

PUBLIC LANDS ADVISORY COMMITTEE (PLAC)

Property Transaction Review Summary

July 24, 2025, Meeting

Oregon Department of Transportation

Forest Grove Parcel

Transaction Type (check one): ☐ Acquisition ☒ Disposal

I. Proposed Real Property Transaction (if the transaction is an acquisition please include a description of the intended use of the property):
<ul style="list-style-type: none">• Disposal of state-owned parcel that previously served railroads.
II. Reason for PLAC Review (include what the agency is requesting from the PLAC):
<ul style="list-style-type: none">• In compliance with ORS 270.120 (6), the PLAC shall advise Agency and DAS on the disposal of this property.• Request PLAC concurrence that the terms of this proposed disposal are reasonable.
III. Background Information
<ul style="list-style-type: none">• BNSF Railway conveyed the real estate comprising several railroad corridors to the state of Oregon, including a 2.83-acre parcel in Forest Grove.• A small railroad, Portland & Western (PNWR) purchased the tracks and possessed a permanent rail service easement from BNSF – for the parcel described above, as well as an adjacent rail corridor between Hillsboro and Forest Grove. Freight traffic over this corridor became nonexistent. PNWR obtained permission to formally abandon the line. PNWR then terminated their rail service easement, unencumbering the corridor.• ODOT followed DAS' Division 45 rules, declaring the corridor surplus.• TriMet expressed interest in acquiring the corridor, and at its April 24, 2025, meeting, the PLAC heard a presentation and concurred with ODOT's plans to sell that corridor to TriMet. TriMet had no interest in this adjacent parcel, but the City of Forest Grove does wish to acquire it and develop it as a regional stormwater quality site.• The property is zoned for Multi-Unit High Residential, and it appraised for \$862,500 – even though a creek running through it reduces the area that could be developed to 1.44 acres.• Knowing the above and the need for more housing construction, we re-declared the property surplus (but this time as a stand-alone parcel), thinking that some developer would express interest. None did.• During that 30-day surplus period, the City provided us with additional information from its planning department, pointing out that development potential for sites with wetlands/riparian areas can be very complicated and restricting – more so than accounted for in the appraisal. Perhaps this is why no developer expressed interest in this parcel.• The City's offer is to pay us \$10,000, and they are fine with the deed including a reversionary clause – the property would revert back to ODOT if the City

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ever tried to develop any of it for anything other than for stormwater quality purposes.

- We think this is reasonable for the following reasons:
 - If ODOT were to retain possession, we will periodically incur costs – having to respond to encampment notifications or weed-cutting requests.
 - Selling it to the City will relieve ODOT of those costs and liabilities and instead bring in \$10,000.
 - City of Forest Grove shall assume all liability and expense related to owning and maintaining this parcel.
 - The City has agreed that our deed shall include a reversionary clause – that ownership of the parcel would revert back to ODOT if the City ceases to use it for stormwater quality purposes.

IV. Topics for PLAC Consideration.

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V. Staff Comments

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VI. PLAC Findings

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