additional neighborhood development in any case. This would increase the cost of a trip to over \$25,000, if indeed it provided enough leeway for much further development at all. The City wants to sell these trips to adjacent businesses to help pay for the interchange, and even 3000 doesn't provide a lot of leeway for both sales and JR development.

The Mayor also stated that informal discussion among the staff may lead to employment development being scaled up by 100 acres or so overall, and maybe more if we yell and scream loud enough at the public input meetings that will be held. The Mayor provided the following quote via email:

"I believe that we will change the mix between light industrial and residential and informal discussion among staff is to recommend 100 acres additional employment land. The final amount will obviously be decided after we have had a chance to listen to the public. I will say that there is no interest on the part of the Council to return to any plan that has all 1,500 acres designated as industrial."

The Council still strongly believes in the neighborhood center concept (including a water feature) with employment to the west. This would put industry on the Hwy 97 side, both within and outside of JR, with a neighborhood center or two on the canal side, with room for a university as well. This is of concern of some citizens who believe that Bend has a surplus of housing, and are urging the Council to focus on job creation with the Juniper Ridge project.

Mayor Abernethy also said that the City will not get the invoices for the master plan work, but will or had received other documentation of costs.

The Mayor's email stated that he believes there were four good things to come out of the decision to agree to this settlement:

"1. It enables us to develop and have ownership of a master plan for Juniper Ridge within the next 90 days. This timeline was undetermined and out of our control and we would not have ownership of the master plan if we simply terminated negotiations.

2. Having a master plan in place enables us to move forward on planning for the first 300 acres of Juniper Ridge. As per the MOU, we could not negotiate with anyone other than JRP until 6 months after the UGB expansion. This had the effect of tying our hands even on the 500 acres that was already inside the UGB!

3. Having a master plan in place will enable us to determine the trips generated by various forms of development in Juniper Ridge. This will be critical in helping us determine cost allocations to help pay for the Hwy 97/Cooley Road improvements.

4. It enables us to move forward without fear of a lawsuit by JRP. This was a risk that the City faced."

The goal of jumpstarting Juniper Ridge is closer now, although the City coffers are \$2.56 million poorer. The City's goal of selling land by 3rd quarter of 2008 is probably too optimistic, but it may happen by the 2nd quarter of 2009. As we move forward we will see if the promise of family-wage jobs comes true, giving Bend another economic leg to stand on in addition to real estate development and tourism.