



Eugene City Council

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www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

May 9, 2016

5:30 p.m. CITY COUNCIL WORK SESSION

Harris Hall

125 East 8th Avenue

Eugene, Oregon 97401

7:30 p.m. CITY COUNCIL MEETING

Harris Hall

125 East 8th Avenue

Eugene, Oregon 97401

**Meeting of May 9, 2016;
Her Honor Mayor Kitty Piercy Presiding**

Councilors

George Brown, President

Pat Farr, Vice President

Mike Clark

George Poling

Chris Pryor

Claire Syrett

Betty Taylor

Alan Zelenka

CITY COUNCIL WORK SESSION

Harris Hall

5:30 p.m.

A.

WORK SESSION:

Downtown Improvements – Farmers' Market

**6:15 p.m. B. WORK SESSION:
Downtown Improvements – Park Blocks and Open Space**

**CITY COUNCIL MEETING
Harris Hall**

1. PUBLIC FORUM

2. CONSENT CALENDAR

(Note: Time permitting, action on the Consent Calendar may be taken at the 5:30 p.m. work session.)

A. Approval of City Council Minutes

B. Approval of Tentative Working Agenda

C. Ratification of the Metropolitan Wastewater Management Commission (MWMC) FY17 Regional Wastewater Program Budget and Capital Improvements Program

D. Adoption of a Resolution Annexing Land to the City of Eugene (Krumdieck, Richard; A 16-1)

E. Adoption of a Resolution Annexing Land to the City of Eugene (Prairieview Ventures, LLC; A 16-2)

**3. ACTION:
Housing First Resolution**

**4. COMMITTEE REPORTS:
Lane Workforce Council, Chamber of Commerce, Housing Policy Board, Lane Regional Air Protection Agency, Metropolitan Wastewater Management Commission**

**time approximate*

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, FM assistive-listening devices are available or an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

City Council meetings and work sessions are broadcast live on the City's Web site. In addition to the live broadcasts, an indexed archive of past City Council webcasts is also available. To access past and present meeting webcasts, locate the links at the bottom of the City's main Web page (www.eugene-or.gov).

El Consejo de la Ciudad de Eugene aprecia su interés en estos asuntos de la agenda. El sitio de la reunión tiene acceso para sillas de ruedas. Hay accesorios disponibles para personas con afecciones del oído, o se les puede proveer un intérprete avisando con 48 horas de anticipación. También se provee el servicio de intérpretes en idioma español avisando con 48 horas de anticipación. Para reservar estos servicios llame a la recepcionista al 541-682-5010. Todas las reuniones del consejo están grabadas en vivo en Metro Television, canal 21 de Comcast y

despues en la semana se pasan de nuevo.

For more information, contact the Council Coordinator at 541-682-5010,

cc@eugene-or.gov

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Downtown Improvements – Farmers’ Market

Meeting Date: May 9, 2016
 Department: Planning & Development
www.eugene-or.gov

Agenda Item: A
 Staff Contact: Nan Laurence
 Contact Telephone Number: 541-682-5340

ISSUE STATEMENT

This work session is a continuation of the council’s discussion from March 14 on funding options for downtown improvements and will be an opportunity for the council to discuss the Farmers’ Market project and funding options in more detail.

BACKGROUND

On December 14, 2015, the council directed the City Manager to schedule a work session to inform the council on the downtown high-speed fiber project and improved park blocks and all the mechanisms for funding these projects. On January 11, 2016, the council discussed the two projects and gave feedback on the scope to inform the January 20 work session on funding mechanisms.

At the January 20 work session, the council discussed a variety of funding options and requested follow-up information that was provided at the January 27 work session. On February 8, the council provided direction to the City Manager to present to the Agency Board for its review a proposed amendment to the Downtown Urban Renewal Plan that would increase the spending limit to pay for:

- creation of a high-speed fiber network downtown,
- Park Blocks/open space improvements,
- a permanent, improved space for a possible year-round Farmers’ Market, and
- redevelopment of the old LCC building at 1059 Willamette Street.

The council also requested a recommended alternative to the Downtown Urban Renewal funding option.

The Urban Renewal Agency Board reviewed a draft amendment and alternative funding option on March 14 and “moved to forward to the City, including the Planning Commission, as well as to the overlapping taxing districts, and request that the City Manager schedule a public hearing on proposed amendments to the Downtown Urban Renewal Plan, consistent with the draft plan and report included in Attachments H and I. In addition, individual work sessions shall be scheduled after council break on each of the four types of projects including alternative funding strategies.”

This work session is on the Farmers' Market improvements. See Attachment A for summary information on the project. Attachment B is a table of the potential funding sources for the Farmers' Market project. Attachment C is a list of downtown redevelopment tools that have been used in the past.

A work session on the Park Blocks and Open Space is also on the agenda for May 9. The work session on high-speed fiber was on April 13, and a work session on the LCC Old Building is on the agenda for May 18.

RELATED CITY POLICIES

Improvements for the Farmers' Market addresses many goals for Eugene and downtown, including:

Envision Eugene Pillars

- Provide ample economic opportunities for all community members.
- Promote compact urban development and efficient transportation options.
- Protect, repair and enhance neighborhood livability.
- Provide for adaptable, flexible and collaborative implementation.

Regional Prosperity Economic Development Plan

- Strategy 5: Identify as a Place to Thrive - Priority Next Step - Urban Vitality
 - As we foster a creative economy, dynamic urban centers are an important asset. Eugene, Springfield and many of the smaller communities in the region recognize the importance of supporting and enhancing vitality in their city centers. Building downtowns as places to live, work and play will support the retention and expansion of the existing business community and be a significant asset to attract new investment. The Cities of Eugene and Springfield will continue to enhance their efforts to promote downtown vitality through development and redevelopment.

City Council Goal of Sustainable Development

- Increased downtown development

Eugene Downtown Plan

- Downtown development shall support the urban qualities of density, vitality, livability and diversity to create a downtown, urban environment.
- Emphasize Broadway, Willamette Street, 5th and 8th avenues as Great Streets through public improvements and development guidelines. Include portions of these streets as follows:
 - 8th Avenue between Willamette Street and the Willamette River.
- Enhance public places throughout downtown through the careful design of civic buildings, streetscapes, parks and plazas. Include public art and other elements to create special places for all ages.
- Connect special places downtown with enhanced street designs, public art, directional signs, transit routes and historic markers to create an inviting and memorable route through downtown.

- Support public safety activities that increase visibility, access actual and perceived safety for individuals and property downtown.
- Enhance functional designs for streets, sidewalks and related public improvements with carefully chosen design elements, including materials, alignments, plantings and streetscape elements.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.
- Reinforce the creative, distinctive culture of downtown as the arts and entertainment center of the city.

Climate Recovery Ordinance

An active, inviting, well-designed public open space downtown enhances walkability and livability, supports downtown as a 20-minute neighborhood, and reduces reliance on fossil fuels.

COUNCIL OPTIONS

This work session is an opportunity for discussion; no action is requested so no options have been identified.

CITY MANAGER'S RECOMMENDATION

No recommendation at this time.

SUGGESTED MOTION

No motion necessary at this time.

ATTACHMENTS

- A. Project Summary
- B. Funding Options
- C. Downtown Redevelopment Tools

FOR MORE INFORMATION

Staff Contact: Nan Laurence, Downtown Projects Manager
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Staff E-Mail: nan.laurence@ci.eugene.or.us

Staff Contact: Sue Cutsogorge, Finance Director
Telephone: 541-682-5589
Staff e-mail: sue.l.cutsogorge@ci.eugene.or.us

ATTACHMENT A**Farmers' Market
Project Summary**

The Lane County Farmers' Market operates multiple times per week during the spring, summer and fall on a portion of the Park Blocks on 8th Avenue. The Farmers' Market continues to encounter space and logistical difficulties with that location, such as space limitations, inadequate electrical service, uneven and unpaved surfaces, and lack of a permanent shelter.



After struggling for years with limited space and inadequate infrastructure, the Lane County

Farmers' Market has expressed a need and desire to expand its offerings to maintain financial sustainability and potentially operate year-round. Options include, providing more space for additional vendors to join the market or allowing current vendors to increase their offerings, or building a structure to provide weather protection, especially outside of spring and summer hours. All of these actions would strengthen the presence, impact and financial viability of the Farmers' Market. There are a number of options that would address the farmers' needs as well as create an attractive, inviting downtown destination; each of these options requires collaboration with Lane County and the Farmers' Market. One option would be to reincorporate the Butterfly Parking Lot into the Park Blocks for the Farmers' Market, and re-establish the original Park Blocks. Another option would be to consider a different location for the Farmers' Market, such as to the east of the planned City Hall location. A third option would be to reconsider the existing location and make significant improvements to address the Farmers' needs.

The City and Lane County have begun that process by contracting with the University of Oregon's Community Service Center to analyze the financial feasibility of a public market facility and to identify viable governance models. Based on the outcome of that study and further collaboration with the Farmers' Market, the City and Lane County can help to create an attractive, inviting and highly functional venue for the Lane County Farmers' Market. These improvements will help preserve a cornerstone of downtown activity, support a significant element of the regional economy, and help local farmers provide high quality local food to the community.

CITY ACTIONS

Build needed infrastructure including a structure for year-round Farmers' Market. The cost would be based on the type of building and the cost of the land and site prep. (See

below for further description.) The estimated project costs range from: A = \$1M, B = \$4M, C = \$6.5M. The A, B, and C amounts are in the urban renewal funding strategy and the alternative to urban renewal funding strategy. Regardless of which strategy is pursued or utilized, the Farmers' Market project is assumed to receive the existing downtown urban renewal funding of \$500,000, which would bring the total available for the project to be between \$1.5M and \$7M.

- **A** – the structure is basic and utilitarian, more of an open air pavilion than a building; and the land is “free,” either because it is already owned by the city, or because it is given to the city as part of an exchange. Despite its modest cost, the building still could be a city landmark, and there is a long tradition of simple, agrarian marketplaces in city centers.
- **B** – has two options depending on what is needed:
 - Option (1) is pay for land – the additional funds allow the basic marketplace described above to be built on land that is not free and/or requires improvement prior to construction.
 - Option (2) is pay for building – the resulting structure would be a full-service building, with conditioned space and options for programing.
- **C** – The structure would be a full-service building; the land requires purchase and/or improvement.

NEXT STEP

Continue to work with Lane County and Farmers' Market; review results of the University of Oregon's Community Service Center financial feasibility analysis.

ATTACHMENT B

Summary of Farmers' Market Funding Options

Funding Type	Description	Summary of Advantages/Disadvantages
City of Eugene		
General Obligation Bond	A debt instrument that allows the City to raise additional revenues for specific purposes by getting voter approval to raise property taxes to repay debt.	This is a familiar funding mechanism that could be coupled with other park projects. Would require voter approval of new taxes; requires significant lead time. Could be incorporated into a larger GO Bond proposal for parks and recreation facilities across the City.
Local Option Property Tax Levy	Time-limited new revenue source.	This is another familiar funding mechanism that could be coupled with other parks needs. Requires voter approval. Falls under the Measure 5 tax rate cap.
Full Faith & Credit (FF&C) Bonds	FF&C bonds are not a way to pay for a project; rather, they are one of several ways that can be employed to ensure that funds to be used to pay for a project are available when needed to pay for project expenses. FF&C are bonds that are backed by the City's promise to repay the debt from any available sources. Typically, this is done for revenue streams that do not have a strong history or that have a high level of uncertainty around the ability to repay the debt over time. In order for the lender to feel comfortable with the likelihood of getting repaid, the City's General Fund has to provide backing for the bonds.	By themselves, FF&C bonds are not a way to pay for a project. They are a way to take a dedicated stream of dollars and turn that stream into an upfront payment for a larger project. The key to a successful FF&C bond is to identify a reliable payment stream. FF&C bonds do not require a public vote.
General Fund	The General Fund is the largest fund used to account for discretionary expenditures and revenues. Public safety represents 55% of total General Fund spending, followed by culture and leisure, central business functions, and infrastructure and planning.	Fund is flexible and relies upon stable revenue sources, primarily property taxes. Use of General Funds is at the discretion of City Council. While the fund has stabilized post-recession, there are still insufficient resources to sustainably fund existing services, so this source is unlikely to be able provide funding for the Park Blocks improvements.
Urban Renewal Agency Existing Urban Renewal Funds	The only remaining capital project currently authorized in the Plan is for \$500,000 of improvements to the Park Blocks for the Farmers' Market.	The funds are ready and intended to benefit the Park Blocks and have been since 2010. The Farmers' Market maintains interest in creating a permanent, year-round home for the market in downtown, and is continuing to work with both the City and County to identify the key next steps toward that goal. The \$500,000 set-aside for improvements was determined prior to the land swap concept, and may need an increased investment.

Funding Type	Description	Summary of Advantages/Disadvantages
Extend Existing Urban Renewal Plan and District	The Downtown Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Existing tax increment funding is expected to end in winter of 2016.	The current Downtown Urban Renewal plan would need to be amended by council to extend this funding source. A plan amendment requires significant public process and a lengthy timeline. There is risk that the plan amendment ordinance would not be supported by overlapping taxing districts or would be referred by voters. For larger funding efforts, this could provide significant funding without raising taxes.
Terminate Existing Downtown Urban Renewal Plan and District	Termination of the Downtown District would result in tax increment dollars being returned to overlapping taxing districts, including the City's General Fund. There could be both a one-time deposit of existing funds remaining in the Downtown District accounts, as well as ongoing tax revenues at termination.	Current estimates of the amount to be returned to the City of Eugene annually would be approximately \$1 million. This would be consistent with the council's intent in 2010 to terminate the district at the end of the projects identified at that time. This would reduce the funds available to the City for downtown projects by approximately \$1 million per year (half).
State or Federal Sources		
State or Federal Grants	Possible funding source for improvements, depending on what is part of implementation.	Grants can be uncertain in terms of timing and amount.
Private Funds		
Private Donations	Community members contribute to a capital campaign to fund particular features in the improvement project. Farmer contributions could also benefit the project.	Could build community enthusiasm for the project. Would take significant effort to develop the campaign; uncertainty about ability to raise the funds could delay project. Farmers may have limited resources.

ATTACHMENT C

Downtown Redevelopment Tools

Below is a short description of downtown redevelopments tools that were used for past projects and that were considered along with new tools before arriving at the “possible funding options” for each of the four downtown improvement projects. (See [Attachment B](#) for the potential Farmers’ Market funding sources.) Some of these are tools that the City used to fund a City share of the project; some of them are tools that the City or other entities would offer to a private developer. The first three categories are City of Eugene, Downtown Urban Renewal, and Riverfront Urban Renewal. The tools that were utilized in the past and are not available are listed at the end.

City of Eugene

- **General Fund**
The General Fund is the largest fund used to account for discretionary expenditures and revenues. Public safety represents 55% of total General Fund spending, followed by culture and leisure, central business functions, and infrastructure and planning.
- **Borrowed Funds**
 - **General Obligation Bond Financing**
Voter approved General Obligation bonds could be used for public capital improvements that meet constitutional and statutory requirements. A property tax levy would be used to repay the bonds. (Examples: City Hall, Fire Station #1, Hult Center)
 - **HUD Section 108 Loan Guarantee Program**
By itself, a HUD Section 108 Loan Guarantee is not a way to pay for a project. It is a way to take a dedicated stream of dollars and turn that stream into an upfront payment for a larger project. Federal program where City can borrow up to five times the Community Development Block Grant (CDBG) allocation for CDBG eligible project. Future CDBG allocation used as secondary repayment source. Each activity assisted with Section 108 loan guarantees must meet one of the CDBG Program’s three National Objectives: 1) Benefit low and moderate income persons; 2) Prevent or eliminate slums or blight; or 3) Address imminent threats and urgent community needs. This was used for the Broadway Commerce Center project in combination with a BEDI grant of \$2 million, which covered the Section 108 related expenses. BEDI is not currently available. (Example: Broadway Commerce Center construction financing.)
 - **Full Faith & Credit or Revenue Bonds**
Bonds are not a way to pay for a project; rather, they are one of several ways that can be employed to ensure that funds to be used to pay for a project are available when needed to pay for project expenses. Revenue bonds are backed by a strong, proven stream of revenues from a revenue-producing project, without other guarantees. FF&C are bonds that are backed by the City’s promise to repay the debt from any available sources. Typically, this is done for revenue streams that do not have a strong history or that have a high level of uncertainty around the ability to repay the debt over time. In order for the lender to feel comfortable with the likelihood of getting repaid, the City’s General Fund has to provide backing for the bonds. (Examples: FF&C bonds used for Atrium Building, Downtown Library, Broadway Garages.)
- **Parking**
Providing onsite parking is not required by code in the downtown parking exempt zone. However, parking can be a key aspect for project success in securing financing and attracting tenants and customers. The City works with downtown businesses to provide parking options, including validated parking and bulk permit purchases. The primary parking options are in six large City public parking structures that account for over 2,500 parking spaces in the downtown core. To support desired retail activity, the City has provided favorable lease terms for retail spaces within the parking garages. (Examples: public private partnership for development of Broadway Place and the garages, Fertilib’s occupancy of retail space in the Arcade.)

- **SDC Financing**

Systems Development Charges (SDCs) are impact fees that are generally collected when expansion, new development, or an intensification of use occurs on property served by City infrastructure. SDCs may be paid in installments over a period not to exceed ten years. The interest rate on the unpaid SDC fees is the prime rate plus 2%. The property owner(s) incurs the SDCs and the City will secure a lien on the property to be developed for any unpaid balance of the SDCs and interest. Other security in lieu of lien may be acceptable. (Examples: First on Broadway, Park Place Apartments.)
- **Telecom Registration / Licensing Fund**

The Telecom Fund accounts for revenues and expenditures associated with the City's 2% business privilege tax imposed on providers of telecommunications services in Eugene. (Example: Broadband Pilot Project that connected high-speed fiber to the Broadway Commerce Center and Woolworth Building.)
- **Downtown Service District**

Fees paid by downtown property owners to provide special services within the district, primarily public safety services via the Downtown Guides.
- **Code Amendments**

As part of Envision Eugene, City Council has initiated code amendments to facilitate desired mixed use development for downtown and along transit corridors. The purpose of these amendments is to make changes and clarifications to the land use code (Eugene Code Chapter 9) that will help increase desired density and mixed uses and implement strategies identified through Envision Eugene as well as the Eugene Downtown Plan. (Examples: code amendments were necessary to support the development of the Inn at the 5th and the Northwest Community Credit Union.)
- **Alley Vacation**

The alley vacation process is a formal land use process used to facilitate land assembly and redevelopment. (Examples: the site for Lane Community College Downtown Campus on 10th Avenue and the Whole Foods Market on Broadway.)
- **City Loans to Developers**
 - **Business Development Fund**

The BDF provides loans to new and existing businesses, via the federal CDBG program, to create jobs and stimulate private sector investment. (Examples: Broadway Metro formerly Bijou Metro, Noisette Pastry Kitchen, Avant Assessment.)
 - **Housing Rehabilitation Fund**

The HRF is a revolving loan fund created with CDBG funds. The HRF generates \$400,000 per year in program income, which is made available for low-interest loans for rehabilitation of rental and homeownership units for low-income persons. This is a critical resource to maintain the existing housing units available to low-income persons. (Example: 1057 Charnelton Street.)
- **Affordable Housing Development Tools**

Housing Development programs includes funding for acquisitions, new development construction, rehabilitation, and project-related soft costs incurred by the jurisdictions. Eugene awards funds in this category through an annual Housing RFP. Subsidies for development include land, HOME Investment Partnership Program funds, system development charge waivers, and property tax exemptions. Regulatory incentives include density bonuses and reduction of parking requirements. Projects receiving funds include small developments for special need populations as well as medium sized affordable housing development. Projects may also utilize State provided Low-Income Housing Tax Credits. (Example: West Town on 8th and Aurora.)
- **Environmental Protection Agency / Brownfields Assessment Grant**

City has access to grant funds from EPA for brownfield assessments. (Example: 942 Olive.)
- **City Tenancy**

To help meet the bank's percent preleasing requirement for important redevelopment projects, the City has occupied and guarantee square footage of office space. (Example: Woolworth Building.)

- **Property Tax Exemptions**

Tax exemptions support desired outcomes like job creation and housing development. However, tax exemptions do not provide a source of funds for desired projects. For example, the Multiple-Unit Property Tax Exemption (MUPTTE) or the Vertical Housing Tax Exemption both support housing downtown, although neither provides a source for paying expenses like SDCs/permits or site preparation.

- **Multi-Unit Property Tax Exemption**

MUPTTE is an incentive program to encourage high quality, multi-unit downtown housing. The ten-year exemption is enabled by state law; each project must be approved by the Eugene City Council. Both rental housing and multi-unit housing for home ownership are eligible; student housing is ineligible. The commercial portion of a project is eligible for an exemption if deemed a public benefit by City Council. Projects must be within an area generally bounded by Charnelton Street, 11th Avenue, Hilyard Street, the Willamette River, and Shelton McMurphy Boulevard. (Examples: Tate, Broadway Place, First on Broadway.)

- **Low-income Rental Housing Property Tax Exemption (LIRPTE) & Low-Income Housing Property Tax Exemption (LITE)**

Both LITE and the 20 year LIRPTE are enabled by state statute. A LITE provides an annual exemption for properties that are used for the purposes of a nonprofit corporation. This housing is not required to be rental housing. For more information, refer to Eugene City Code 2.910-2.922. The LIRPTE provides a 20-year exemption for properties constructed after February 12, 1990 and is offered for rent or held for the purpose of developing low-income rental housing. An applicant requesting a 20-year exemption is not required to be a nonprofit in certain instances. For more information, refer to Eugene City Code 2.937-2.940. Since 1990, LIRPTE has benefited 1,168 affordable housing units. (Examples: West Town on 8th, Aurora.)

- **Private funds**

Funds from property owners, businesses, investors, community members, conventional lenders to fund particular aspects of project. (Example: Reopening Broadway to vehicle traffic.)

Downtown Urban Renewal Agency

- **Downtown Urban Renewal Funds**

The Downtown Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Eligible uses of funds are described in the Downtown Urban Renewal Plan. Prior uses have included land assembly (e.g. for the Hult Center and RAIN at 942 Olive) and public facilities (e.g. library and LCC). The only remaining capital project currently authorized in the Plan is for \$500,000 of improvements to the Park Blocks for the Farmers' Market. (Examples: \$25M library, \$8M LCC downtown campus plus contributed land valued at \$1.6M.)

- **Downtown Revitalization Loan Program**

The DRLP is a flexible financing program designed to i) encourage investments within the Downtown Urban Renewal District that contribute to the economic vibrancy and density goals for downtown and ii) be responsive to unique redevelopment opportunities, downtown redevelopment challenges, and individual project financing needs. (Examples: the McDonald Theatre, the Jazz Station, Oregon Contemporary Theater, Davis Restaurant, Shoe-A-Holic, Harlequin Beads, the Barn Light, Sizzle Pie, First National Tap House, First on Broadway, Red Wagon Creamery, Party Downtown, Broadway Commerce Center, Off the Waffle, Woolworth Building, Cowfish, and Brenner's Furniture.)

Riverfront Urban Renewal Agency

- **Riverfront Urban Renewal Funds**

The Riverfront Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Eligible uses of funds are described in the Riverfront Urban Renewal Plan. (Examples: Wayne Morse Federal Courthouse land assembly, Northwest Community Credit Union, and road improvements.)

- **Riverfront Renewal Loan Program**

River Loans is a revolving loan program designed to encourage capital investment within the Riverfront Urban Renewal District. The primary goal of River Loans is to provide funding assistance to projects that meet the goals and objectives of the following planning documents: Riverfront Urban Renewal District Plan, EWEB Riverfront Master Plan, and the Eugene Downtown Plan. River Loans are designed to be flexible and responsive

to unique redevelopment opportunities, specific redevelopment challenges, and specific individual project financing needs of the Riverfront area. River Loans are designed to encourage the following types of development: private, non-profit, mixed-use, and public/private partnerships. River Loans are funded through Urban Renewal District program revenue (i.e., non-tax increment dollars).

Redevelopment Tools Used In the Past and Not Available

- **BEDI Grant**

The Brownfields Economic Development Initiative federal grant was awarded to the City in 2005, one of 11 cities chosen that year. Used in conjunction with the HUD Section 108 Loan Guarantee Program, the BEDI funds minimize the potential loss of future CDBG allocations. (See above for description of Section 108.) Each activity assisted with Section 108 loan guarantees and BEDI funds must meet one of the CDBG Program's three National Objectives: 1) Benefit low and moderate income persons; 2) Prevent or eliminate slums or blight; or 3) Address imminent threats and urgent community needs. The City used the Section 108 and BEDI funds for the Broadway Commerce Center. No BEDI funds were appropriated in 2015 by the Federal government; no awards have been made since 2010.

- **Recovery Zone Bonds**

The American Recovery and Reinvestment Act of 2009 (ARRA) created several new types of tax-exempt bonds and qualified tax credit bonds under the Internal Revenue Code. The City received an allocation from the Federal government of *Recovery Zone Facility Bonds* of \$11,083,000. The bonds may be used by private companies to access tax-exempt financing. Up to \$8 million of Recovery Zone Facility Bonds were utilized for the Woolworth Building on Willamette Street between Broadway and 10th Avenue. The remainder of the bonds were waived due to the limited duration and reallocated by the state. The City received a *Recovery Zone Economic Development Bonds* allocation of \$7,389,000 from the Federal government. These bonds would provide a lower interest rate on borrowing for certain projects by public entities used by the end of calendar year 2010. As the City did not have any projects that would benefit from them, Lane Community College LCC used them in financing for the student housing portion of the Downtown Campus project.

- **EECBG**

Through the 2009 American Recovery and Reinvestment Act (Recovery Act), the U.S. Department of Energy's (DOE's) Energy Efficiency and Conservation Block Grant (EECBG) Program provided funds in block grants to cities, communities, states, U.S. territories, and Indian tribes to develop, promote, implement, and manage energy efficiency and conservation projects that ultimately created jobs. The City received EECBG funds in 2009 for business retro-fits and utilized them in the Broadway Commerce Center financing package for energy efficiency in the newly rehabilitated building.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Downtown Improvements – Park Blocks and Open Space

Meeting Date: May 9, 2016
 Department: Planning & Development
www.eugene-or.gov

Agenda Item: B
 Staff Contact: Nan Laurence
 Contact Telephone Number: 541-682-5340

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City Council Goal of Sustainable Development

- Increased downtown development

Eugene Downtown Plan

- Build upon downtown's role as the center for government, commerce, education and culture in the city and the region.
- Downtown development shall support the urban qualities of density, vitality, livability and diversity to create a downtown, urban environment.
- Emphasize Broadway, Willamette Street, 5th and 8th avenues as Great Streets through public improvements and development guidelines. Include portions of these streets as follows:
 - 8th Avenue between Willamette Street and the Willamette River.
- Enhance public places throughout downtown through the careful design of civic buildings, streetscapes, parks and plazas. Include public art and other elements to create special places for all ages.
- Promote adjacent park and open space areas as a valuable complement to downtown's urban places. Improve connections between downtown and nearby nature areas.

- Connect special places downtown with enhanced street designs, public art, directional signs, transit routes and historic markers to create an inviting and memorable route through downtown.
- Support public safety activities that increase visibility, access actual and perceived safety for individuals and property downtown.
- Enhance functional designs for streets, sidewalks and related public improvements with carefully chosen design elements, including materials, alignments, plantings and streetscape elements.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.

Climate Recovery Ordinance

An active, inviting, well-designed public open space downtown enhances walkability and livability, supports downtown as a 20-minute neighborhood, and reduces reliance on fossil fuels.

COUNCIL OPTIONS

This work session is an opportunity for discussion; no action is requested so no options have been identified.

CITY MANAGER'S RECOMMENDATION

No recommendation at this time.

SUGGESTED MOTION

No motion necessary at this time.

ATTACHMENTS

- A. Project Summary
- B. Funding Options
- C. Downtown Redevelopment Tools

FOR MORE INFORMATION

Staff Contact: Nan Laurence, Downtown Projects Manager
Telephone: 541-682-5340
Staff E-Mail: nan.laurence@ci.eugene.or.us

Staff Contact: Sue Cutsogeorge, Finance Director
Telephone: 541-682-5589
Staff e-mail: sue.l.cutsogeorge@ci.eugene.or.us

ATTACHMENT A

Park Blocks & Open Space Improvements Project Summary

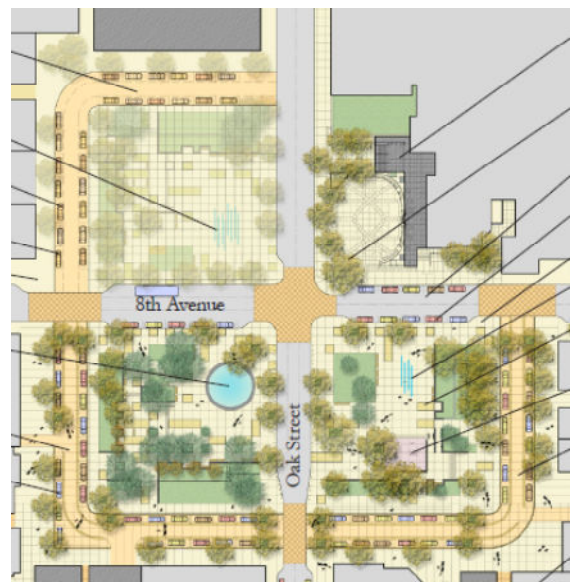
The Park Blocks are a living legacy of the forethought and civic spirit of the earliest founders of Eugene. The design, appearance and function of the Park Blocks are a critical component of Eugene's identity and economic health, the long term location for two beloved organizations, the Saturday Market and the Lane County Farmers' Market, and a key part of the Willamette to Willamette initiative. In addition to the Park Blocks, the plaza in front of the Hult Center as well as Broadway Plaza have the potential to become active, inviting places during programmed events or for incidental use. At present, the Park Blocks, the Hult Plaza, and Broadway Plaza are significantly underutilized, due to a lack of adequate seating, signage and public restrooms, inaccessibility and outdated infrastructure design.

With targeted improvements, these spaces can become significant urban amenities for the downtown neighborhood, supporting employees, the emerging innovation hub and the growing number of downtown residents. Together with the anticipated plaza in front of the new City Hall, these locations can also provide inviting open spaces in the core of the city for activities that draw visitors and community members downtown and help reinforce the identity of the city and region. Improving the amenities, character, and public identity of these spaces strengthens the opportunities for creating a high quality, inclusive and attractive public realm, increasing desired activities downtown, and advancing the revitalization of downtown. This attachment provides general background, description of the potential city actions, and information on the funding options to reinforce the Park Blocks as our historic town square, and to improve the other opens spaces downtown to create places that are a source of pride for the entire community.

CITY ACTIONS

- Community engagement (*beginning summer 2016*)

The project will begin with asking the community about their hopes and vision for our town square, as well as a needs assessment for the open spaces and plazas in our growing downtown neighborhood. The results of that work will be documented in a placemaking plan (focusing on uses, amenities, activities and pathways), a programming plan (focusing on events and use), and a management plan (focusing on operations) to illustrate and implement the community vision. The geographic area could be limited to the Park Blocks or have a broader approach as "Park Blocks Plus," which could include other key downtown open spaces: Hult Plaza, Broadway Plaza, the plaza at the new City Hall, the new riverfront park, and the pedestrian path system that leads to these places.



- One-time capital improvements based on engagement results

The public engagement results will guide the specific improvements to be made, but could include development and installation of components of the Parks Blocks Master Plan as well as removing barriers on the southeast and southwest Park Blocks. Information provided by the City Council in addition to feedback from the downtown solutions forum and the 2006 Master Plan for the Park Blocks was used to estimate possible costs for a range of improvements. The estimated project costs range from \$8.2 million to \$25 million: A = \$8.2M, B = \$11M, C = \$25M. These amounts were used in both the urban renewal funding strategy and the alternative to urban renewal funding strategy presented on March 14.

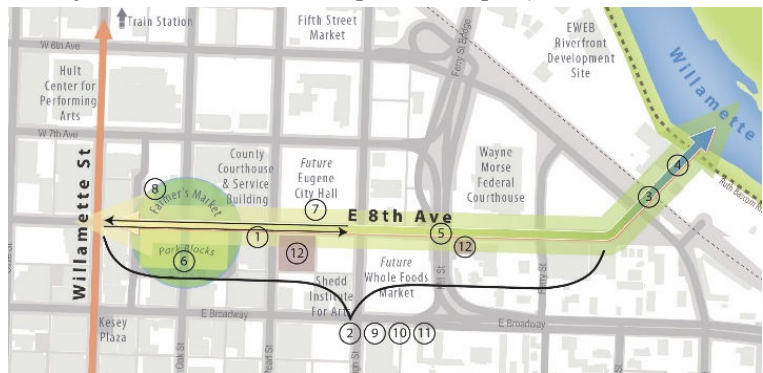
- Range of Options for Park Block improvements:

- ~ **Option A** – new restrooms; and repairs, upgrades and/or minor additions to lighting, security features, pavement, landscaping, benches, signage and other such amenities.
- ~ **Option B** – new restrooms; accessibility improvements; possible infrastructure improvements, such as a new canopy at the stage, curb extensions, textured street paving, or family-friendly fountain; significant improvement (including redesign) of lighting, security features, pavement, landscaping, benches, signage and other amenities.
- ~ **Option C** – all of the improvements listed above as well as significant street improvements, such as raising all of Park Street to create a curbsless street and enhanced pedestrian realm.

- Open Space improvements to Hult Plaza, Broadway Plaza, City Hall Plaza, and the connections leading to these spaces with art, furniture, and lighting:

- ~ **Options A & B**

- Hult Center Plaza improvements including accessibility, seating, lighting, signage and related enhancements and an outdoor information kiosk.
- Broadway Plaza improvements, including repairs, upgrades, additions to lighting, security features, pavement, landscaping, public art, benches, signage and other such amenities.
- City Hall Plaza improvements of either: defraying costs within the existing project budget; or allowing for higher quality materials and features, such as a fountain or art that may be beyond the current scope of the project.
- 8th Avenue and Willamette Street improvements, including pedestrian and bicycle path repairs or enhancements as well as lighting, landscaping, signage and other such amenities.



~ **Option C**

- Hult Center Plaza improvements, including accessibility, seating, lighting, signage and related enhancements, an outdoor information kiosk, and technology improvements such as an outdoor simulcast screen, allowing for greater equity and access to cultural and community events.
- Broadway Plaza improvements, including possible purchase of adjacent property for redevelopment as well as plaza enhancements such as possible pavilion, fountain, weather protection or other repairs, upgrades and/or additions to lighting, security features, pavement, landscaping, public art, benches, signage and other such amenities.
- City Hall Plaza improvements of either: defraying additional costs within the existing project budget; or allowing for more enhancements and higher quality materials and features such as a fountain and art that may be beyond the current scope of the project.
- 8th Avenue and Willamette Street improvements, including two way traffic, pedestrian and bicycle path repairs or enhancements as well as lighting, landscaping, signage, public art and other such amenities.

NEXT STEP

Start public engagement, which will articulate the community's vision and determine the specific improvements and needed investments to make.



ATTACHMENT B

Summary of Park Blocks/Open Space Improvements Funding Options

Funding Type City of Eugene	Description	Summary of Advantages/Disadvantages
General Obligation Bond	A debt instrument that allows the City to raise additional revenues for specific purposes by getting voter approval to raise property taxes to repay debt.	This is a familiar funding mechanism that could be coupled with other park projects. Would require voter approval of new taxes; requires significant lead time. Could be incorporated into a larger GO Bond proposal for parks and recreation facilities across the City.
Local Option Property Tax Levy	Time-limited new revenue source.	This is another familiar funding mechanism that could be coupled with other parks needs. Requires voter approval. Falls under the Measure 5 tax rate cap.
Full Faith & Credit (FF&C) Bonds	FF&C bonds are not a way to pay for a project; rather, they are one of several ways that can be employed to ensure that funds to be used to pay for a project are available when needed to pay for project expenses. FF&C are bonds that are backed by the City's promise to repay the debt from any available sources. Typically, this is done for revenue streams that do not have a strong history or that have a high level of uncertainty around the ability to repay the debt over time. In order for the lender to feel comfortable with the likelihood of getting repaid, the City's General Fund has to provide backing for the bonds.	By themselves, FF&C bonds are not a way to pay for a project. They are a way to take a dedicated stream of dollars and turn that stream into an upfront payment for a larger project. The key to a successful FF&C bond is to identify a reliable payment stream. FF&C bonds do not require a public vote.
General Fund	The General Fund is the largest fund used to account for discretionary expenditures and revenues. Public safety represents 55% of total General Fund spending, followed by culture and leisure, central business functions, and infrastructure and planning.	Fund is flexible and relies upon stable revenue sources, primarily property taxes. Use of General Funds is at the discretion of City Council. While the fund has stabilized post-recession, there are still insufficient resources to sustainably fund existing services, so this source is unlikely to be able provide funding for the Park Blocks improvements.
Increased Transient Room Tax Rate	The Transient Room Tax (TRT) is a 4.5% tax charged on all overnight stays in the city, including hotels and motels, campgrounds, retreat centers, RV parks, bed and breakfasts, and vacation rentals. These tax dollars are collected under the authority of the City's Transient Room Tax Ordinance, to be used for the promotion and development of tourism and visitor programs for Eugene.	Current TRT dollars are fully programmed, so an increase in the rate would be required to add services. This tax is largely paid by visitors, rather than City residents. Any increase would have to comply with state law restrictions on spending. Higher lodging costs could impact other downtown revitalization goals. The State just increased the TRT beginning July 2016. Historically, the City tries to move increases in concert with Springfield to maintain competitive balance.

Funding Type	Description	Summary of Advantages/Disadvantages
Parks SDCs	Parks System Development Charges (SDCs) are collected on all new development in the City and used to fund park construction and rehabilitation required to support new development. Park SDC fees are set based upon an approved project list.	Paid by new development for park improvements. For eligibility, the project work needs to be listed on the approved SDC project list. Included in the current project list is land acquisition to expand the park blocks and development of a children's playground in the downtown. The project list would need to be amended to include additional projects, or projects could be included in the next project list, which is a step in the current park and recreation system plan update process.
Community Development Block Grant (CDBG)	The City uses federal CDBG program funds for projects and programs that meet the federal regulations and national objectives, as laid out in the 5-year Consolidated Plan authorized by City Council.	Depending on project specifics, including location, and the prioritization goals of the Consolidated Plan, accessibility improvements may or may not be eligible for CDBG funds.
Road Capital Fund	The Road Capital Fund is funded by state and federal grants for specific projects competitively awarded to the City.	If successful, awarded funds could be used for changes to streets that surround the Park Blocks.
Urban Renewal Agency		
Extend Existing Urban Renewal Plan and District	The Downtown Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Existing tax increment funding is expected to end in winter of 2016.	The current Downtown Urban Renewal plan would need to be amended by council to extend this funding source. A plan amendment requires significant public process and a lengthy timeline. There is risk that the plan amendment ordinance would not be supported by overlapping taxing districts or would be referred by voters. For larger funding efforts, this could provide significant funding without raising taxes.
Terminate Existing Downtown Urban Renewal Plan and District	Termination of the Downtown District would result in tax increment dollars being returned to overlapping taxing districts, including the City's General Fund. There could be both a one-time deposit of existing funds remaining in the Downtown District accounts, as well as ongoing tax revenues at termination.	Current estimates of the amount to be returned to the City of Eugene annually would be approximately \$1 million. This would be consistent with the council's intent in 2010 to terminate the district at the end of the projects identified at that time. This would reduce the funds available to the City for downtown projects by approximately \$1 million per year (half).
State or Federal Sources		
State or Federal Grants	Possible funding source for improvements, depending on what is part of implementation.	Grants can be uncertain in terms of timing and amount.
Private Funds		
Downtown Service District Adjustments	Fees paid by downtown property owners to provide special services within the district.	Existing program; property owners share in the cost. Would increase costs for downtown businesses, which could slow the downtown revitalization momentum. Could be perceived as unfair because a small population would be paying for improvements to be used by the entire community.

Funding Type	Description	Summary of Advantages/Disadvantages
Private Donations	Community members contribute to a capital campaign to fund particular features in the improvement project.	Could build community enthusiasm for the project. Would take significant effort to develop the campaign; uncertainty about ability to raise the funds could delay project.

ATTACHMENT C

Downtown Redevelopment Tools

Below is a short description of downtown redevelopments tools that were used for past projects and that were considered along with new tools before arriving at the “possible funding options” for each of the four downtown improvement projects. (See [Attachment B](#) for the potential Park Blocks and Open Space improvements funding sources.) Some of these are tools that the City used to fund a City share of the project; some of them are tools that the City or other entities would offer to a private developer. The first three categories are City of Eugene, Downtown Urban Renewal, and Riverfront Urban Renewal. The tools that were utilized in the past and are not available are listed at the end.

City of Eugene

- **General Fund**
The General Fund is the largest fund used to account for discretionary expenditures and revenues. Public safety represents 55% of total General Fund spending, followed by culture and leisure, central business functions, and infrastructure and planning.
- **Borrowed Funds**
 - **General Obligation Bond Financing**
Voter approved General Obligation bonds could be used for public capital improvements that meet constitutional and statutory requirements. A property tax levy would be used to repay the bonds. (Examples: City Hall, Fire Station #1, Hult Center)
 - **HUD Section 108 Loan Guarantee Program**
By itself, a HUD Section 108 Loan Guarantee is not a way to pay for a project. It is a way to take a dedicated stream of dollars and turn that stream into an upfront payment for a larger project. Federal program where City can borrow up to five times the Community Development Block Grant (CDBG) allocation for CDBG eligible project. Future CDBG allocation used as secondary repayment source. Each activity assisted with Section 108 loan guarantees must meet one of the CDBG Program’s three National Objectives: 1) Benefit low and moderate income persons; 2) Prevent or eliminate slums or blight; or 3) Address imminent threats and urgent community needs. This was used for the Broadway Commerce Center project in combination with a BEDI grant of \$2 million, which covered the Section 108 related expenses. BEDI is not currently available. (Example: Broadway Commerce Center construction financing.)
 - **Full Faith & Credit or Revenue Bonds**
Bonds are not a way to pay for a project; rather, they are one of several ways that can be employed to ensure that funds to be used to pay for a project are available when needed to pay for project expenses. Revenue bonds are backed by a strong, proven stream of revenues from a revenue-producing project, without other guarantees. FF&C are bonds that are backed by the City’s promise to repay the debt from any available sources. Typically, this is done for revenue streams that do not have a strong history or that have a high level of uncertainty around the ability to repay the debt over time. In order for the lender to feel comfortable with the likelihood of getting repaid, the City’s General Fund has to provide backing for the bonds. (Examples: FF&C bonds used for Atrium Building, Downtown Library, Broadway Garages.)
- **Parking**
Providing onsite parking is not required by code in the downtown parking exempt zone. However, parking can be a key aspect for project success in securing financing and attracting tenants and customers. The City works with downtown businesses to provide parking options, including validated parking and bulk permit purchases. The primary parking options are in six large City public parking structures that account for over 2,500 parking spaces in the downtown core. To support desired retail activity, the City has provided favorable lease terms for retail spaces within the parking garages. (Examples: public private partnership for development of Broadway Place and the garages, Fertilab’s occupancy of retail space in the Arcade.)

- **SDC Financing**

Systems Development Charges (SDCs) are impact fees that are generally collected when expansion, new development, or an intensification of use occurs on property served by City infrastructure. SDCs may be paid in installments over a period not to exceed ten years. The interest rate on the unpaid SDC fees is the prime rate plus 2%. The property owner(s) incurs the SDCs and the City will secure a lien on the property to be developed for any unpaid balance of the SDCs and interest. Other security in lieu of lien may be acceptable. (Examples: First on Broadway, Park Place Apartments.)
- **Telecom Registration / Licensing Fund**

The Telecom Fund accounts for revenues and expenditures associated with the City's 2% business privilege tax imposed on providers of telecommunications services in Eugene. (Example: Broadband Pilot Project that connected high-speed fiber to the Broadway Commerce Center and Woolworth Building.)
- **Downtown Service District**

Fees paid by downtown property owners to provide special services within the district, primarily public safety services via the Downtown Guides.
- **Code Amendments**

As part of Envision Eugene, City Council has initiated code amendments to facilitate desired mixed use development for downtown and along transit corridors. The purpose of these amendments is to make changes and clarifications to the land use code (Eugene Code Chapter 9) that will help increase desired density and mixed uses and implement strategies identified through Envision Eugene as well as the Eugene Downtown Plan. (Examples: code amendments were necessary to support the development of the Inn at the 5th and the Northwest Community Credit Union.)
- **Alley Vacation**

The alley vacation process is a formal land use process used to facilitate land assembly and redevelopment. (Examples: the site for Lane Community College Downtown Campus on 10th Avenue and the Whole Foods Market on Broadway.)
- **City Loans to Developers**
 - **Business Development Fund**

The BDF provides loans to new and existing businesses, via the federal CDBG program, to create jobs and stimulate private sector investment. (Examples: Broadway Metro formerly Bijou Metro, Noisette Pastry Kitchen, Avant Assessment.)
 - **Housing Rehabilitation Fund**

The HRF is a revolving loan fund created with CDBG funds. The HRF generates \$400,000 per year in program income, which is made available for low-interest loans for rehabilitation of rental and homeownership units for low-income persons. This is a critical resource to maintain the existing housing units available to low-income persons. (Example: 1057 Charnelton Street.)
- **Affordable Housing Development Tools**

Housing Development programs includes funding for acquisitions, new development construction, rehabilitation, and project-related soft costs incurred by the jurisdictions. Eugene awards funds in this category through an annual Housing RFP. Subsidies for development include land, HOME Investment Partnership Program funds, system development charge waivers, and property tax exemptions. Regulatory incentives include density bonuses and reduction of parking requirements. Projects receiving funds include small developments for special need populations as well as medium sized affordable housing development. Projects may also utilize State provided Low-Income Housing Tax Credits. (Example: West Town on 8th and Aurora.)
- **Environmental Protection Agency / Brownfields Assessment Grant**

City has access to grant funds from EPA for brownfield assessments. (Example: 942 Olive.)
- **City Tenancy**

To help meet the bank's percent preleasing requirement for important redevelopment projects, the City has occupied and guarantee square footage of office space. (Example: Woolworth Building.)

- **Property Tax Exemptions**

Tax exemptions support desired outcomes like job creation and housing development. However, tax exemptions do not provide a source of funds for desired projects. For example, the Multiple-Unit Property Tax Exemption (MUPTTE) or the Vertical Housing Tax Exemption both support housing downtown, although neither provides a source for paying expenses like SDCs/permits or site preparation.

- **Multi-Unit Property Tax Exemption**

MUPTTE is an incentive program to encourage high quality, multi-unit downtown housing. The ten-year exemption is enabled by state law; each project must be approved by the Eugene City Council. Both rental housing and multi-unit housing for home ownership are eligible; student housing is ineligible. The commercial portion of a project is eligible for an exemption if deemed a public benefit by City Council. Projects must be within an area generally bounded by Charnelton Street, 11th Avenue, Hilyard Street, the Willamette River, and Shelton McMurphy Boulevard. (Examples: Tate, Broadway Place, First on Broadway.)

- **Low-income Rental Housing Property Tax Exemption (LIRPTE) & Low-Income Housing Property Tax Exemption (LITE)**

Both LITE and the 20 year LIRPTE are enabled by state statute. A LITE provides an annual exemption for properties that are used for the purposes of a nonprofit corporation. This housing is not required to be rental housing. For more information, refer to Eugene City Code 2.910-2.922. The LIRPTE provides a 20-year exemption for properties constructed after February 12, 1990 and is offered for rent or held for the purpose of developing low-income rental housing. An applicant requesting a 20-year exemption is not required to be a nonprofit in certain instances. For more information, refer to Eugene City Code 2.937-2.940. Since 1990, LIRPTE has benefited 1,168 affordable housing units. (Examples: West Town on 8th, Aurora.)

- **Private funds**

Funds from property owners, businesses, investors, community members, conventional lenders to fund particular aspects of project. (Example: Reopening Broadway to vehicle traffic.)

Downtown Urban Renewal Agency

- **Downtown Urban Renewal Funds**

The Downtown Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Eligible uses of funds are described in the Downtown Urban Renewal Plan. Prior uses have included land assembly (e.g. for the Hult Center and RAIN at 942 Olive) and public facilities (e.g. library and LCC). The only remaining capital project currently authorized in the Plan is for \$500,000 of improvements to the Park Blocks for the Farmers' Market. (Examples: \$25M library, \$8M LCC downtown campus plus contributed land valued at \$1.6M.)

- **Downtown Revitalization Loan Program**

The DRLP is a flexible financing program designed to i) encourage investments within the Downtown Urban Renewal District that contribute to the economic vibrancy and density goals for downtown and ii) be responsive to unique redevelopment opportunities, downtown redevelopment challenges, and individual project financing needs. (Examples: the McDonald Theatre, the Jazz Station, Oregon Contemporary Theater, Davis Restaurant, Shoe-A-Holic, Harlequin Beads, the Barn Light, Sizzle Pie, First National Tap House, First on Broadway, Red Wagon Creamery, Party Downtown, Broadway Commerce Center, Off the Waffle, Woolworth Building, Cowfish, and Brenner's Furniture.)

Riverfront Urban Renewal Agency

- **Riverfront Urban Renewal Funds**

The Riverfront Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Eligible uses of funds are described in the Riverfront Urban Renewal Plan. (Examples: Wayne Morse Federal Courthouse land assembly, Northwest Community Credit Union, and road improvements.)

- **Riverfront Renewal Loan Program**

River Loans is a revolving loan program designed to encourage capital investment within the Riverfront Urban Renewal District. The primary goal of River Loans is to provide funding assistance to projects that meet the goals and objectives of the following planning documents: Riverfront Urban Renewal District Plan, EWEB Riverfront Master Plan, and the Eugene Downtown Plan. River Loans are designed to be flexible and responsive

to unique redevelopment opportunities, specific redevelopment challenges, and specific individual project financing needs of the Riverfront area. River Loans are designed to encourage the following types of development: private, non-profit, mixed-use, and public/private partnerships. River Loans are funded through Urban Renewal District program revenue (i.e., non-tax increment dollars).

Redevelopment Tools Used In the Past and Not Available

- **BEDI Grant**

The Brownfields Economic Development Initiative federal grant was awarded to the City in 2005, one of 11 cities chosen that year. Used in conjunction with the HUD Section 108 Loan Guarantee Program, the BEDI funds minimize the potential loss of future CDBG allocations. (See above for description of Section 108.) Each activity assisted with Section 108 loan guarantees and BEDI funds must meet one of the CDBG Program's three National Objectives: 1) Benefit low and moderate income persons; 2) Prevent or eliminate slums or blight; or 3) Address imminent threats and urgent community needs. The City used the Section 108 and BEDI funds for the Broadway Commerce Center. No BEDI funds were appropriated in 2015 by the Federal government; no awards have been made since 2010.

- **Recovery Zone Bonds**

The American Recovery and Reinvestment Act of 2009 (ARRA) created several new types of tax-exempt bonds and qualified tax credit bonds under the Internal Revenue Code. The City received an allocation from the Federal government of *Recovery Zone Facility Bonds* of \$11,083,000. The bonds may be used by private companies to access tax-exempt financing. Up to \$8 million of Recovery Zone Facility Bonds were utilized for the Woolworth Building on Willamette Street between Broadway and 10th Avenue. The remainder of the bonds were waived due to the limited duration and reallocated by the state. The City received a *Recovery Zone Economic Development Bonds* allocation of \$7,389,000 from the Federal government. These bonds would provide a lower interest rate on borrowing for certain projects by public entities used by the end of calendar year 2010. As the City did not have any projects that would benefit from them, Lane Community College LCC used them in financing for the student housing portion of the Downtown Campus project.

- **EECBG**

Through the 2009 American Recovery and Reinvestment Act (Recovery Act), the U.S. Department of Energy's (DOE's) Energy Efficiency and Conservation Block Grant (EECBG) Program provided funds in block grants to cities, communities, states, U.S. territories, and Indian tribes to develop, promote, implement, and manage energy efficiency and conservation projects that ultimately created jobs. The City received EECBG funds in 2009 for business retro-fits and utilized them in the Broadway Commerce Center financing package for energy efficiency in the newly rehabilitated building.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Public Forum

Meeting Date: May 9, 2016
Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This segment allows citizens the opportunity to express opinions and provide information to the council. Testimony presented during the Public Forum should be on City-related issues and should not address items which have already been heard by a Hearings Official, or are on the present agenda as a public hearing item.

SUGGESTED MOTION

No action is required; this is an informational item only.

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: beth.l.forrest@ci.eugene.or.us

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Approval of City Council Minutes

Meeting Date: May 9, 2016
Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 2A
Staff Contact: Kris Bloch
Contact Telephone Number: 541-682-8497

ISSUE STATEMENT

This is a routine item to approve City Council minutes.

SUGGESTED MOTION

Move to approve the minutes of the April 25, 2016, Work Session and Meeting.

ATTACHMENTS

A. April 25, 2016, Work Session and Meeting

FOR MORE INFORMATION

Staff Contact: Kris Bloch
Telephone: 541-682-8497
Staff E-Mail: kris.d.bloch@ci.eugene.or.us

ATTACHMENT A

MINUTES

**Eugene City Council
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**April 25, 2016
5:30 p.m.**

Councilors Present: George Brown, Betty Taylor, Alan Zelenka, *George Poling via phone*, Mike Clark, Greg Evans Claire Syrett, Chris Pryor

Lane Transit District Board Members Present: Angelynn Pierce, Carl Yeh, Don Nordin, Ed Necker, Gary Gillespie, Gary Wildish, Julie Grossman

Mayor Piercy called the April 25, 2016, work session to order.

Chair Wildish opened the April 25, 2016, Lane Transit District (LTD) Joint Elected Officials work session.

A. WORK SESSION: MovingAhead Alternatives Review

Transportation Planning Engineer Chris Henry, Associate Planner Zach Galloway, and LTD Planner Sasha Luftig gave a PowerPoint presentation on MovingAhead, discussing community outreach, corridor overview, timelines, and next steps.

Discussion:

- Improved crossings needed, especially in new development areas.
- Most proposed routes are north-south; consideration of east-west routes needed as well.
- Enhanced corridors will provide more connections into neighborhoods.
- Issues for community are safety and access; more communication/outreach needed around these concerns.
- Appreciation expressed for robust community outreach and planning efforts.
- Proposed Trainsong Bridge would create better connectivity for neighbors.
- More discussion about concepts of complete streets and livable neighborhoods needed.

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to recommend action to further study the following MovingAhead corridor alternatives for evaluation of an alternative for the Alternative Analysis:

- Highway 99 Corridor
- River Road/30th Avenue/Lane Community College Corridor
- Coburg Road Corridor

And, recommend that the Martin Luther King Jr. Boulevard Corridor alternative advance as an Enhanced Corridor and a No-Build alternative for the Alternative Analysis. **PASSED 8:0**

Lane Transit District Board unanimously passed a similar motion.

Mayor Piercy adjourned the City Council work session at 6:44 p.m.

Chair Wildish adjourned the Lane Transit District Board work session at 6:44 p.m.

Respectfully submitted,

Chuck Crockett
Deputy City Recorder

MINUTES – Eugene City Council
Work Session and Meeting

April 25, 2016

Page 1

MINUTES

**Eugene City Council
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**April 25, 2016
7:30 p.m.**

Councilors Present: George Brown, Betty Taylor, Alan Zelenka, *George Poling via phone*, Mike Clark, Greg Evans, Claire Syrett, Chris Pryor

Mayor Piercy opened the April 25, 2016, City Council Meeting.

1. PUBLIC FORUM

1. J. Norton Cabell – Supported Community Development Block Grant (CDBG) projects.
2. Ralph McDonald – Supported withdrawal and refinement plan for SW-SAZ.
3. John Barofsky – Supported CDBG funding plan for projects.
4. Kasey White – Supported expansion and improvements for the Farmers Market.
5. Tom Mulhern – Supported CDBG funding plan for projects.
6. Joseph Newton – Opposed the new fencing at the Washington-Jefferson Park Bridge.
7. Leanne Adalia – Opposed the new fencing at the Washington-Jefferson Park Bridge.
8. James Neu – Supported the Climate Recovery Ordinance and ad-hoc committee.
9. Dana Jo Cook – Opposed the new fencing at the Washington-Jefferson Park Bridge.
10. Arwen Maas-Despain – Opposed the new fencing at the Washington-Jefferson Park Bridge.
11. Sue Sierralupé – Opposed the new fencing at the Washington-Jefferson Park Bridge.
12. Crystal Webb – Opposed the new fencing at the Washington-Jefferson Park Bridge.
13. Madeline Smith – Opposed the new fencing at the Washington-Jefferson Park Bridge.
14. Todd Kieser – Opposed the new fencing at the Washington-Jefferson Park Bridge.
15. Coreal Riday-White – Supported action and implementation of the climate ordinance.
16. Patty Hine – Supported action and implementation of the climate ordinance.
17. Laurie Powell – Supported action and implementation of the climate ordinance.
18. Amanda McCluskey – Supported CDBG funding plan for projects.
19. Camille Vaden – Said there is a desperate need for more affordable housing.
20. Peter Grotticelli – Supported more efforts for the homeless and climate ordinance.
21. Erik Riechers – Supported extension of the Downtown Urban Renewal District.
22. Corina MacWilliams – Supported action and implementation of the climate ordinance.
23. Charleen Strauch – Supported CDBG funding plan for projects.
24. Shiona Martin – Supported action and implementation of the climate ordinance.
25. Julie Lambert – Opposed the new fencing at the Washington-Jefferson Park Bridge.
26. Nick Moll – Supported action and implementation of the climate ordinance.
27. Erika Fortner – Supported cameras, red hats, and more police in neighborhoods.
28. Joshua Purvis – Supported extension of the Downtown Urban Renewal District.
29. Karrie Walters-Warren – Opposed the new fencing at the Washington-Jefferson Park Bridge.
30. Gabriel Warren – Opposed the new fencing at the Washington-Jefferson Park Bridge.
31. Christine Sundt – Opposed utility poles on sidewalks on South Willamette.
32. Christine Diane Henderson – Opposed new fencing at the Washington-Jefferson Park Bridge.
33. Susan Ban – Supported CDBG funding plan for projects.
34. Brennan Besancon – Supported expansion and improvement for the Farmers Market.
35. Barbi Goosens – Supported improvements for Farmers Market and Urban Renewal District.
36. Emily Reiman – Supported CDBG funding plan for projects.
37. Scott Bartlett – Supported council offices in the new city hall.
38. Chris Calef – Opposed the new fencing at the Washington-Jefferson Park Bridge.
39. Michael Gannon – Opposed the new fencing at the Washington-Jefferson Park Bridge.

Council discussion:

- Support expressed for all members of the community and refugees.
- Opposition expressed for new fencing at Washington-Jefferson park; money could be used for more rest stops.
- Support expressed for seeing a list of all City and Urban Renewal Agency-owned properties.
- Support expressed for all CDBG projects.
- Support expressed for more shelters for the community.

2. CONSENT CALENDAR

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to approve the items on the consent calendar. **PASSED 8:0**

3. ACTION: Eugene-Springfield 2017 One-Year Action Plan

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to approve the Eugene-Springfield 2017 One-Year Action Plan summary for use of Federal CDBG and HOME funds in FY17 provided in Attachment B. **PASSED 8:0**

Council discussion:

- Projects represent the best of what can be done for those in need at this time.
- Support expressed for more rest stops and car camping opportunities in the community.

4.**BROADWAY PLAZA UPDATE: Information Only**

Mayor Piercy and Community Development Manager Denny Braud gave a brief update on recent meetings with those who responded to the City's Request for Expressions of Interest for improvements to Broadway Plaza.

Council discussion:

- Community doesn't want it to be private or commercial space.
- Support expressed on a work session about how the City sells properties before a vote on Broadway Plaza is taken.
- Support expressed for more extensive community engagement before a vote.
- Doing nothing isn't working.
- Property is valuable to downtown improvement and City should sell it.

MOTION TO TABLE AND VOTE: Councilor Taylor, seconded by Councilor Brown, moved to declare that Kesey Square is not for sale, it is public property.

FAILED 3:5, Councilors Taylor, Brown and Syrett in support.

The meeting adjourned at 9:47 p.m.

Respectfully submitted,

Chuck Crockett
Deputy City Recorder

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: May 9, 2016
Department: City Manager’s Office
www.eugene-or.gov

Agenda Item Number: 2B
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This is a routine item to approve City Council Tentative Working Agenda.

BACKGROUND

On July 31, 2000, the City Council held a process session and discussed the Operating Agreements. Section 2, notes in part that, “The City Manager shall recommend monthly to the council which items should be placed on the council agenda. This recommendation shall be placed on the consent calendar at the regular City Council meetings (regular meetings are those meetings held on the second and fourth Monday of each month in the Council Chamber). If the recommendation contained in the consent calendar is approved, the items shall be brought before the council on a future agenda. If there are concerns about an item, the item may be pulled from the consent calendar at the request of any councilor or the Mayor. A vote shall occur to determine if the item should be included as future council business.” Scheduling of this item is in accordance with the Council Operating Agreements.

RELATED CITY POLICIES

There are no policy issues related to this item.

COUNCIL OPTIONS

The council may choose to approve, amend or not approve the tentative agenda.

CITY MANAGER’S RECOMMENDATION

Staff has no recommendation on this item.

SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

ATTACHMENTS

A. Tentative Working Agenda

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: beth.l.forrest@ci.eugene.or.us

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

May 3, 2016

MAY 9	MONDAY
--------------	---------------

5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: Downtown Improvements - Farmers Market		45 mins – PDD/Laurence
B. WS: Downtown Improvements - Park Blocks/Open Spaces		45 mins – PDD/Laurence

7:30 p.m.	Council Meeting	
Harris Hall	Expected Absences:	
1. Public Forum		
2. Consent Calendar		
a. Approval of City Council Minutes		CS/Bloch
b. Approval of Tentative Working Agenda		CS/Forrest
c. Ratification of MWMC Budget		PW/Huberd
d. Resolution Annexing Land at Briars Street and Emily Lane (Krumdieck, Richard; A 16-1)		PDD/Gioello
e. Resolution Annexing Land at Woodruff Street and East Enid Road (Prairieview Ventures)		PDD/Gioello
3. Action: Resolution on Housing First		CS/Cariaga
4. Committee Reports: LWP, Chamber of Commerce, HPB, LRAPA, MWMC		

MAY 11	WEDNESDAY	**NOTE: BUDGET COMMITTEE MEETING ADDED**
---------------	------------------	---

Noon	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: Avago Technologies Enterprise Zone Investment		45 mins – PDD/Braud
B. WS: Housing and Homeless Update		45 mins – CS/Cariaga

5:30 p.m.	Budget Committee Meeting
B/T Room, Library	Expected Absences:
A. City Manager Presents Proposed Budget	

MAY 16	MONDAY
---------------	---------------

5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
1. WS: Community Justice Update		90 mins – CS/Hammitt

MAY 18	WEDNESDAY	**NOTE: BUDGET COMMITTEE MEETING ADDED**
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Noon	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: Downtown Improvements – Former LCC Downtown Center		45 mins – PDD/Fifield
B. WS: Climate Recovery Ordinance Update		45 mins – CS/McRae

5:30 p.m.	Budget Committee Meeting
B/T Room, Library	Expected Absences:
A. Public Comment and Budget Committee Deliberation	

MAY 23	MONDAY
---------------	---------------

5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: Enterprise Zone Program		60 mins – PDD/Braud
B. Committee Reports and Items of Interest from Mayor, City Council and City Manager		30 mins

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

May 3, 2016

7:30 p.m. Council Meeting
Harris Hall Expected Absences:

1. Pledge of Allegiance to the Flag (Memorial Day)
2. Public Forum
3. Consent Calendar
 - a. Approval of City Council Minutes
 - b. Approval of Tentative Working Agenda
4. PH: Exemption to Burn Ban Ordinance
5. PH: Downtown Urban Renewal Plan Amendment

CS/Bloch
CS/Forrest
PW/Miller
PDD/Nobel

MAY 25	WEDNESDAY
---------------	------------------

Noon Council Work Session
Harris Hall Expected Absences:

A. URA WS: Downtown Urban Renewal Plan Amendment – Review Comments 90 mins – PDD/Nobel

MAY 26	THURSDAY	**NOTE: BUDGET COMMITTEE MEETING ADDED**
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6:15 p.m. Budget Committee Meeting
B/T Room, Library Expected Absences:

A. Public Hearing and Budget Committee Deliberation & Recommendation

JUNE 8	WEDNESDAY
---------------	------------------

Noon Council Work Session
Harris Hall Expected Absences: Piercy

A. WS: Downtown Urban Renewal Plan Amendment 45 mins - PDD/Nobel
 B. WS: Downtown Parking 45 mins – PDD/Petry

JUNE 13	MONDAY
----------------	---------------

5:30 p.m. Council Work Session
Harris Hall Expected Absences:

A. Committee Reports: PC, South Willamette EDC, LTD/EmX, OMPOC, McKenzie Watershed
 B. WS: Climate Recovery Ordinance Update 45 mins – CS/McRae

7:30 p.m. Council Meeting
Harris Hall Expected Absences:

1. Pledge of Allegiance to the Flag (Flag Day)
2. Public Forum
3. Consent Calendar
 - a. Approval of City Council Minutes
 - b. Approval of Tentative Working Agenda
4. Action: CDBG Human Service Cap RFP
5. Action: Appointments to Boards, Committees and Commissions

CS/Bloch
CS/Forrest
PDD/Jennings
CS/Forrest

JUNE 15	WEDNESDAY
----------------	------------------

Noon Council Work Session
Harris Hall Expected Absences:

A. WS: \$15 Minimum Wage for City and Contract Employees 45 mins – CS/
 B. WS: Rental Housing Code 45 mins – PDD/Nicholas

JUNE 20	MONDAY
----------------	---------------

7:30 p.m. Council Public Hearing
Harris Hall Expected Absences:

1. PH: Ordinance on Metro Plan Amendments - Brenelaine Investments PDD/Galloway

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

May 3, 2016

JUNE 22 WEDNESDAY

Noon Council Work Session
Harris Hall Expected Absences:
 A. WS: Minority, Women, & Disadvantaged Business Enterprise 45 mins – CS/Silvers
 B. WS: (*Police Auditor Annual Performance Evaluation*)

JUNE 27 MONDAY

5:30 p.m. Council Work Session
Harris Hall Expected Absences:
 A. Committee Reports and Items of Interest from Mayor, City Council and City Manager 30 mins
 B. WS:

7:30 p.m. Council Meeting
Harris Hall Expected Absences:

1. Public Forum
2. Consent Calendar
 - a. Approval of City Council Minutes CS/Bloch
 - b. Approval of Tentative Working Agenda CS/Forrest
3. PH and Action: COE Supplemental Budget CS/Miller
4. PH and Action: COE FY17 Proposed Budget CS/Miller
5. PH and Action: URA Supplemental Budget CS/Miller
6. PH and Action: URA FY17 Proposed Budget CS/Miller

JUNE 29 WEDNESDAY

Noon Council Work Session
Harris Hall Expected Absences:
 A. WS: Healthy Downtown 45 mins – PDD/Hammond
 B. WS: Overview of Chronic Nuisance Code 45 mins- PDD/Nicholas

JULY 11 MONDAY

5:30 p.m. Council Work Session
Harris Hall Expected Absences:
 A. Committee Reports and Items of Interest: HRC, SC, HSC, LCOG, MPC, PSCC 30 mins
 B. WS:

7:30 p.m. Council Meeting
Harris Hall Expected Absences:

1. Pledge of Allegiance to the Flag (Independence Day)
2. Public Forum
3. Consent Calendar
 - a. Approval of City Council Minutes CS/Bloch
 - b. Approval of Tentative Working Agenda CS/Forrest
 - c. Authorization of EWEB Bond (refinancing) CS/Cutsogeorge

JULY 13 WEDNESDAY

Noon Council Work Session
Harris Hall Expected Absences:
 A. WS: Renter Displacement Protection 45 mins – PDD/Jennings
 B. WS:

JULY 18 MONDAY

7:30 p.m. Council Public Hearing
Harris Hall Expected Absences:
 1. PH:

A=action; PH=public hearing; WS=work session

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EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

May 3, 2016

JULY 20	WEDNESDAY
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Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	
B. WS:	

JULY 25	MONDAY
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5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
A. Committee Reports and Items of Interest from Mayor, City Council and City Manager		30 mins
B. WS:		

7:30 p.m.	Council Meeting	
Harris Hall	Expected Absences:	
1. Public Forum		
2. Consent Calendar		
a. Approval of City Council Minutes		CS/Bloch
b. Approval of Tentative Working Agenda		CS/Forrest

JULY 27	WEDNESDAY
----------------	------------------

Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	
B. WS:	

COUNCIL BREAK: JULY 28, 2016 – SEPTEMBER 12, 2016

SEPTEMBER 12	MONDAY
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5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports: LWP, Chamber of Commerce, HPB, LRAPA, MWMC	
B. WS:	

7:30 p.m.	Council Meeting	
Harris Hall	Expected Absences:	
1. Public Forum		
2. Consent Calendar		
a. Approval of City Council Minutes		CS/Bloch
b. Approval of Tentative Working Agenda		CS/Forrest

SEPTEMBER 14	WEDNESDAY
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Noon	Council Work Session	
Harris Hall	Expected Absences:	
A. WS:		45 mins –
B. WS:		45 mins –

SEPTEMBER 19	MONDAY
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7:30 p.m.	Council Public Hearing
Harris Hall	Expected Absences:
1. PH:	

A=action; PH=public hearing; WS=work session

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

May 3, 2016

SEPTEMBER 21	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	45 mins –
B. WS:	45 mins –
SEPTEMBER 26	MONDAY
5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports and Items of Interest from Mayor, City Council and City Manager	30 mins
B. WS:	
7:30 p.m.	Council Meeting
Harris Hall	Expected Absences:
1. Public Forum	
2. Consent Calendar	
a. Approval of City Council Minutes	CS/Bloch
b. Approval of Tentative Working Agenda	CS/Forrest
SEPTEMBER 28	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	45 mins –
B. WS:	45 mins –
OCTOBER 10	MONDAY
5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports and Items of Interest: HRC, SC, HSC, LCOG, MPC, PSCC	30 mins
B. WS:	
7:30 p.m.	Council Meeting
Harris Hall	Expected Absences:
1. Public Forum	
2. Consent Calendar	
a. Approval of City Council Minutes	CS/Bloch
b. Approval of Tentative Working Agenda	CS/Forrest
OCTOBER 12	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	
B. WS:	
OCTOBER 17	MONDAY
7:30 p.m.	Council Public Hearing
Harris Hall	Expected Absences:
1. PH:	
OCTOBER 19	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	
B. WS:	

A=action; PH=public hearing; WS=work session

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**EUGENE CITY COUNCIL
TENTATIVE WORKING AGENDA
May 3, 2016**

OCTOBER 24	MONDAY
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5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
A. Committee Reports and Items of Interest from Mayor, City Council and City Manager		30 mins
B. WS:		

7:30 p.m.	Council Meeting	
Harris Hall	Expected Absences:	
1. Public Forum		
2. Consent Calendar		
a. Approval of City Council Minutes		CS/Bloch
b. Approval of Tentative Working Agenda		CS/Forrest

OCTOBER 26	WEDNESDAY
-------------------	------------------

Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS:	
B. WS:	

ON THE RADAR

Work Session Polls/Council Requests	Status
1. Public notice requirements and policies for property sales (Clark)	TBD

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Ratification of the Metropolitan Wastewater Management Commission (MWMC) FY17 Regional Wastewater Program Budget and Capital Improvements Program

Meeting Date: May 9, 2016
 Department: Public Works
www.eugene-or.gov

Agenda Item Number: 2C
 Staff Contact: John Huberd
 Contact Telephone Number: 541-682-8603

ISSUE STATEMENT

This agenda item relates to the ratification of the FY17 budget for the regional wastewater program serving the Eugene/Springfield metro area, as established under the 1977 Intergovernmental Agreement (IGA) between the City of Eugene, the City of Springfield, and Lane County. The regional wastewater program is managed by the Metropolitan Wastewater Management Commission (MWMC) pursuant to the provisions of the IGA. The regional Wastewater budget provides funds for all regional operations, maintenance, administration, and capital project management and implementation for regional facilities. These include the Eugene/Springfield Water Pollution Control Facility, the Biosolids Management Facility, the Biocycle Farm, the Reclaimed Water Facility, and regional wastewater pump stations.

BACKGROUND

The purpose of the regional wastewater program is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene/Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations.

The commission and the regional wastewater program staffs have worked together to identify the following key outcomes:

1. High environmental standards.
2. Fiscal management that is effective and efficient.
3. A successful intergovernmental partnership.
4. Maximum reliability and useful life of regional assets and infrastructure.
5. Public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives for maintaining water quality and a sustainable environment.

These key outcomes and goals are in direct alignment with the City of Eugene Council goals.

Every year MWMC develops a budget that covers resource needs of the operations, maintenance, and capital improvement activities for the regional wastewater program. These activities are divided between Eugene and Springfield. The regional budget combines the portions of the City of Eugene and City of Springfield budgets that are dedicated to the regional wastewater program. The commission conducted a public hearing on the proposed draft budget for FY17 and subsequently adopted the budget on April 8, 2016. The commission's adopted budget is attached for council consideration (see Attachment A). The budget reflects the continuing focus on design and construction of capital improvements in the approved 2004 Facilities Plan, needed to ensure the operation of the Regional Wastewater Facilities meets increasing environmental regulations and the collection and treatment capacity will be available to provide for growth in the service area. The adopted budget includes the financial resources necessary to support the regional program. The personnel, operations and maintenance, and capital outlay budget increases by two percent from the FY16 budget.

During the April 8 meeting, the commission approved an overall two percent increase in the regional wastewater user rates to generate revenue for the proposed budget and, pursuant to the recommendations of the MWMC financial advisor, to address needs for future Capital Improvement Program (CIP) financing consistent with the commission's Financial Plan policies and net revenue objectives. The revenues generated by the user rate increase are consistent with the MWMC's approved financial plan to maintain an unenhanced credit rating of A and adequately fund operations, administration, capital financing, debt service, and reserves.

RELATED CITY POLICIES

This action item is related to the City Council goals of "Sustainable Development", "Effective, Accountable, Municipal Government" and "Fair, Stable and Adequate Financial Resources."

COUNCIL OPTIONS

1. Approve motion to ratify the FY17 MWMC budget.
2. Return the FY17 MWMC Regional Wastewater Program Budget and Capital Improvements Program to MWMC with specific requests for modification and reconsideration.

CITY MANAGER'S RECOMMENDATION

The City manager recommends ratification of the proposed FY17 MWMC Budget and Capital Improvements Program.

SUGGESTED MOTION

Move to ratify the FY17 MWMC Budget.

ATTACHMENTS

- A. Transmittal letter and MWMC FY17 Proposed Regional Wastewater Program Budget and Capital Improvements Program

FOR MORE INFORMATION

Staff Contact: John Huberd, Finance and Administration Manager, Wastewater Division

Telephone: 541-682-8603

Staff E-Mail: john.c.huberd@ci.eugene.or.us

Metropolitan Wastewater Management Commission



partners in wastewater management

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WASTEWATER
MANAGEMENT*

www.mwmcpartners.org

**MWMC
Commission**

Joe Pishioneri
Springfield City Councilor
MWMC President

Bill Inge
Lane County Citizen
MWMC Vice-President

George Brown
Eugene City Councilor

Faye Stewart
Lane County Commissioner

Doug Keeler
Springfield Citizen

Walt Meyer
Eugene Citizen

Hilary Loud
Eugene Citizen

Administration

Matt Stouder
MWMC General Manager
City of Springfield
225 Fifth Street
Springfield, Oregon 97477
(541) 726-3694
FAX (541) 726-2309

Operations

Michelle Cahill
Director of Wastewater Div.
City of Eugene
410 River Avenue
Eugene, Oregon 97404
(541) 682-8600
FAX (541) 682-8601

April 21, 2016

Mr. Jon Ruiz, City Manager
City of Eugene
777 Pearl Street
Eugene, Oregon 97401

Subject: Metropolitan Wastewater Management Commission (MWMC)
2016-17 Regional Wastewater Program (RWP) Budget and
Capital Improvements Program (CIP)

Dear Mr. Ruiz:

On April 8, 2016 the MWMC held a public hearing on the fiscal year (FY) 2016-17 Regional Wastewater Program (RWP) Budget and Capital Improvements Program (CIP). At this meeting, the FY 2016-17 RWP Budget and CIP were approved. The RWP Budget funds operating and capital project requirements, and maintains targeted contributions to reserves.

Consistent with the Intergovernmental Agreement, the RWP Budget and CIP need to be ratified by the governing bodies of Eugene, Springfield, and Lane County prior to final adoption by MWMC. Please forward the enclosed budget and CIP documents to the Eugene City Council for their consideration on May 9, 2016. If I can be of any additional assistance, please contact me at 541-726-3694.

Thank you for your consideration and assistance in this matter.

Sincerely,

Matt Stouder
MWMC General Manager

Preliminary REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENTS PROGRAM



Metropolitan Wastewater Management Commission



partners in wastewater management



Fiscal Year 2016-17

Item 2.C.

Preliminary
REGIONAL WASTEWATER PROGRAM
BUDGET
and
CAPITAL IMPROVEMENTS PROGRAM
Fiscal Year 2016-17

The Metropolitan Wastewater Management Commission adopted the Operating Budget and Capital Improvements Program (CIP) for FY 16-17 on April 8, 2016. The Budget and CIP are currently scheduled for consideration and ratification by the Springfield City Council on May 2, 2016, the Eugene City Council on May 9, 2016, and the Lane County Board of Commissioners on May 17, 2016. The Commission is scheduled for final consideration and ratification of the Budget and CIP on June 10, 2016.

COMMISSION MEMBERS:

Joe Pishioneri, President (Springfield)
Bill Inge, Vice President (Lane County)
George Brown (Eugene)
Doug Keeler (Springfield)
Hilary Loud, (Eugene)
Walt Meyer (Eugene)
Faye Stewart (Lane County)

STAFF:

Anette Spickard, MWMC Executive Officer/Springfield Development and Public Works Director
Matthew Stouder, MWMC General Manager/Springfield Environmental Services Manager
Michelle Cahill, Eugene Wastewater Division Director
Robert Duey, MWMC Finance Officer/Springfield Finance Director

www.mwmcpartners.org

Item 2.C.

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Item 2.C.

METROPOLITAN WASTEWATER MANAGEMENT COMMISSION
***Preliminary* FY 16-17 BUDGET AND CAPITAL IMPROVEMENTS PROGRAM
for the
REGIONAL WASTEWATER PROGRAM**
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Item 2.C.

PROGRAM OVERVIEW

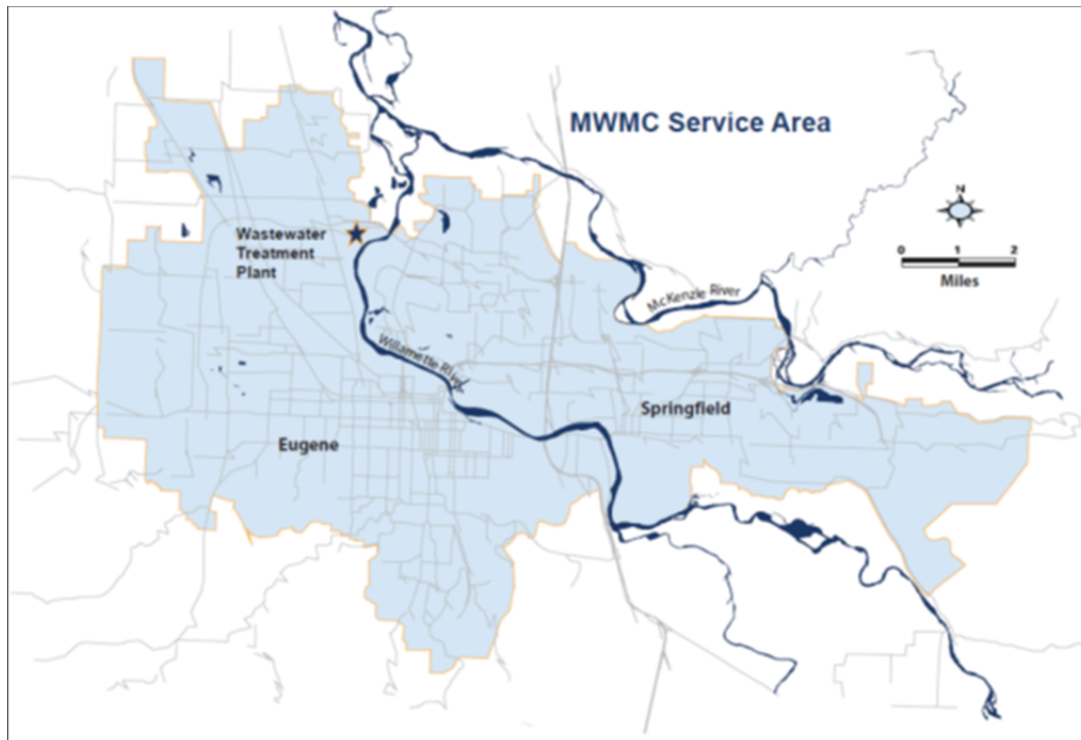
Item 2.C.

BUDGET MESSAGE

Members of the Metropolitan Wastewater Management Commission (MWMC) MWMCs' Customers and Partnering Agencies

We are pleased to present the Metropolitan Wastewater Management Commission's (MWMC) budget for fiscal year 2016-17 (FY 16-17). This budget funds operations, administration, and capital projects planned for the Regional Wastewater Program (RWP). The MWMC administration and Capital Improvements Program (CIP) components of the budget are reflected in the City of Springfield's RWP budget. The operations, maintenance, equipment replacement, and major rehabilitation components are reflected in the City of Eugene's RWP budget. The Cities' Industrial Pretreatment Programs, managed locally in compliance with the MWMC Model Ordinance, also are included in the RWP budget.

The MWMC has been quietly providing high-quality wastewater services to the metropolitan area for more than 30 years. The combined Eugene-Springfield population is 220,840, with the MWMC providing wastewater services for approximately 77,200 residential and commercial service connections to the Regional Wastewater Facilities. The MWMC is committed to clean water, the community's health, and the local environment.



This budget reflects a continued focus on design and construction of capital improvements planned to ensure that operation of the Regional Wastewater Facilities meets environmental regulations, and that adequate capacity will be provided to meet the needs of a growing service area. The Capital budget for FY 16-17 is \$36,941,600. Approximately \$20 million of the total capital budget will not be spent in FY 16-17, but is included to enable MWMC to commit to contracts that will occur in FY 16-17 for projects that span multiple years.

The FY 16-17 RWP Operating Budget for personnel services, materials and services and capital outlay expense is \$17,700,630, reflecting a 2% increase when compared to the prior year adopted budget. The FY 16-17 budget includes Debt Service payments that total \$5,504,462 as scheduled for repayment of \$20.8 million in Clean Water SRF loans, plus \$33.25 million in revenue bonds issued in 2016 to fund the Facilities Plan capital improvements. In FY 15-16, the 2006 revenue bonds were retired early, along with an advance refunding on the 2008 revenue bonds for interest cost saving, resulting in the 2016 revenue bonds. As such, the table below reflects a lower amount in beginning cash, reserves and debt service expenses in FY 16-17.

REGIONAL WASTEWATER PROGRAM RESOURCE AND EXPENDITURE SUMMARY			
	ADOPTED BUDGET 2015-16	AMENDED BUDGET 2015-16	ADOPTED BUDGET 2016-17
RESOURCES			
Beginning Cash	\$107,167,940	\$110,160,579	\$76,342,200
User Fees	30,987,500	30,987,500	31,327,500
Internal Transfers	16,878,904	21,428,904	13,570,191
Miscellaneous	1,273,800	1,273,800	1,061,110
System Development Charges	1,100,000	1,100,000	1,200,000
Interest	434,300	434,300	403,200
	\$157,842,444	\$165,385,083	\$123,904,201
EXPENDITURES			
Reserves	\$92,512,921	\$36,935,342	50,187,318
Capital Projects	21,938,604	44,322,560	36,941,600
Internal Transfers	16,878,904	21,428,904	13,570,191
Operations	13,516,071	13,636,525	13,899,707
Debt Service	9,163,743	44,808,743	5,504,462
Administration	3,832,201	3,787,009	3,800,923
	\$157,842,444	\$165,385,083	\$123,904,201

For FY 16-17 user fee revenues (including septage service and SDC compliance charges) are projected at \$31,327,500. This level of revenue is based on a recommended 2% increase in regional wastewater user fees in order to continue to meet the net revenue objectives.

In summary, the FY 16-17 budget implements the Commission's adopted Financial Plan policies, funding operations and administration sufficiently to maintain existing levels of service and to meet the environmental performance necessary for compliance with the National Pollutant Discharge Elimination System (NPDES) permit issued to the MWMC and the two Cities.

Respectfully submitted,

Anette Spickard
MWMC Executive Officer

ACRONYMS AND EXPLANATIONS

AMCP – Asset Management Capital Program. The AMCP implements the projects and activities necessary to maintain functionality, lifespan, and effectiveness of the MWMC facility assets on an ongoing basis. The AMCP is administered by the City of Eugene for the MWMC.

ARRA – American Reinvestment and Recovery Act. This funding was part of the federal government’s economic stimulus program and issued loans under favorable conditions to stimulate infrastructure and capital project investment.

BMF – Biosolids Management Facility. The Biosolids Management Facility is an important part of processing wastewater where biosolids generated from the treatment of wastewater are turned into nutrient rich, beneficial organic materials.

CIP – Capital Improvements Program. This program implements projects outlined in the 2004 Facilities Plan and includes projects that improve performance, or expand treatment or hydraulic capacity of existing facilities.

CMOM – Capacity Management and Maintenance Program. The CMOM program addresses wet weather issues such as inflow and infiltration with the goal to eliminate sanitary sewer overflows to the extent possible and safeguard the hydraulic capacity of the regional wastewater treatment facility.

CWSRF – Clean Water State Revolving Fund. The Clean Water State Revolving Fund loan program is a federal program administered by the Oregon DEQ that provides low-cost loans for the planning, design and construction of various water pollution control activities. (DEQ)

EMS – Environmental Management System. An EMS is a framework to determine the environmental impacts of an organization’s business practices and develop strategies to address those impacts.

ESD – Environmental Services Division. The ESD is a division of the City of Springfield’s Development and Public Works Department that promotes and protects the community’s health, safety, and welfare by providing professional leadership in the protection of the local environment, responsive customer service, and effective administration for the Regional Wastewater Program.

IGA – Intergovernmental Agreement. Pursuant to ORS 190.010, ORS 190.080, and ORS 190.085, the IGA is an agreement between the cities of Eugene and Springfield and Lane County that created the MWMC as an entity with the authority to provide resources and support as defined in the IGA for the Regional Wastewater Program.

MWMC – Metropolitan Wastewater Management Commission. The MWMC is the Commission responsible for the oversight of the Regional Wastewater Program. In this role, the MWMC protects the health and safety of our local environment by providing high-quality management of wastewater conveyance and treatment to the Eugene-Springfield community. The Commission is responsible for the oversight of the Regional Wastewater Program.

NPDES – National Pollutant Discharge Elimination System permit. The NPDES permit program is administered by the Oregon Department of Environmental Quality (DEQ) in fulfillment of federal Clean Water Act requirements. The NPDES permit includes planning and technology requirements as well as numeric limits on effluent water quality.

RWP – Regional Wastewater Program. Under the oversight of the MWMC, the purpose of the RWP is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene-Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations.

SDC – System Development Charge. SDCs are charges imposed on development so that government may recover the capital needed to provide sufficient capacity in infrastructure systems to accommodate the development.

SRF – Clean Water State Revolving Fund. The Clean Water State Revolving Fund loan program is a federal program administered by the Oregon DEQ that provides low-cost loans for the planning, design and construction of various water pollution control activities. (DEQ)

SSO – Sanitary Sewer Overflows. Discharges of raw sewage.

TMDL – Total Maximum Daily Load. The federal Clean Water Act defines *Total Maximum Daily Load* as the maximum amount of any pollutant that can be safely assimilated by a waterway in one day without significant degradation of water quality.

TSS – Total Suspended Solids. Organic and inorganic materials that are suspended in water.

WPCF – Regional Water Pollution Control Facility. The WPCF is a state-of-the-art facility providing treatment of the wastewater coming from the Eugene/Springfield metropolitan area. The WPCF is located on River Avenue in Eugene. The treatment plant and 49 pump stations distributed across Eugene and Springfield operate 24 hours a day, 7 days a week, 365 days a year to collect and treat wastewater from homes, businesses and industries before returning the cleaned water, or effluent, to the Willamette River. Through advanced technology and processes, the facility cleans, on average, up to 30 million gallons of wastewater every day.

WWFMP – Wet Weather Flow Management Plan. This plan evaluated and determined the most cost-effective combination of collection system and treatment facility upgrades needed to manage excessive wet weather wastewater flows in the Eugene/Springfield metropolitan area.

REGIONAL WASTEWATER PROGRAM OVERVIEW

The Metropolitan Wastewater Management Commission

The Metropolitan Wastewater Management Commission (MWMC) was formed by Eugene, Springfield, and Lane County through an intergovernmental agreement (IGA) in 1977 to provide wastewater collection and treatment services for the Eugene-Springfield metropolitan area. The seven-member Commission is composed of members appointed by the City Councils of Eugene (3 representatives), Springfield (2 representatives) and the Lane County Board of Commissioners (2 representatives). Since its inception, the Commission, in accordance with the IGA, has been responsible for oversight of the Regional Wastewater Program (RWP) including: construction, maintenance, and operation of the regional sewerage facilities; adoption of financing plans; adoption of budgets, user fees and connection fees; adoption of minimum standards for industrial pretreatment and local sewage collection systems; and recommendations for the expansion of regional facilities to meet future community growth. Staffing and services have been provided in various ways over the 39 years of MWMC's existence. Since 1983, the Commission has contracted with the Cities of Springfield and Eugene for all staffing and services necessary to maintain and support the RWP. Lane County's partnership has involved participation on the Commission and support to the Lane County Metropolitan Wastewater Service District (CSD), which managed the proceeds and repayment of general obligation bonds issued to construct RWP facilities.

Regional Wastewater Program Purpose and Key Outcomes

The purpose of the RWP is to protect public health and safety and the environment by providing high quality wastewater management services to the Eugene-Springfield metropolitan area. The MWMC and the regional partners are committed to providing these services in a manner that will achieve, sustain, and promote balance between community, environmental, and economic needs while meeting customer service expectations. Since the mid-1990s, the Commission and RWP staff have worked together to identify key outcome areas within which to focus annual work plan and budget priorities. The FY 16-17 RWP work plans and budget reflect a focus on the following key outcomes or goals. In carrying out the daily activities of managing the regional wastewater system, we will strive to achieve and maintain:

1. *High environmental standards;*
2. *Fiscal management that is effective and efficient;*
3. *A successful intergovernmental partnership;*
4. *Maximum reliability and useful life of regional assets and infrastructure;*
5. *Public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives of maintaining water quality and a sustainable environment.*

The Commission believes that these outcomes, if achieved in the long term, will demonstrate success of the RWP in carrying out its purpose. In order to determine whether we are successful, indicators of performance and targets have been identified for each key outcome. Tracking performance relative to identified targets over time assists in managing the RWP to achieve desired results. The following indicators and performance targets provide an important framework for the development of the FY 16-17 RWP Operating Budget, Capital Improvements Program and associated work plans.

Outcome 1: *Achieve and maintain high environmental standards.*

Indicators:	Performance:		
	FY 14-15 Actual	FY 15-16 Estimated Actual	FY 16-17 Target
• Amount of wastewater treated to water quality standards	100%; 11.6 billion gallons	100%; 12 billion gallons	100%; 14.3 billion gallons
• Compliance with environmental performance requirements of all permits	In compliance	In compliance	In compliance
• MWMC target for high quality biosolids	<50% EPA 40CFR Part 503.13 -Table 3 Pollutant Concentrations: Policy Met	<50% EPA 40CFR Part 503.13 -Table 3 Pollutant Concentrations: Policy Met	<50% EPA 40CFR Part 503.13 -Table 3 Pollutant Concentrations: Policy Met
• Volume of reclaimed water beneficially reused	88 million gallons	85 million gallons	80 million gallons
• Performance targets under the Environmental Management System are achieved	100% of EMS targets met or on schedule	100% of EMS targets met or on schedule	100% of EMS targets met or on schedule

Outcome 2: *Achieve and maintain fiscal management that is effective and efficient.*

Indicators:	Performance:		
	FY 14-15 Actual	FY 15-16 Estimated Actual	FY 16-17 Target
• Annual budget and rates meet MWMC Financial Plan policies	Policies Met	Policies Met	Policies Met
• Annual audited financial statements	Clean Audit	Clean Audit	Clean Audit
• Uninsured bond rating	AA	AA	A
• Reserves funded at target levels	Yes	Yes	Yes
• Net revenue to debt service coverage ratio	2.33	>1.25	>1.25

Outcome 3: *Achieve and maintain a successful intergovernmental partnership.*

Indicators:	Performance:		
	FY 14-15 Actual	FY 15-16 Estimated Actual	FY 16-17 Target
<ul style="list-style-type: none"> Industrial Pretreatment Program implementation in compliance with state/federal requirements; audit findings addressed 	In compliance	In compliance	In compliance
<ul style="list-style-type: none"> Capacity Management Operations and Maintenance (CMOM) Program development 	Adopted Regional CMOM Program Plan	Implemented Regional CMOM Program Plan	Implementation of Regional CMOM Program annual reporting
<ul style="list-style-type: none"> MWMC Facilities Plan projects consistent with CIP budget and schedule 	100% of initiated projects within budget and 50% (3 of 6 projects) on schedule	100% of initiated projects within budget and 86% (6 of 7 projects) on schedule	100% of initiated projects within budget and 50% on schedule

Outcome 4: *Maximize reliability and useful life of regional assets and infrastructure.*

Indicators:	Performance:		
	FY 14-15 Actual	FY 15-16 Estimated Actual	FY 16-17 Target
<ul style="list-style-type: none"> Preventive maintenance completed on time (best practices benchmark is 90%) 	97%	95%	90%
<ul style="list-style-type: none"> Preventative maintenance to corrective maintenance ratio (benchmark 4:1-6:1) 	5.2:1	5:1	5:1
<ul style="list-style-type: none"> Emergency maintenance required (best practices benchmark is <2% of labor hours) 	0.2%	0.3%	<2%

Outcome 5: *Achieve and maintain public awareness and understanding of MWMC, the regional wastewater system, and MWMC's objectives of maintaining water quality and a sustainable environment.*

Indicators:	Performance:		
	FY 14-15 Actual	FY 15-16 Estimated Actual	FY 16-17 Target
• Create and distribute e-newsletters	2 Newsletters	4 Newsletters	Increase distribution by 15% and readership by 10%
• Pollution prevention campaigns	2 Campaigns	4 Campaigns	2 campaigns; reaching 20% of residents in service area
• Provide tours of the Water Pollution Control Facility	20 Tours/about 700 people	27 Tours/more than 700 people	Provide tours for more than 750 people
• MWMC website traffic	Maintained visitor levels	Maintain visitor levels	Increase unique visitors by 15%
• Community survey	Completed survey and presented results	Results used to develop Communications Plan	Annual Review
• Communications Plan	--	Update completed	Annual Review
• Develop video series	Designed and began production	Final production completed and public release	---

Roles and Responsibilities

In order to effectively oversee and manage the RWP, the partner agencies provide all staffing and services to the MWMC. The following sections describe the roles and responsibilities of each of the partner agencies, and how intergovernmental coordination occurs on behalf of the Commission.

City of Eugene

The City of Eugene supports the RWP through representation on the MWMC, provision of operation and maintenance services, and active participation on interagency project teams and committees. Three of the seven MWMC members represent Eugene – two citizens and one City Councilor. Pursuant to the Intergovernmental Agreement (IGA), the Eugene Wastewater Division operates and maintains the Regional Water Pollution Control Facility (WPCF), the Biosolids Management Facility (BMF) and associated residuals and reclaimed water activities, along with regional wastewater pumping stations and transmission sewers. In support of the RWP, the Division also provides technical services for wastewater treatment; management of equipment replacement and infrastructure rehabilitation; biosolids treatment and recycling; industrial source control (in conjunction with Springfield staff); and regional laboratory services for wastewater and water quality analyses. These services are provided under contract with the MWMC through the regional funding of 77.40 full-time equivalent (FTE) employees.

City of Springfield

The City of Springfield supports the RWP through representation on the MWMC, provision of MWMC administration services, and active coordination of and participation on interagency project teams and committees. Two MWMC members represent Springfield – one citizen and one City Councilor. Pursuant to the IGA, the Springfield Development and Public Works Director, and the Environmental Services Manager serve as the MWMC Executive Officer and General Manager, respectively. The Environmental Services Division and Finance Department staff provide ongoing staff support to the Commission and administration of the RWP in the following areas: legal and risk management services; financial management and accounting; coordination and management of public policy; regulatory and permit compliance issues; coordination between the Commission and the governing bodies; long-range capital project planning, design, and construction management; coordination of public information, education, and citizen involvement programs; and coordination and development of regional budgets, rate proposals, and revenue projections. Springfield staff also provides local implementation of the Industrial Pretreatment Program, as well as billing coordination and customer service. These services are provided under contract with the MWMC through the regional funding of 14.58 FTE of Development and Public Works Department staff and 0.88 FTE of Finance Department staff, for a total 15.46 FTE as reflected in the FY 16-17 Budget.

Lane County

The Board of County Commissioners support the RWP through representation on the MWMC, including two MWMC members that represent Lane County – one citizen and one County Commissioner. Lane County's partnership initially included providing support to manage the proceeds and repayment of the RWP general obligation bonds to finance the local share of the RWP facilities construction. These bonds were paid in full in 2002. The County, while not presently providing sewerage, has the authority under its charter to do so. The Urban Growth Boundary includes the two Cities (urban lands) and certain unincorporated areas surrounding the

Cities which lies entirely within the County. Federal funding policy requires sewage treatment and disposal within the Urban Growth Boundary to be provided on a unified, metropolitan basis.

Interagency Coordination

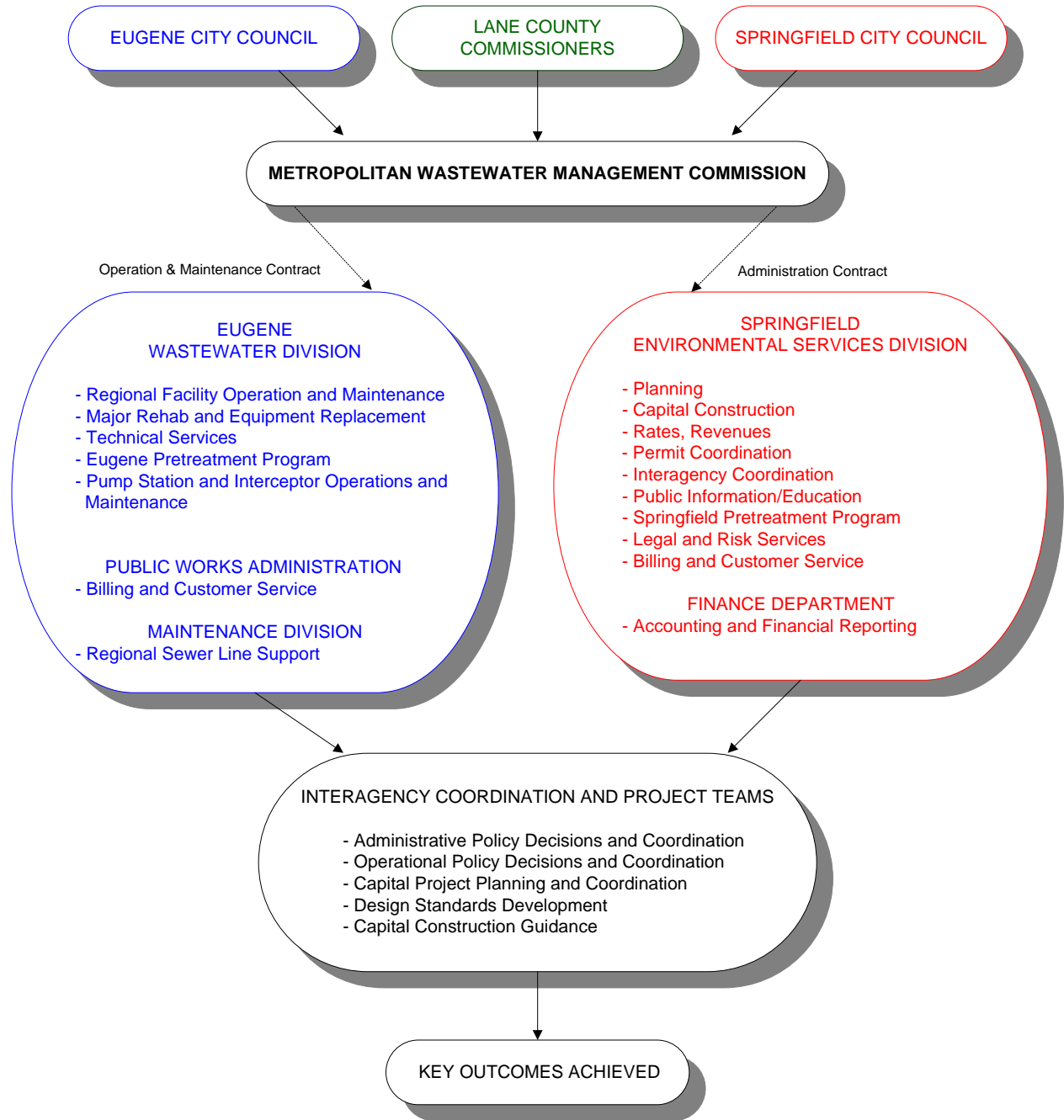
The effectiveness of the MWMC and the RWP depends on extensive coordination, especially between Springfield and Eugene staff, who provide ongoing program support. This coordination occurs in several ways. The Springfield ESD/MWMC General Manager and the Eugene Wastewater Division Director coordinate regularly to ensure adequate communication and consistent implementation of policies and practices as appropriate. The Eugene and Springfield Industrial Pretreatment Program supervisors and staff meet regularly to ensure consistent implementation of the Model Industrial Pretreatment Ordinance. Additionally, interagency project teams provide input on and coordination of ongoing MWMC administration issues and ad hoc project needs.

Exhibit 1 on the following page reflects the interagency coordination structure supporting the RWP. Special project teams are typically formed to manage large projects such as design and construction of new facilities. These interagency staff teams are formulated to provide appropriate expertise, operational knowledge, project management, and intergovernmental representation.

Relationship to Eugene and Springfield Local Sewer Programs

The RWP addresses only part of the overall wastewater collection and treatment facilities that serve the Eugene-Springfield metropolitan area. The Cities of Eugene and Springfield both maintain sewer programs that provide for construction and maintenance of local collection systems and pump stations, which discharge to the regional system. Sewer user fees collected by the two Cities include both local and RWP rate components.

EXHIBIT 1
REGIONAL WASTEWATER PROGRAM
INTERAGENCY COORDINATION STRUCTURE



Item 2.C.

BUDGET SUMMARY

Item 2.C.

**REGIONAL WASTEWATER PROGRAM
FY 16-17 BUDGET**

The MWMC's RWP Operating Budget provides the Commission and governing bodies with an integrated view of the RWP elements. Exhibit 2 provides a summary of the overall Operating Budget. Separate Springfield and Eugene agency budgets and staffing also are presented within this budget document. Major program areas supported by Springfield and Eugene are described in the pages that follow and are summarized in Exhibit 3 on page 14. Finally, Exhibit 4 on page 15 combines revenues, expenditures, and reserves to illustrate how funding for all aspects of the RWP is provided. It should also be noted that the "Amended Budget FY 15-16" column in all budget tables represents the updated FY 15-16 RWP budget as of February 23, 2016, which reconciled actual beginning balances at July 1, 2015, and approved budget transfers and supplemental requests.

EXHIBIT 2

REGIONAL OPERATING BUDGET SUMMARY:
INCLUDING RESERVE CONTRIBUTIONS

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE (1) INCR/(DECR)	
Full-Time Equivalent Staffing Level	93.29	93.29	92.86	(0.43)	-0.5%
Personnel Services (2)	\$10,102,922	\$10,072,730	\$10,303,071	\$200,149	2.0%
Materials & Services (2)	7,201,550	7,306,803	7,234,459	32,909	0.5%
Capital Outlay (2, 3)	45,000	45,000	163,100	118,100	262.4%
Equip Replacement Contribution (4)	650,000	650,000	250,000	(400,000)	-61.5%
Capital Contribution (5)	8,500,000	11,885,000	11,300,000	2,800,000	32.9%
Debt Service Contribution (6)	7,163,743	7,878,743	5,504,462	(1,659,281)	-23.2%
Bond Sale Costs	0	466,000	0	0	
Working Capital Reserve (7)	900,000	900,000	900,000	0	0.0%
Rate Stability Reserve (8)	2,000,000	2,000,000	2,000,000	0	0.0%
Insurance Reserve (9)	500,000	515,000	515,000	15,000	3.0%
Operating Reserve (10)	4,823,396	4,585,929	3,798,506	(1,024,890)	-21.2%
Rate Stabilization Reserve (11)	2,000,000	2,000,000	2,000,000	0	0.0%
SRF Loan Reserve (12)	670,908	670,908	670,908	0	0.0%
Revenue Bond Reserve (13)	4,100,000	0	0	(4,100,000)	0.0%
Budget Summary	\$48,657,519	\$48,976,113	\$44,639,506	(\$4,018,013)	-8.3%

Notes:

1. The Change column and Percent Change column compare the adopted FY 16-17 Budget with the originally Adopted FY 15-16 Budget column.
2. Personnel Services, Materials and Services, and Capital Outlay budget amounts represent combined Springfield and Eugene Operating Budgets that support the RWP.
3. Capital Outlay does not include CIP, Equipment Replacement, Major Capital Outlay, or Major Rehabilitation, which are capital programs.

4. The Equipment Replacement Contribution is a budgeted transfer of operating revenues to “sinking funds” (reserves) for scheduled future replacement of major equipment, vehicles, and computers. See table on page 21 for year-end balance.
5. The Capital Reserve Contribution is a budgeted transfer of operating revenues to “sinking funds” (reserves). Capital is passed through the Springfield Administration Budget. See table on page 22 for year-end balance.
6. The Debt Service line item is the sum of annual interest and principal payments on the Revenue Bonds and Clean Water State Revolving Fund (SRF) loans made from the Operating Budget (derived from user rates). The total amount of Debt Service budgeted in FY 16-17 is \$5,504,462 the balance of which is budgeted from SDCs.
7. The Working Capital Reserve acts as a revolving account which is drawn down and replenished on a monthly basis to fund Eugene’s and Springfield’s cash flow needs.
8. The Rate Stability Reserve is used to set aside revenues available at year-end after the budgeted Operating Reserve target is met. Internal policy has established a level of \$2 million for the Rate Stability Reserve. See Exhibit 5 on page 20 for year-end balance.
9. The Insurance Reserve was established to set aside funds equivalent to the insurance deductible amount for property and liability insurance coverage, for losses per occurrence.
10. The Operating Reserve is used to account for the accumulated operating revenues net of operations expenditures. The Commission’s adopted a policy provides minimum guidelines to establish the Operating Reserve balance at approximately 10% of the adopted Operating Budget. The Operating Reserve provides for contingency funds in the event that unanticipated expenses or revenue shortfalls occur during the budget year.
11. The Rate Stabilization Reserve was established at \$2 million as a result of the 2006 MWMC Revenue Bond Declaration and Covenants. It holds funds that are available if needed, to ensure Debt Service payments can be made.
12. The Clean Water SRF loan reserve is budgeted as required per loan agreements.
13. The Revenue Bond Reserve was created to provide assurances to the bond holders that adequate revenue coverage would be provided for future debt service obligations. Prior to FY 16-17, and to meet reserve requirements of the 2006 bond issuance the Bond Reserve was budgeted at \$4.1 million in the operating fund (as it was funded with user fees) and the Bond Reserve from the 2008 issuance was held in the capital funds budget at \$4.0 million. Beginning in FY 16-17, the revenue bond reserve is no longer a requirement due to the restructuring of the revenue bonds and improved financial position.

Metropolitan Wastewater Management Commission

Budget and Program Summary

EXHIBIT 3

REGIONAL WASTEWATER PROGRAM OPERATING BUDGET
LINE ITEM SUMMARY BY PROGRAM AREA

	ACTUAL FY 14-15	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE INCR/(DECR)	
SPRINGFIELD						
MWMC ADMINISTRATION						
Personnel Services	\$1,073,318	\$1,319,068	\$1,299,784	\$1,292,903	(\$26,165)	-2.0%
Materials & Services	1,703,218	1,926,147	1,910,947	1,917,781	(8,366)	-0.4%
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$2,776,536	\$3,245,215	\$3,210,731	\$3,210,684	(\$34,531)	-1.1%
INDUSTRIAL PRETREATMENT						
Personnel Services	\$300,986	\$340,867	\$335,289	\$331,231	(\$9,636)	-2.8%
Materials & Services	130,694	117,252	117,252	123,128	5,876	5.0%
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$431,680	\$458,119	\$452,541	\$454,359	(\$3,760)	-0.8%
ACCOUNTING						
Personnel Services	\$92,263	\$95,196	\$89,866	\$100,698	\$5,502	5.8%
Materials & Services	22,937	34,871	34,871	35,182	311	0.9%
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$115,200	\$130,067	\$124,737	\$135,880	\$5,813	4.5%
TOTAL SPRINGFIELD						
Personnel Services	\$1,466,567	\$1,755,131	\$1,724,939	\$1,724,832	(\$30,299)	-1.7%
Materials & Services	1,856,849	2,078,270	2,063,070	2,076,091	(2,179)	-0.1%
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$3,323,416	\$3,833,401	\$3,788,009	\$3,800,923	(\$32,478)	-0.8%
EUGENE						
ADMINISTRATIVE SERVICES						
Personnel Services	\$1,506,912	\$1,799,936	\$1,799,936	\$1,827,105	\$27,169	1.5%
Materials & Services	561,943	640,252	662,717	625,521	(14,732)	-2.3%
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$2,068,855	\$2,440,188	\$2,462,653	\$2,452,626	\$12,437	0.5%
BIOSOLIDS MANAGEMENT						
Personnel Services	\$1,125,091	\$1,265,210	\$1,265,210	\$1,276,526	\$11,316	0.9%
Materials & Services	782,347	990,888	1,016,060	1,018,329	27,442	2.8%
Capital Outlay	0	0	0	118,000	118,000	NA
TOTAL	\$1,907,438	\$2,256,098	\$2,281,270	\$2,412,855	\$156,758	6.9%
INDUSTRIAL SOURCE CONTROL						
Personnel Services	\$531,116	\$554,628	\$554,628	\$572,935	\$18,307	3.3%
Materials & Services	114,118	132,957	132,440	114,146	(18,811)	-14.1%
Capital Outlay	20,137	45,000	45,000	0	(45,000)	NA
TOTAL	\$665,371	\$732,585	\$732,068	\$687,081	(\$45,504)	-6.2%
TREATMENT PLANT						
Personnel Services	\$4,118,910	\$4,360,274	\$4,360,274	\$4,527,886	\$167,612	3.8%
Materials & Services	2,378,481	2,993,678	3,035,914	3,039,851	46,173	1.5%
Capital Outlay	6,728	0	0	0	0	NA
TOTAL	\$6,504,120	\$7,353,952	\$7,396,188	\$7,567,737	\$213,785	2.9%
REGIONAL PUMP STATIONS						
Personnel Services	\$114,018	\$191,450	\$191,450	\$195,102	\$3,652	1.9%
Materials & Services	287,361	307,501	338,765	303,748	(3,753)	-1.2%
Capital Outlay	0	0	0	45,100	45,100	NA
TOTAL	\$401,379	\$498,951	\$530,215	\$543,950	\$44,999	9.0%
BENEFICIAL REUSE SITE						
Personnel Services	\$126,361	\$176,293	\$176,293	\$178,685	\$2,392	1.4%
Materials & Services	48,972	58,004	57,838	56,774	(1,230)	-2.1%
Capital Outlay	0	0	0	0	0	NA
TOTAL	\$175,333	\$234,297	\$234,131	\$235,459	\$1,162	0.5%
TOTAL EUGENE						
Personnel Services	\$7,522,408	\$8,347,791	\$8,347,791	\$8,578,239	\$230,448	2.8%
Materials & Services	4,173,222	5,123,280	5,243,734	5,158,368	35,088	0.7%
Capital Outlay	26,865	45,000	45,000	163,100	118,100	262.4%
TOTAL	\$11,722,495	\$13,516,071	\$13,636,525	\$13,899,707	\$383,636	2.8%
TOTAL REGIONAL BUDGET		\$17,349,472		\$17,700,630	\$351,158	2.0%

EXHIBIT 4

REGIONAL WASTEWATER PROGRAM
BUDGET SUMMARY AND COMPARISON

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE * INC(DEC)
<u>OPERATING BUDGET</u>				
Administration	\$3,833,401	\$3,788,009	\$3,800,923	(\$32,478)
Operations	13,516,071	13,636,525	13,899,707	383,636
Capital Contribution & transfers	8,500,000	11,885,000	11,300,000	2,800,000
Equip Repl - Contribution	650,000	650,000	250,000	(400,000)
Operating & Revenue Bond Reserves	14,994,304	10,671,837	10,424,414	(4,569,890)
Debt Service	7,163,743	7,878,743	5,504,462	(1,659,281)
Total Operating Budget	\$48,657,519	\$48,510,114	\$45,179,506	(\$3,478,013)
<u>Funding:</u>				
Beginning Balance	\$16,289,243	\$16,158,038	\$10,684,205	(\$5,605,038)
User Fees	30,985,000	30,985,000	31,325,000	340,000
Other	1,383,276	1,383,076	3,170,301	1,787,025
Total Operating Budget Funding	\$48,657,519	\$48,526,114	\$45,179,506	(\$3,478,013)
<u>CAPITAL PROGRAM BUDGET</u>				
Poplar Harvest Mgmt Services	\$1,265,000	\$1,334,535	\$772,000	(\$493,000)
Facility Plan Engineering Services	70,000	97,547	99,600	29,600
Capacity Mgmt., Operations, and Maint.	16,833	94,454	30,000	13,167
Influent PS/Willakenzie PS/Headworks	145,140	285,186	0	NA
Digestion Capacity Increase	8,645,000	16,157,068	14,720,000	6,075,000
WPCF Lagoon Remove/Decommission	4,938,231	4,869,681	390,000	(4,548,231)
Sodium Hypochlorite Conversion	1,039,800	1,039,800	0	NA
Operations Building Improvements	950,000	14,719,167	13,970,000	13,020,000
Thermal Load Pre-Implementation	210,000	246,092	244,000	34,000
Thermal Load Implementation 1	794,000	730,884	131,000	(663,000)
Biosolids Force Main Rehab	0	322,704	0	NA
Tertiary Filtration 1	0	0	0	NA
Primary Sludge Thickening	0	0	0	NA
<u>Asset Management:</u>				
Equipment Replacement Purchases	593,300	755,300	381,000	(212,300)
Major Rehab	371,300	570,142	534,000	162,700
Major Capital Outlay	2,900,000	3,100,000	5,670,000	2,770,000
Total Capital Projects	\$21,938,604	\$44,322,560	\$36,941,600	\$15,002,996
<u>Funding:</u>				
Equipment Replacement	\$593,300	\$755,300	\$381,000	(\$212,300)
Capital Bond Fund	10,937,849	13,292,107	10,576,394	(361,455)
Capital Reserve	10,407,455	30,275,153	25,984,206	15,576,751
Total Capital Projects Funding	\$21,938,604	\$44,322,560	\$36,941,600	\$15,002,996

Note: * The Change (Increase/Decrease) column compares the adopted FY 16-17 budget to the originally adopted FY 15-16 budget column.

OPERATING BUDGET AND RATE HISTORY

The graphs on pages 17 and 18 show the regional residential wastewater service costs over a 5-year period, and a 5-year Regional Operating Budget Comparison. Because the Equipment Replacement, Major Infrastructure Rehabilitation and Major Capital Outlay programs are managed in the Eugene Operating Budget, based on the size, type and budget amount of the project these programs are incorporated into either the 5-year Regional Operating Budget Comparison graph or the 5-Year Capital Programs graph on page 18. The Regional Wastewater Capital Improvement Programs graph on page 18 shows the expenditures over the recent five years in the MWMC's Capital Program and including Asset Management projects. A list of capital projects is located in Exhibit 13 on page 45.

As shown on the Regional Residential Sanitary Sewer Rate graph on page 17, regional sewer user charges have incrementally increased to meet the revenue requirements necessary to fund facility improvements as identified in the 2004 MWMC Facilities Plan. This Plan demonstrated the need for a significant capital investment in new and expanded facilities to meet environmental performance requirements and capacity to serve the community through 2025. Although a portion of these capital improvements can be funded through system development charges (SDCs), much of the funding for approximately \$196 million (in 2006 dollars) in capital improvements over the 20-year period will come from user charges. Since 2004, this has become the major driver of the MWMC's need to increase sewer user rates on an annual basis.

In FY 08-09, there was an 11% user rate increase over FY 07-08 rates applied uniformly across all user classes. This rate increase provided adequate revenue to meet current bond covenants and meet requirements to issue \$50.7 million in bonds in FY 08-09. Additionally, in October of 2008, the Commission adopted an interim user rate increase of 7% due to the closure of Hynix Semiconductor. This increase was necessary to issue new revenue bonds and maintain bond covenants for existing bonds. The typical residential monthly wastewater bill increased an additional \$1.10 per month and went into effect on December 1, 2008.

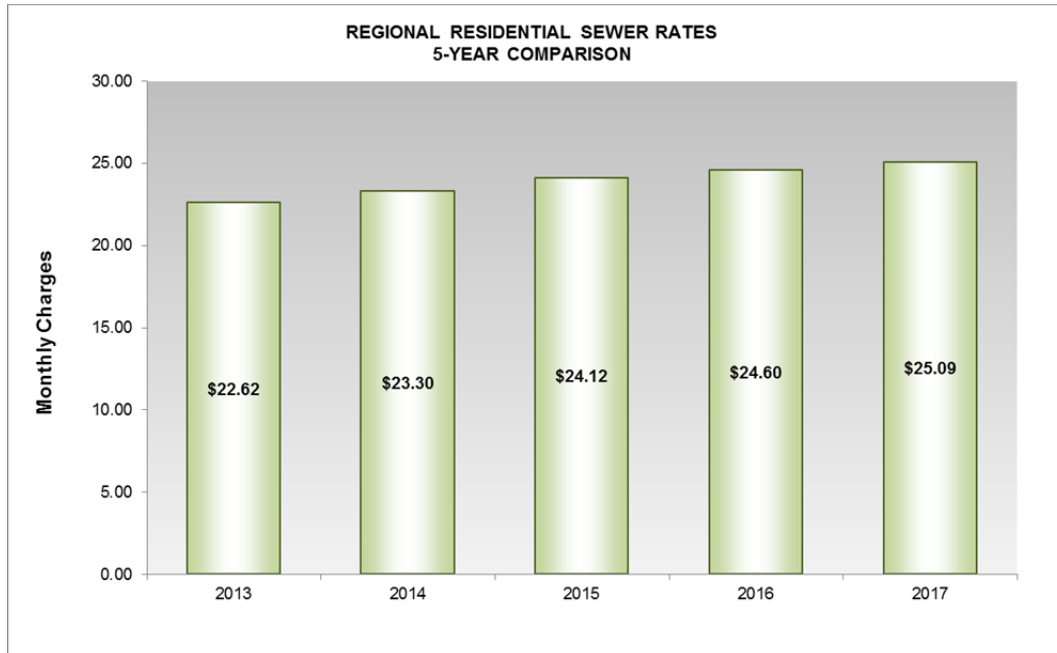
In FY 09-10, there was an 18% user rate increase over FY 08-09 rates applied uniformly across all user classes. This rate provided for Operations, Administration, Capital programs, reserves and debt service to be funded at sufficient levels to meet FY 09-10 requirements.

In FY10-11 user rates increased 5% over the prior year rates, and in FY 11-12 and FY 12-13 user rates increased 4% each year, over the prior year rates to provide for Operations, Administration, Capital programs, reserves, debt service, and debt coverage requirements.

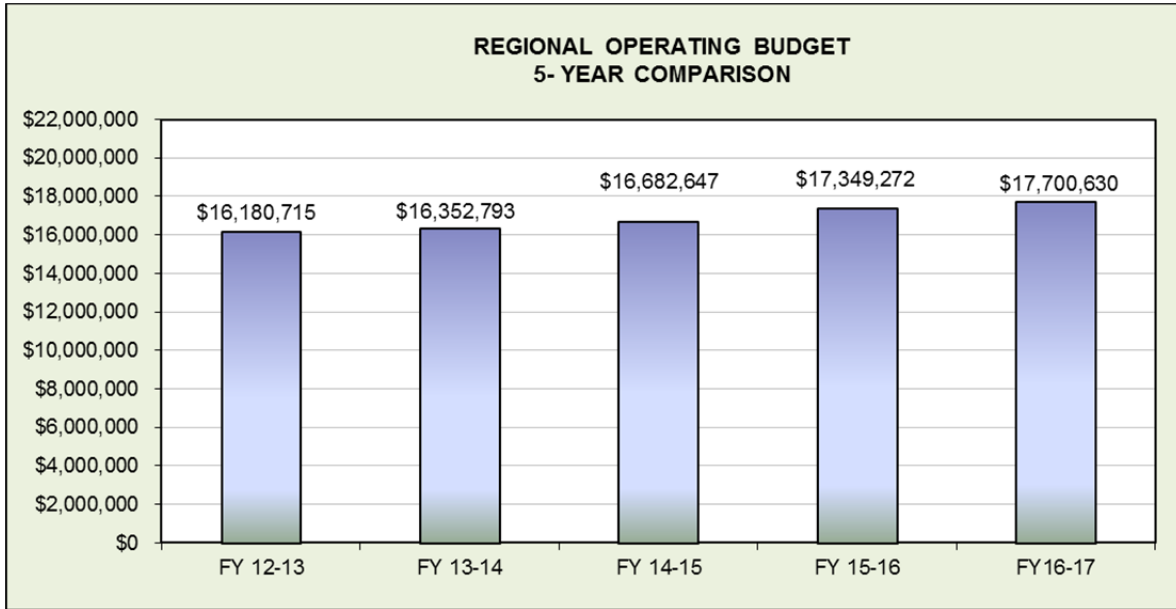
In FY 13-14 user rates increased 3% over the prior year rates, in FY14-15 user rates increased by 3.5% and in FY 15-16 user rates increased by 2% over the prior year rates to provide for Operations, Administration, Capital programs, reserves, debt service, and debt coverage requirements.

The FY 16-17 Budget is based on a 2% user rate increase over the FY 15-16 rates. This increase will provide for Operations, Administration, Capital programs, reserves and debt service, continuing to meet capital and operating requirements and supporting the Commission's Financial Plan policies, as well as financially positioning for future investments in capital assets.

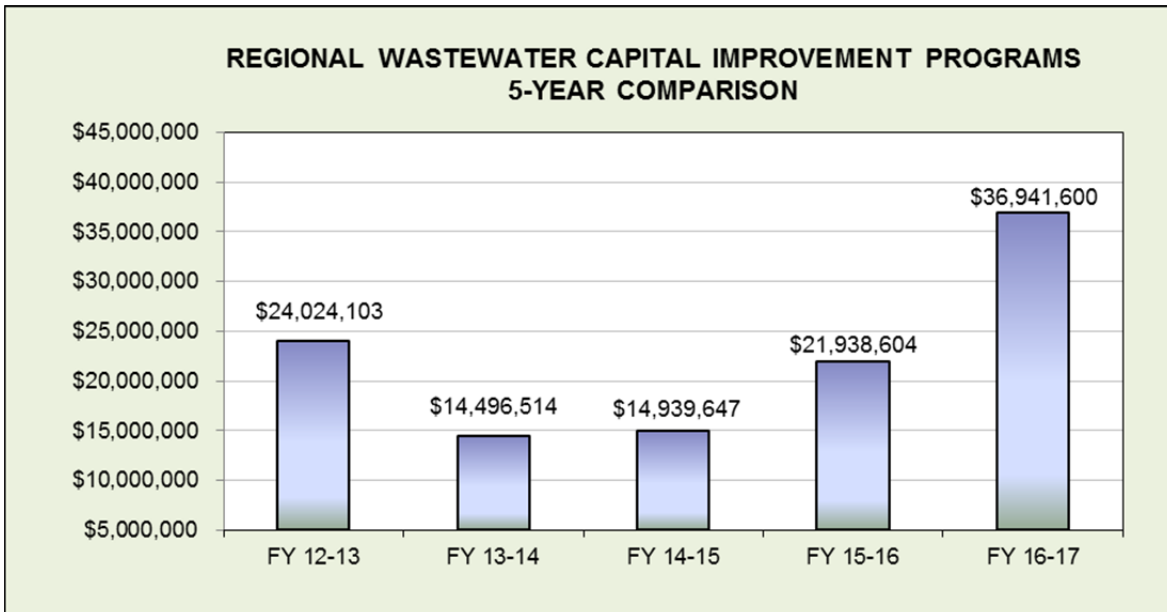
The chart below displays the regional component of a residential monthly bill when applying the base and flow rates to 5,000 gallons of wastewater treated, which includes a \$0.49 increase effective July 1, 2016.



The graph below displays the Regional Operating Budget amounts for the recent 5-year period.



The graph below displays the Regional Wastewater Capital Improvement Program Budget amounts for the recent 5-year period.



Item 2.C.

RESERVE FUNDS

Item 2.C.

REGIONAL WASTEWATER PROGRAM RESERVES

The RWP maintains reserve funds for the dedicated purpose to sustain stable rates while fully funding operating and capital needs. Commission policies and guidance, which direct the amount of reserves appropriated on an annual basis, are found in the 2005 MWMC Financial Plan. Further details on the FY 16-17 reserves are provided below.

OPERATING RESERVES

The MWMC Operating Budget includes seven separate reserves: the Working Capital Reserve, Rate Stability Reserve, Rate Stabilization Reserve, Revenue Bond Reserve, State Revolving Fund (SRF) Reserve, Insurance Reserve and the Operating Reserve. Revenues are appropriated across the reserves in accordance with Commission policy and expenditure needs. Each reserve is explained in detail below.

WORKING CAPITAL RESERVE

The Working Capital Reserve acts as a revolving account that is drawn down and replenished on a monthly basis to provide funds for payment of Springfield Administration and Eugene Operations costs prior to the receipt of user fees from the Springfield Utility Board and Eugene Water and Electric Board. The Working Capital Reserve is set at \$900,000 for FY 16-17, \$200,000 of which is dedicated to Administration and \$700,000 is dedicated to Operations.

RATE STABILITY RESERVE

The Rate Stability Reserve was established to implement the Commission's objective of maintaining stable rates. It is intended to hold revenues in excess of the current year's operating and capital requirements for use in future years, in order to avoid "rate spikes." The amount budgeted on an annual basis has been set at \$2 million, with any additional net revenues being transferred to the capital reserve for future projects.

RATE STABILIZATION RESERVE

The Rate Stabilization Reserve contains funds to be used at any point in the future when net revenues are insufficient to meet the bond covenant coverage requirement. The Commission shall maintain the Rate Stabilization account as long as bonds are outstanding. In FY 16-17 no additional contribution to this reserve is budgeted and the balance at June 30, 2017, will remain at \$2 million.

REVENUE BOND RESERVE

The Bond Reserve was created to provide assurances to the bond holders that adequate revenue coverage would be provided for future debt service payments associated with the 2006 and 2008 bond issuances. Prior to FY 16-17, and to meet reserve requirements of the 2006 bond issuance the Bond Reserve was budgeted at \$4.1 million in the operating fund (as it was funded with user fees) and the Bond Reserve from the 2008 issuance was held in the capital funds budgeted at

\$4.0 million. Beginning in FY 16-17, the revenue bond reserve is no longer a requirement due to the restructuring of the revenue bonds and improved financial position.

CLEAN WATER STATE REVOLVING FUND (SRF) RESERVE

The Clean Water SRF Reserve was established to meet revenue coverage requirements for SRF loans. The SRF Reserve is set at \$670,908 for FY 16-17.

INSURANCE RESERVE

The Insurance Reserve was established to set aside funds equivalent to the insurance deductible amount for property and liability insurance coverage, for losses per occurrence. The Insurance Reserve is set at \$515,000 for FY 16-17.

OPERATING RESERVE

The Operating Reserve is used to account for accumulated operating revenues net of operating expenditures (including other reserves). The Commission's adopted policy provides minimum guidelines to establish the Operating Reserve at approximately 10% of the adopted operating budget. For FY 16-17, the Operating Reserve is budgeted at \$4,338,506, which includes the 10% of total Personnel Services, Materials and Services, and Capital Outlay in accordance with Commission policy.

EXHIBIT 5

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17
OPERATING RESERVES			
Beginning Balance	\$16,289,243	\$16,158,038	\$10,684,205
User Fee Revenue	30,800,000	30,800,000	31,140,000
Septage Revenue	185,000	185,000	185,000
Other Revenue	1,273,800	1,273,800	1,061,110
Interest	85,000	85,000	85,000
Transfer from Improvement SDCs	0	0	2,000,000
Transfer from Reimbursement SDCs	19,276	19,276	20,191
Transfer from Bond Capital Fund	0	450,000	0
Personnel Services	(10,102,922)	(10,072,730)	(10,303,071)
Materials & Services	(7,196,350)	(7,301,804)	(7,230,459)
Capital Outlay	(45,000)	(45,000)	(163,100)
Interfund Transfers	(9,150,000)	(12,535,000)	(11,550,000)
Transfer to Bond Debt Service Fund	(5,709,628)	(6,424,628)	0
Debt Service - SRF Loan	(1,454,115)	(1,454,115)	(1,486,462)
Bond Sale Costs	0	(466,000)	0
Debt Service - 2016 Revenue Bond	0	0	(4,018,000)
Working Capital	(900,000)	(900,000)	(900,000)
Insurance Reserve	(500,000)	(515,000)	(515,000)
SRF Loan Reserve	(670,908)	(670,908)	(670,908)
Rate Stability Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Rate Stabilization Reserve	(2,000,000)	(2,000,000)	(2,000,000)
Bond Reserve - Revenue 2006	(4,100,000)	0	0
Operating Reserve	\$4,823,396	\$4,585,929	\$4,338,506

CAPITAL RESERVES

The MWMC Capital Budget includes five reserves: the Equipment Replacement Reserve, SDC Reimbursement Reserves, SDC Improvement Reserves, the Capital Reserve and the Bond Reserve. These reserves accumulate revenue to help fund capital projects including equipment replacement and major rehabilitation. They are funded by annual contributions from user rates, SDCs, bond proceeds, and SRF loans. Each reserve is explained in detail below.

EQUIPMENT REPLACEMENT RESERVE

The Equipment Replacement Reserve accumulates replacement funding for three types of equipment: 1) major/stationary equipment items costing less than \$200,000 with useful lives of 20 years or less; 2) fleet vehicles maintained by the Eugene Wastewater Division; and 3) computers that serve the Eugene Wastewater Division. Contributions to the Equipment Replacement Reserve in the FY 16-17 budget total \$250,000, additional budget details are provided below.

The Equipment Replacement Reserve is intended to accumulate funds necessary to provide for the timely replacement or rehabilitation of equipment, and may also be borrowed against to provide short-term financing of capital improvements. An annual analysis is performed on the Equipment Replacement Reserve. The annual contribution is set so that all projected replacements will be funded over a 20-year period and at the end of the 20-year period, the reserve will contain replacement funds for all equipment projected to be in use at that time. Estimates used in the analysis include interest earnings, inflation rates and useful lives for the equipment.

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17
EQUIPMENT REPLACEMENT RESERVE			
Beginning Balance	\$11,420,690	\$11,705,390	\$11,837,948
Annual Equipment Contribution	650,000	650,000	250,000
Interest	40,000	40,000	40,000
Equipment Purchases	(593,300)	(755,300)	(381,000)
Equipment Replacement Reserve	\$11,517,390	\$11,640,090	\$11,746,948

SYSTEM DEVELOPMENT CHARGE (SDC) RESERVES

SDCs are required as part of the MWMC IGA. They are connection fees charged to new users to recover the costs related to system capacity, and are limited to funding Capital Programs. The purpose of the SDC Reserves is to collect and account for SDC revenues separately from other revenue sources, in accordance with Oregon statutes. The Commission's SDC structure includes a combination of "Reimbursement" and "Improvement" fee components. Estimated SDC revenues for FY 16-17 are approximately \$1.1 million. Budgeted expenditures include \$2 million from Improvement Fees to fund portions of the annual debt service payments on the 2006 and 2008 revenue bonds. The projected beginning SDC Reserve balance on July 1, 2016 is \$3,504,354.

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17
REIMBURSEMENT SDC RESERVE			
Beginning Balance	\$490,946	\$555,989	\$639,013
Reimbursement SDCs Collected	100,000	100,000	100,000
Interest	1,300	1,300	1,200
SDC Compliance Charge	2,500	2,500	2,500
Xfr to Debt Service (Fund 612)	(19,276)	(19,276)	(20,191)
Materials & Services	(2,000)	(2,000)	(2,000)
Reimbursement SDC Reserve	\$573,470	\$638,513	\$720,522

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17
IMPROVEMENT SDC RESERVE			
Beginning Balance	\$2,953,028	\$3,763,341	\$2,865,341
Improvement SDCs Collected	1,000,000	1,000,000	1,100,000
Interest	8,000	8,000	7,000
Materials & Services	(2,000)	(2,000)	(2,000)
Xfr to Debt Service (Fund 612)	(2,000,000)	(2,000,000)	(2,000,000)
Improvement SDC Reserve	\$1,959,028	\$2,769,341	\$1,970,341

CAPITAL RESERVE

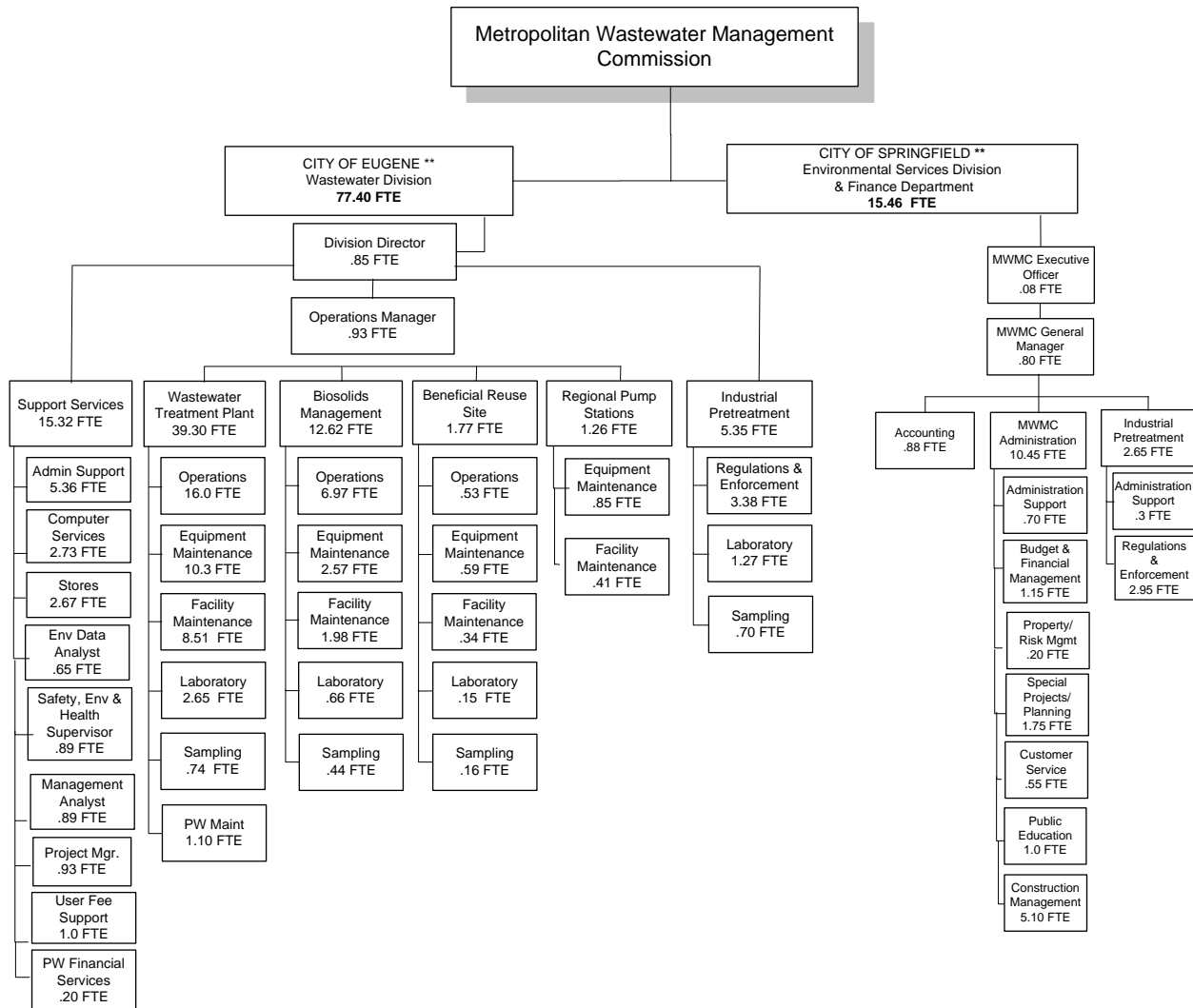
The Capital Reserve accumulates funds transferred from the Operating Reserve for the purpose of funding the CIP, Major Capital Outlay and Major Rehabilitation Program costs. The intent is to collect sufficient funds over time to construct a portion of planned capital projects with cash in an appropriate balance with projects that are funded with debt financing. The FY 16-17 Budget includes a contribution from the Operating Reserve of \$11.3 million. The beginning balance on July 1, 2016, is projected to be \$50,315,693. Additional budget detail on the CIP, Major Capital Outlay and Major Rehabilitation Program reserves is provided below.

	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17
CAPITAL RESERVES			
Beginning Balance	\$76,014,033	\$77,977,819	\$50,315,693
Transfer from Operating Reserve	8,500,000	11,885,000	11,300,000
Interest	60,000	60,000	60,000
Interest Income (Revenue Bond Proceeds)	240,000	240,000	210,000
Transfer to Operating	0	(450,000)	0
Revenue Bond Principal 08	0	(3,550,000)	0
Revenue Bond Principal 06	0	(31,380,000)	0
Funding For Capital Improvement Projects	(18,074,004)	(39,897,118)	(30,356,600)
Funding For Major Rehabilitation	(371,300)	(570,142)	(534,000)
Funding For Major Capital Outlay	(2,900,000)	(3,100,000)	(5,670,000)
Revenue Bond Reserve 2008	(4,000,000)	0	0
Capital Reserve	\$59,468,729	\$11,215,559	\$25,325,093

OPERATING PROGRAMS

Item 2.C.

EXHIBIT 6
REGIONAL WASTEWATER PROGRAMS*
ORGANIZATION CHART FY 16-17



Notes:

- * Full-Time Equivalent (FTE) figures represent portions of Eugene and Springfield staff funded by regional wastewater funds.
- ** The chart represents groups of staff dedicated to program areas rather than specific positions.

EXHIBIT 7

**REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY**

CLASSIFICATION	BUDGET FY 14-15	BUDGET FY 15-16	BUDGET FY 16-17	FTE CHANGE
SPRINGFIELD ENVIRONMENTAL SERVICES & FINANCE				
Accountant	0.80	0.80	0.80	-
Accounting Supervisor	0.08	0.08	0.08	-
Administrative Specialist	1.05	1.85	1.85	-
Assistant Project Coordinator	0.90	0.90	0.90	-
Civil Engineer/Design & Construction Coordinator	3.00	3.00	3.00	-
Construction Inspector	1.00	0.00	0.00	-
Development and Public Works Deputy Director	0.08	0.08	0.00	(0.08)
Development and Public Works Director	0.08	0.08	0.08	-
Engineering Assistant	1.60	0.80	0.80	-
Environmental Management Analyst	0.00	0.65	0.65	-
Environmental Services Program Manager	0.55	1.35	0.80	(0.55)
Environmental Services Program Coordinator	1.00	1.00	0.00	(1.00)
Environmental Services Supervisor	0.00	0.00	0.95	0.95
Environmental Services Technician	1.50	1.50	2.00	0.50
ESD Manager/MWMC General Manager	0.75	0.80	0.80	-
Managing Civil Engineer	2.00	2.00	1.75	(0.25)
Public Information & Education Specialist	1.00	1.00	1.00	-
Senior Finance Analyst	0.50	0.00	0.00	-
TOTAL SPRINGFIELD	15.89	15.89	15.46	(0.43)

EXHIBIT 7 (Continued)REGIONAL WASTEWATER PROGRAM
POSITION SUMMARY

CLASSIFICATION	BUDGET FY 14-15	BUDGET FY 15-16	BUDGET FY 16-17	FTE CHANGE
EUGENE WASTEWATER DIVISION & OTHER PW				
Administrative Specialist	1.78	1.78	1.78	-
Administrative Specialist, Sr	0.95	0.95	0.95	-
Application Support Technician	0.95	0.95	0.95	-
Application Systems Analyst	1.78	1.78	1.78	-
Custodian	1.00	1.00	1.00	-
Finance & Admin Manager	0.89	0.89	0.89	-
Electrician 1	3.28	3.28	3.28	-
Engineering Associate	0.35	0.35	0.35	-
Maintenance Worker	12.29	12.29	12.29	-
Management Analyst	4.25	4.25	5.14	0.89
Office Supervisor, Sr	0.89	0.89	0.00	(0.89)
Parts and Supply Specialist	1.78	1.78	1.78	-
PW Financial Services Manager	0.20	0.20	0.20	-
Utility Billing Coordinator	1.00	1.00	1.00	-
Wastewater Lab Assistant	0.82	0.82	0.82	-
Wastewater Division Director	0.85	0.85	0.85	-
Wastewater Instrument Electrician	1.00	1.00	1.00	-
Wastewater Plant Operations Manager	0.93	0.93	0.93	-
Wastewater Operations Supervisor	2.00	2.00	2.00	-
Wastewater Plant Maintenance Supervisor	2.88	2.88	2.88	-
Wastewater Pretreatment & Lab Supervisor	0.82	0.82	0.82	-
Wastewater Technician	36.71	36.71	36.71	-
TOTAL	77.40	77.40	77.40	-
GRAND TOTAL	93.23	93.29	92.86	(0.43)

**CITY OF SPRINGFIELD
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES**

The City of Springfield manages administration services for the RWP under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC). The programs maintained by Springfield to support the RWP are summarized below and are followed by Springfield's regional wastewater budget summaries. Activities, and therefore program budgets, for the MWMC administration vary from year to year depending upon the major construction projects and special initiatives underway. A list of the capital projects Springfield staff will support in FY 16-17 is provided in Exhibit 12 on page 41.

Program Responsibilities

- Administration & Management
- Financial Planning & Management
- Long-Range Capital Project Planning
- Project and Construction Management
- Coordination between the Commission and governing bodies
- Coordination and Management of:
 - Risk Management & Legal Services
 - Public Policy Issues
 - Regulatory and Permit Compliance Issues
- Public Information, Education and Outreach
- Industrial Pretreatment Source Control
- Customer Service

MWMC ADMINISTRATION

The Springfield Environmental Services Division (ESD) and Finance Department provide ongoing support and management services for the MWMC. The Development and Public Works (DPW) Director serves as the MWMC Executive Officer. The Environmental Services Manager serves as the General Manager. Springfield provides the following administration functions: financial planning management, accounting and financial reporting; risk management and legal services; coordination and management of public policy; coordination and management of regulatory and permit compliance issues; coordination between the Commission and the governing bodies; long-range capital project planning and construction management; coordination of public information, education, and citizen involvement programs; sewer user customer service; and coordination and development of regional budgets, rate proposals, and revenue projections.

INDUSTRIAL PRETREATMENT (SOURCE CONTROL) PROGRAM

The Industrial Pretreatment Program is a regional activity implemented jointly by the Cities of Eugene and Springfield. The Industrial Pretreatment section of the ESD is charged with administering the program for the regulation and oversight of wastewater discharged to the sanitary collection system by industries in Springfield. This section is responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled, in part, by the use of a permit system for industrial dischargers. This permit system, common to both Eugene and Springfield, implements necessary limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The Industrial Pretreatment section is also responsible for locating new industrial discharges in Springfield and evaluating the impact of those discharges on the regional WPCF. As of February 2016, there were 19 significant industrial users under permit in Springfield. The Industrial Pretreatment Program also addresses

the wastewater discharges of some commercial/industrial businesses through the development and implementation of Pollution Management Practices. Pretreatment program staff also coordinates pollution prevention activities in cooperation with the Pollution Prevention Coalition of Lane County.

ACCOUNTING AND FINANCIAL REPORTING

Accounting and financial reporting services for the RWP are provided by the Accounting section in the Springfield Finance Department, in coordination with ESD. Springfield Accounting staff maintains grant and contract accounting systems, as well as compliance with all local, state and federal accounting and reporting requirements for MWMC finances. This section also assists ESD with preparation of the MWMC budget, capital financing documents, sewer user rates, and financial policies and procedures.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 16-17, the City of Springfield will support the following major regional initiatives in addition to ongoing Commission administration and industrial pretreatment activities:

- Continue public information, education and outreach activities focused on the MWMC's Key Outcomes and Communication Plan objectives to increase awareness of the MWMC's ongoing efforts in maintaining water quality and a sustainable environment.
- Implement Capital Financing strategies necessary to meet current debt obligations, prepare for additional debt financing, and ensure sufficient revenues in accordance with the 2005 MWMC Financial Plan.
- Continue implementation of the 2004 MWMC Facilities Plan and 2014 Partial Facilities Plan Update to meet all regulatory requirements and capacity needs. Considering emerging environmental regulations that may impact the operation of the WPCF.
- Implement annual reporting for the local Capacity Management Operations and Maintenance (CMOM) programs, focusing on continued inflow and infiltration reductions, including flow monitoring, data tracking, regional coordination, and exploring methods of addressing private laterals.
- Protect the Regional Wastewater Program (RWP) interests through participation in Association of Clean Water Agencies activities.
- Coordinate temperature Total Maximum Daily Load (TMDL) compliance through continued development and implementation of the thermal load mitigation strategy, including but not limited to a recycled water program.
- Continue participation with the Association of Clean Water Agencies and the Department of Environmental Quality on regulatory permitting strategies and the development of water quality trading rules.

SIGNIFICANT BUDGET CHANGES FOR FY 16-17

The budget for Springfield Personnel Services, Materials and Services, and Capital Outlay for FY 16-17 totals \$3,800,923 representing an overall decrease of \$32,478 or 0.8% below the adopted FY 15-16 budget, as displayed in Exhibit 8 on page 29.

Personnel Services

Personnel Services totaling \$1,724,832 represents a FY 16-17 decrease of \$30,299 or 1.7% over the originally adopted FY 15-16 budget. The major changes are summarized below:

Staffing Level - 15.46 full-time equivalent (FTE) staff, a decrease of 0.43 FTE

Staffing decreased in the FY 16-17 budget when compared to FY 15-16 based on a reorganization of staff allocated to the regional programs.

Regular Wages and Overtime - \$1,153,170, decrease of \$17,895 or 1.5%

Salaries are based upon the negotiated management/labor contracts as approved by the Springfield City Council, and staffing levels.

Health Insurance - \$308,832, a decrease of \$6,792 or 2.2%

Health Insurance includes employee related medical and dental insurance.

PERS/OPSRP Contributions - \$155,768, an increase of \$2,416 or 1.5%

Projected employee retirement contribution for FY 16-17.

Materials and Services

The Materials and Services budget total is \$2,076,091 in FY 16-17, representing a slight decrease of \$2,179 or 0.1% below the adopted FY 15-16 budget. The major changes are summarized below:

Property and Liability Insurance - \$370,000, a decrease of \$70,000 or 15.9%

The \$70,000 decrease is in comparison to the originally adopted FY 15-16 budget. The budget decrease reflects cost savings in Agent of Record services which are fee-based, a change in liability insurance providers, and an increase in the property insurance deductible amount resulting in a reduced insurance premium cost.

Contractual Services –\$133,500, a net decrease of \$7,500 or 5.3%

The \$7,500 decrease was due to completion of the educational video series in FY 15-16, which was a one-time expense.

Internal Charges - \$165,004, a increase of \$18,702 or 12.8%

The \$18,702 increase is primarily related to the regional portion of the City of Springfield facility rents for use of the City Hall building, and a portion of the City of Springfield liability, auto and risk insurance.

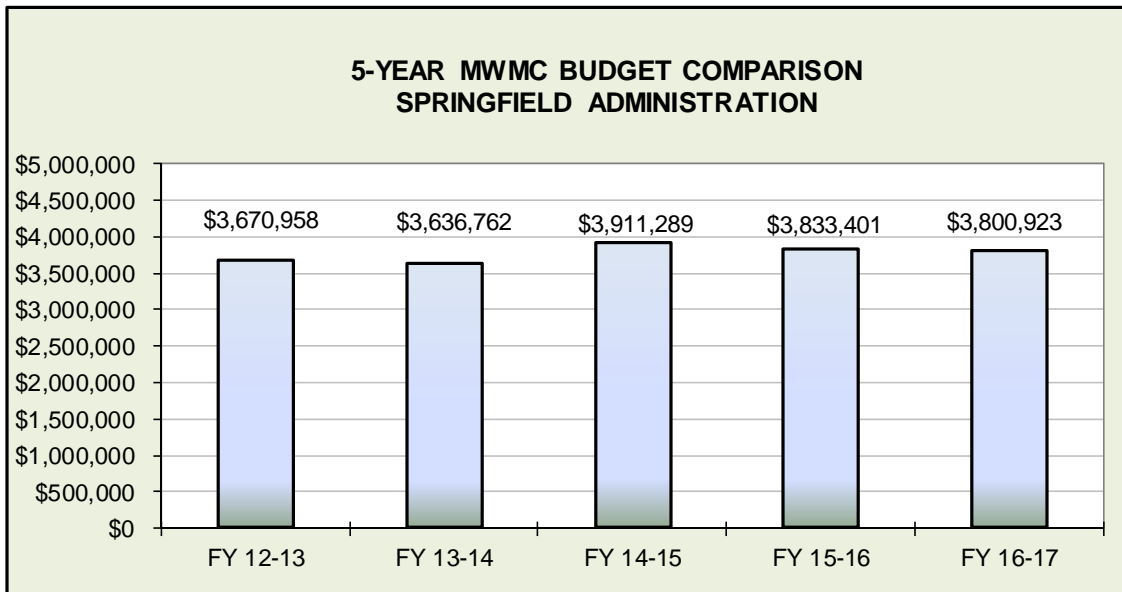
Computer Software & License - \$32,650, a net decrease of \$11,500 or 26.0%

The \$11,500 decrease is due to entering into a three year contract in FY 15-16 for ongoing service and maintenance for the capital project management system, Constructware.

EXHIBIT 8

**SPRINGFIELD ADMINISTRATION PROGRAM
ADOPTED FY 16-17
BUDGET SUMMARY**

	ACTUAL FY 14-15	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE *	
					INCR/(DECR)	
Personnel Services	\$1,466,567	\$1,755,131	\$1,724,939	\$1,724,832	(\$30,299)	-1.7%
Materials & Services	1,856,849	2,078,270	2,063,070	2,076,091	(2,179)	-0.1%
Capital Outlay	0	0	0	0	0	0%
Budget Summary	\$3,323,416	\$3,833,401	\$3,788,009	\$3,800,923	(\$32,478)	-0.8%



Note: * Change column compares the adopted FY 16-17 Budget to the adopted FY 15-16 Budget.

EXHIBIT 9

SPRINGFIELD ADMINISTRATION
LINE ITEM BUDGET SUMMARY

	ACTUAL FY 14-15	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE INCR/(DECR)	
PERSONNEL SERVICES						
Regular Wages	\$997,633	\$1,163,349	\$1,163,349	\$1,149,666	(\$13,683)	-1.2%
Overtime	42	7,716	7,716	3,504	(4,212)	-54.6%
Employee Benefits	92,487	110,258	110,258	107,062	(3,196)	-2.9%
PERS/OPSRP	134,022	158,184	158,184	155,768	(2,416)	-1.5%
Medical/Dental Insurance	242,383	315,624	285,432	308,832	(6,792)	-2.2%
Total Personnel Services	\$1,466,567	\$1,755,131	\$1,724,939	\$1,724,832	(\$30,299)	-1.7%
FTE	16.68	15.89	15.89	15.46	(0.43)	-2.7%
<u>MATERIALS & SERVICES</u>						
Billing & Collection Expense	\$594,701	\$577,000	\$577,000	\$630,000	\$53,000	9.2%
Property & Liability Insurance	373,780	440,000	425,000	370,000	(70,000)	-15.9%
Contractual Services	47,029	141,000	141,000	133,500	(7,500)	-5.3%
Attorney Fees and Legal Expense	72,192	185,505	185,505	188,505	3,000	1.6%
WPCF/NPDES Permits	118,466	126,800	126,600	136,000	9,200	7.3%
Materials & Program Expense	42,272	87,795	87,795	87,321	(474)	-0.5%
Computer Software & Licenses	78,311	44,150	44,150	32,650	(11,500)	-26.0%
Employee Development	5,320	19,000	19,000	19,275	275	1.4%
Travel & Meeting Expense	12,283	21,100	21,100	22,200	1,100	5.2%
Internal Charges	181,670	146,302	146,302	165,004	18,702	12.8%
Indirect Costs	330,824	289,618	289,618	291,636	2,018	0.7%
Total Materials & Services	\$1,856,849	\$2,078,270	\$2,063,070	\$2,076,091	(\$2,179)	-0.1%
<u>CAPITAL OUTLAY</u>						
Total Capital Outlay	0	0	0	0	0	0.0%
TOTAL	\$3,323,416	\$3,833,401	\$3,788,009	\$3,800,923	(\$32,478)	-0.8%

**CITY OF EUGENE
REGIONAL WASTEWATER PROGRAM RESPONSIBILITIES**

The Wastewater Division for the City of Eugene manages all regional wastewater pollution control facilities serving the areas inside the Eugene and Springfield Urban Growth Boundaries under the Intergovernmental Agreement for the Metropolitan Wastewater Management Commission (MWMC). These regional facilities include the Eugene/Springfield Regional Water Pollution Control Facility (WPCF), the Biosolids Management Facility, the Beneficial Reuse Site, the Biocycle Farm site, and regional wastewater pumping stations and transmission sewers.

Program Responsibilities

- Administration & Management
- Biosolids Management
- Facility Operations
- Facility Maintenance
- Industrial Source Control
- Laboratory Services
- Management Information Services
- Project Management

In support of the water pollution control program, the Division provides technical services for wastewater treatment, management of equipment replacement and infrastructure rehabilitation, biosolids treatment and recycling, regional laboratory services, and an industrial source control and pretreatment program in conjunction with City of Springfield staff.

ADMINISTRATIVE AND MANAGEMENT SERVICES

Administrative Services provides management, administrative, and office support to the Wastewater Division. This support includes the general planning, directing, and managing of the activities of the Division; development and coordination of the budget; administration of personnel records; and processing of payroll, accounts payable, and accounts receivable. This section also provides tracking and monitoring of all assets for the regional wastewater treatment facilities and clerical support for reception, telephone services, and other miscellaneous needs. The Administrative services include oversight and coordination of the Division's Environmental Management System, safety, and training programs, and a stores unit that purchases and stocks parts and supplies and assists with professional services contracting. Another area this program administers is the coordination of local and regional billing and rate activities.

REGIONAL WASTEWATER TREATMENT FACILITY OPERATIONS

The Wastewater Division operates the WPCF to treat domestic and industrial liquid wastes to achieve an effluent quality that protects and sustains the beneficial uses of the Willamette River. The Operations section optimizes wastewater treatment processes to ensure effluent quality requirements are met in an efficient and cost effective manner. In addition, the Operations section provides continuous monitoring of the alarm functions for all plant processes, regional and local pump stations, Biosolids Management Facility, and the Beneficial Reuse Site.

MAINTENANCE

The mechanical, electrical, and facilities maintenance sections of the Wastewater Division are responsible for preservation of the multi-million dollar investment in the equipment and infrastructure of the WPCF, local and regional pump stations, pressure sewers, as well as the Biosolids Management Facility. These sections provide a preventative maintenance program to

maximize equipment life and reliability; a corrective maintenance program for repairing unanticipated equipment failures; and a facility maintenance program to maintain the buildings, treatment structures, and grounds.

BIOSOLIDS MANAGEMENT

The Residuals Management section of the Wastewater Division manages the handling and beneficial reuse of the biological solids (biosolids) produced as a result of the activated sludge treatment of wastewater. This section operates the Biosolids Management Facility (BMF) and the Biocycle Farm located at Awbrey Lane in Eugene. The biosolids are treated using anaerobic digestion, stored in facultative lagoons (which provide some additional treatment benefits), and then processed through a belt filter press and air-dried to reduce the water content and facilitate transport. The dried material is ultimately applied to agricultural land. Biosolids are also irrigated on poplar trees at the Biocycle Farm as a beneficial nutrient and soil conditioner. This section also operates the Beneficial Reuse Site which formerly served to treat wastewater from food processing operation.

INDUSTRIAL SOURCE CONTROL (Pretreatment) and ANALYTICAL SERVICES, SAMPLING TEAM

The pretreatment program is a regional activity implemented jointly by the cities of Eugene and Springfield. The Industrial Source Control group of the Wastewater Division is charged with administering the pretreatment program for the regulation and oversight of commercial and industrial wastewaters discharged to the wastewater collection system by fixed-site industries in Eugene and by mobile waste haulers in the Eugene and Springfield areas. This group is also responsible for ensuring that these wastes do not damage the collection system, interfere with wastewater treatment processes, result in the pass-through of harmful pollutants to treated effluent or biosolids, or threaten worker health or safety.

This responsibility is fulfilled through the use of a permit system for industrial dischargers. This permit system, common to both Eugene and Springfield, implements necessary limitations on waste characteristics and establishes inspection, monitoring, and reporting requirements for documenting waste quality and quantity controls. The staff is also responsible for locating new industrial discharges in Eugene and evaluating the impact of new non-residential discharges on the WPCF. During the calendar year 2015 there were 21 significant industrial users under permit in Eugene. The section also has responsibilities related to environmental spill response activities.

The Analytical Services group provides necessary analytical work in support of wastewater treatment, residuals management, industrial source control, stormwater monitoring, and special project activities of the Wastewater Division. The laboratory's services include sample handling and analyses of influent sewage, treated wastewater, biosolids, industrial wastes, stormwater, and groundwater. Information from the laboratory is used to make treatment process control decisions, document compliance with regulatory requirements, demonstrate environmental protection, and ensure worker health and safety.

The Sampling Team is responsible for the sampling activities related to regional wastewater program functions. These include the Eugene pretreatment program, wastewater treatment

process control, effluent and ambient water quality, groundwater quality, facultative sludge lagoons, and stormwater samples. The Division's Environmental Data Analyst evaluates and reports on the sampling data for various programs.

MANAGEMENT INFORMATION SERVICES (MIS)

The MIS section provides services for electronic data gathering, analysis, and reporting as necessary in compliance with regulatory requirements and management functions. This section also maintains the electronic communication linkages with the City of Eugene and supplies technical expertise and assistance in the selection, operation, and modification of computer systems (hardware and software) within the Division.

PROJECT MANAGEMENT

Management of wastewater system improvements and ongoing developments is carried out by the Project Management staff. Activities include coordination of CIP activities with the City of Springfield staff, problem-solving and action recommendations, project management, technical research, coordination of activities related to renewal of the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permit, computer-aided design and electronic storage of design drawings, and planning of projects to anticipate and prepare for new regulatory and operational requirements. The Project Management staff develops Request for Proposals and Request for Quotes, coordinates special project activities between work sections, and coordinates the procurement of building permits as necessary in support of project activities.

PROGRAMS AND SIGNIFICANT SERVICE/EXPENDITURE CHANGES

In FY 16-17, Eugene staff will support the following major regional initiatives in addition to ongoing operational activities.

- Manage the O&M responsibilities of the NPDES permits for the wastewater discharge and treatment plant stormwater programs and the Lane Regional Air Protection Agency (LRAPA) air emissions permit for the regional wastewater treatment plant.
- Continue to evaluate impacts of regulatory actions (such as the federal sanitary sewer overflows (SSO) and blending policy development, Willamette River TMDLs implementation, and any newly adopted state water quality standards) upon operational responsibilities.
- Provide technical input and O&M assessments related to proposed initiatives for addressing TMDL compliance, greenhouse gas emission controls, and renewable energy objectives.
- Complete scheduled major rehabilitation, equipment replacement, and other capital projects in an efficient and timely manner.
- Work cooperatively on the CIP elements and effectively integrate capital project work with ongoing O&M activities, with emphasis on maintaining an effective CIP management and coordination program with Springfield.

- Manage the Operations & Maintenance (O&M) aspects of the Biocycle Farm, continuing biosolids irrigation practices and poplar tree management.

SIGNIFICANT CHANGES IN THE O & M BUDGET FOR FY 16-17

The budget for Operations and Maintenance of the regional wastewater treatment facilities (personnel, materials and services, and capital outlay) for FY 16-17 totals \$13,899,707. The amount represents an increase of \$383,636 or 2.8% from the FY 15-16 budget. The largest cost centers for the budget are personnel costs, contractual services, utilities, materials, maintenance, fleet, and chemicals. Details of significant items and changes for the FY 16-17 Operations and Maintenance budget as compared to the FY 15-16 budget include:

Personnel Services

Personnel Services totaling \$8,578,239 represents a FY 16-17 increase of \$230,448 or 2.8%. The major changes are in the following budget categories:

Staffing

The FY 16-17 budget requests no change in staffing level from the FY 15-16 budget. Staffing requests remains at 77.40 Full Time Equivalent (FTE).

Regular Wages - \$5,165,677, an increase of \$142,573 or 2.8%

Salaries are based upon the negotiated management/labor contracts between the City of Eugene and the local union (AFSCME).

Employee Benefits - \$1,811,828, an increase of \$35,815 or 2.0%

The employee benefits consist mainly of PERS/OPSRP retirement system costs and Medicare contributions.

Health Insurance - \$1,454,825, an increase of \$68,972 or 5.0%

The increase is based on group claims experience and cost projections. Costs are calculated based on the number of employees.

Materials and Services

The Materials and Services budget totaling \$5,158,368 represents an FY 16-17 increase of \$35,088 or 0.7%. The major changes are in the following budget categories:

Indirect Charges - \$1,020,000, an increase of \$18,850 or 1.9%

This expenditure category includes costs for payroll processing, human resources services, information technology services, and budget and financial services provided by the City of Eugene to the Wastewater Division.

Contractual Services - \$895,941, a net increase of \$100,706 or 12.7%

This account includes services for outside lab testing, USGS water monitoring, seasonal temporary help, distributive control system (DCS) upgrade, and grit waste disposal. Temporary help budget is \$395,250, professional services are \$158,796, and trade and other contractual services total \$341,895.

Materials & Program Expense - \$555,442, a net decrease of \$102,662 or 15.6%

The Materials & Program Expense account includes a wide variety of operational items such as telephone charges, training costs, tools, small equipment, safety supplies, and inventory. The FY 16-17 budget reduction is due in part to one-time expenditures for flow monitoring being made in the FY 15-16 budget and not budgeted in FY 16-17. A reduction for tools and minor equipment has also been made to align with recent trends of lower expenditures in those areas.

Fleet - \$426,986, a decrease of \$12,705 or 2.9%

Fleet services are managed centrally by Eugene Fleet Services. Reduction in fuel costs are reflected in lower fleet charges.

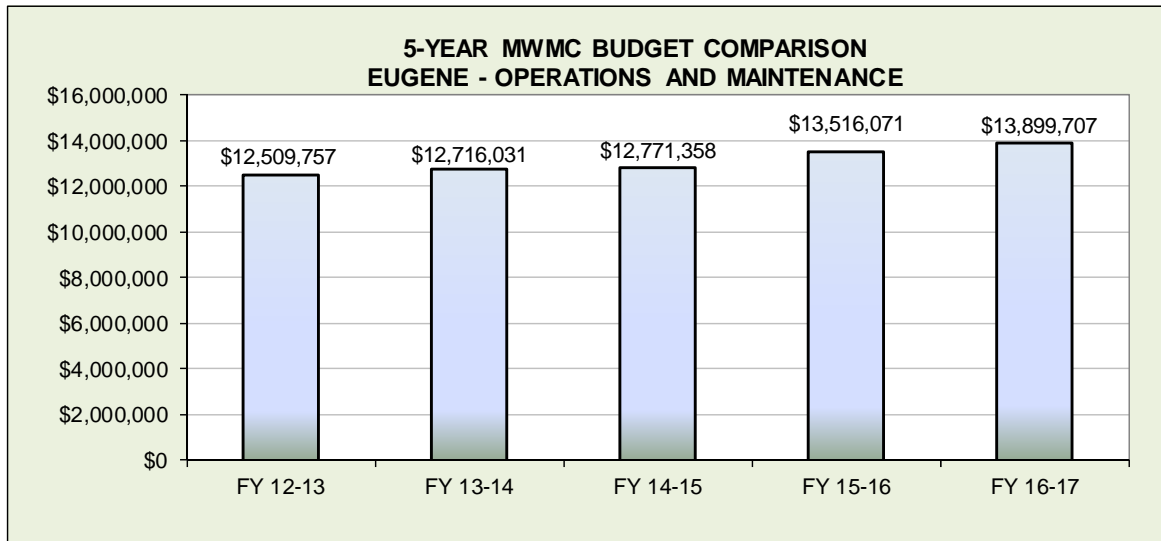
Eugene Capital Outlay Expense - \$163,100, a net increase of \$118,100

Eugene Capital Outlay budget this year will be used to purchase a water truck for the Biosolids Management Facility which will be used for efficient dust control, fire protection and clean up capabilities at the BMF and at biosolids application sites. A one-ton pickup outfitted with a service body is budgeted for maintenance staff use.

EXHIBIT 10

**EUGENE - OPERATIONS AND MAINTENANCE PROGRAM
ADOPTED FY 16-17
BUDGET SUMMARY**

	ACTUAL FY 14-15	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE *	
					INCR/(DECR)	
Personnel Services	\$7,522,408	\$8,347,791	\$8,347,791	\$8,578,239	\$230,448	2.8%
Materials & Services	4,173,222	5,123,280	5,243,734	5,158,368	35,088	0.7%
Capital Outlay	26,865	45,000	45,000	163,100	118,100	262.4%
Budget Summary	\$11,722,495	\$13,516,071	\$13,636,525	\$13,899,707	\$383,636	2.8%



NOTE: Does not include Major or Equipment Replacement

EXHIBIT 11

EUGENE - OPERATIONS & MAINTENANCE
LINE ITEM BUDGET SUMMARY

	ACTUAL FY 14-15	ADOPTED BUDGET FY 15-16	AMENDED BUDGET FY 15-16	ADOPTED BUDGET FY 16-17	CHANGE INCR/(DECR)	
<u>PERSONNEL SERVICES</u>						
Regular Wages	\$4,601,145	\$5,023,104	\$5,023,104	\$5,165,677	\$142,573	2.8%
Overtime	45,686	70,975	70,975	40,000	(30,975)	-43.6%
Employee Benefits	1,538,942	1,776,013	1,776,013	1,811,828	35,815	2.0%
Workers' Comp/Unemploy Ins	93,005	91,846	91,846	105,909	14,063	15.3%
Health Insurance	1,243,630	1,385,853	1,385,853	1,454,825	68,972	5.0%
Total Personnel Services	\$7,522,408	\$8,347,791	\$8,347,791	\$8,578,239	\$230,448	2.8%
FTE	77.40	77.40	77.40	77.40	0.00	0.0%
<u>MATERIALS & SERVICES</u>						
Utilities	\$752,583	\$754,682	\$754,682	\$775,615	\$20,933	2.8%
Fleet Operating Charges	422,336	439,691	439,691	426,986	(12,705)	-2.9%
Maintenance-Equip & Facilities	211,579	354,538	354,538	386,497	31,959	9.0%
Contractual Services	365,540	795,235	795,235	895,941	100,706	12.7%
Materials & Program Expense	568,926	658,104	778,558	555,442	(102,662)	-15.6%
Chemicals	254,920	330,152	330,152	326,940	(3,212)	-1.0%
Parts & Components	352,615	357,656	357,656	353,096	(4,560)	-1.3%
Risk Insurance - Employee Liability	49,174	51,527	51,527	51,572	45	0.1%
Laboratory Equipment & Supplies	67,669	93,000	93,000	89,600	(3,400)	-3.7%
Computer Equip, Supplies, Maint	254,951	287,545	287,545	276,679	(10,866)	-3.8%
Indirects	872,928	1,001,150	1,001,150	1,020,000	18,850	1.9%
Total Materials & Services	\$4,173,222	\$5,123,280	\$5,243,734	\$5,158,368	\$35,088	0.7%
<u>CAPITAL OUTLAY</u>						
Motorized Vehicles	\$26,865	\$45,000	\$45,000	\$163,100	\$118,100	262.4%
Capital Outlay-Other	0	0	0	0	0	0.0%
Total Capital Outlay	\$26,865	\$45,000	\$45,000	\$163,100	\$118,100	262.4%
TOTAL	\$11,722,494	\$13,516,071	\$13,636,525	\$13,899,707	\$383,636	2.8%

CAPITAL PROGRAM

Item 2.C.

REGIONAL WASTEWATER PROGRAM CAPITAL PROGRAMS

Overview

The Regional Wastewater Program (RWP) includes two components: the Capital Improvement Program (CIP) and the Asset Management Capital Program (AMCP). The FY 16-17 CIP Budget, the FY 16-17 AMCP Budget, and the associated 5-Year Capital Plan are based on the 2004 MWMC Facilities Plan (2004 FP) and the Partial Facilities Plan Update dated June 2014. The 2004 FP was approved by the MWMC, the governing bodies of the City of Eugene, the City of Springfield, Lane County, and the Oregon Department of Environmental Quality (DEQ) in 2004. The 2004 FP and its 20-year capital project list was the result of a comprehensive evaluation of the regional wastewater treatment facilities serving the Eugene-Springfield metropolitan area.

The 2004 FP built on previous targeted studies, including the 1997 Master Plan, 1997 Biosolids Management Plan, 2001 Wet Weather Flow Management Plan (WWFMP), and the 2003 Management Plan for a dedicated biosolids land application site. The 2004 FP was intended to meet changing regulatory and wet weather flow requirements and to serve the community's wastewater capacity and treatment needs through 2025. Accordingly, the 2004 FP established the CIP project list to provide necessary facility enhancements and expansions over the planning period. The CIP is administered by the City of Springfield for the MWMC. The AMCP implements the projects and activities necessary to maintain functionality, lifespan, and effectiveness of the MWMC facility assets on an ongoing basis. The AMCP is administered by the City of Eugene for the MWMC and consists of three sub-categories:

- Equipment Replacement Program
- Major Rehabilitation Program
- Major Capital Outlay

The MWMC has established these capital programs to achieve the following RWP objectives:

- Compliance with applicable local, state, and federal laws and regulations
- Protection of the health and safety of people and property from exposure to hazardous conditions such as untreated or inadequately treated wastewater
- Provision of adequate capacity to facilitate community growth in the Eugene-Springfield metropolitan area consistent with adopted land use plans
- Construction, operation, and management of the MWMC facilities in a manner that is as cost-effective, efficient, and affordable to the community as possible in the short and long term
- Implementation of the Citizens Advisory Committee recommendations, which represent diverse community interests, values and involvement, and that have been adopted by the Commission as the MWMC's plans and policies
- Mitigation of potential negative impacts of the MWMC facilities on adjacent uses and surrounding neighborhoods (ensuring that the MWMC facilities are "good neighbors" as judged by the community)

Capital Program Funding and Financial Planning Methods and Policies

This annual budget document presents the FY 16-17 CIP Budget, the FY 16-17 AMCP Budget, and 5-Year Capital Plan which includes the CIP and AMCP Capital Plan. The MWMC CIP financial planning and funding methods are in accordance with the financial management policies put forth in the MWMC 2005 Financial Management Plan.

Each of the two RWP capital programs relies on funding mechanisms to achieve RWP objectives described above. The CIP is funded primarily through proceeds from revenue bond sales, system development charges, and transfers from the Operating Fund to Capital Reserves. The AMCP is funded through wastewater user fees.

In addition to revenue bond sales, financing for qualified CIP projects was also secured through the State of Oregon Department of Environmental Quality (DEQ)'s Clean Water State Revolving Fund (CWSRF) loan program. From 2008-2010, The MWMC secured several CWSRF loan agreements totalling \$20.8 million. These 20-year loans provide the MWMC below-market interest rates, along with additional financial benefits, including:

- \$450,000 in "Sponsorship" funding allocated for riparian shade tree planting projects to help address the MWMC's pending thermal load obligations. The financing of these watershed-based projects is made available through the CWSRF program Sponsorship Option, which provides funding to the borrower to address nonpoint source water quality solutions through a reduced interest rate. The interest rate reduction allows the MWMC to invest in watershed improvements using money that would have otherwise been paid as interest on the loan.
- \$4 million funded through the American Reinvestment and Recovery Act (ARRA, or "Stimulus"). The ARRA funding provided 50% of the loan in principal forgiveness (not requiring repayment), and the remaining 50% of principal payment bearing 0% interest. This resulted in \$2 million of net revenue to the CIP in addition to interest savings.

The RWP's operating fund is maintained to pay for operations, administration, debt service, equipment replacement contributions and capital contributions associated with the RWP. The operating fund derives the majority of its revenue from regional wastewater user fees that are collected by the City of Eugene and City of Springfield from their respective customers. In accordance with the MWMC 2005 Financial Plan, funds remaining in excess of budgeted operational expenditures can be transferred from the Operating Fund to the Capital Reserve fund. The Capital Reserve accumulates revenue to help fund capital projects, including major rehabilitation, to reduce the amount of borrowing necessary to finance capital projects.

The AMCP consists of three programs managed by the City of Eugene and funded through regional wastewater user fees: The Equipment Replacement Program, which funds replacement of equipment valued at or over \$10,000 but less than \$200,000; The Major Rehabilitation Program, which funds rehabilitation of the MWMC infrastructure such as roof replacements, structure coatings, etc.; and the Major Capital Outlay Program for capital items (new or replacement) with costs greater than \$200,000. The MWMC assets are tracked throughout their

lifecycle using asset management tracking software. Based on this information, the three AMCP program annual budgets are established and projected for the 5-Year Capital Plan.

For planning purposes, the MWMC must consider market changes that drive capital project expenditures. Specifically, the MWMC capital plan reflects projected price changes over time that affect the cost of materials and services. Until about 2003, the 20-city average *Engineering News Record Construction Cost Index* (ENRCCI) served as a good predictor for future inflation and was used for projecting the MWMC's construction costs. Accordingly, construction cost projections considered in the 2004 FP were based on January 2004, 20-city average ENRCCI. However, in the period 2004 through 2008, construction inflation accelerated nationally with local construction cost inflation accelerating even faster than the national average. City of Springfield staff identified this trend in 2005 and subsequently modified their inflationary projection methodology accordingly.

In early 2006, the MWMC hired the consulting firm CH2M to perform a comprehensive update of project cost estimates. Following the 2006 update, the RWP's CIP assumed a general price increase of 5% per-year over the planning period. However, the MWMC continues to monitor inflationary trends to inform our forecasting of capital improvement costs. Accordingly, based on historical inflationary rates from 2006 through 2015, capital project budgets now reflect a 4% annual inflationary factor in the FY 16-17 Budget and 5-year Capital Plan.

Regional Wastewater Capital Program Status and Budget

CIP Project Status and Budget

The FY 16-17 CIP Budget is comprised of the individual budgets for each of the active (carryover) or starting (new) projects in the first year of the 5-Year Capital Plan. The total of these FY 16-17 project budgets is \$30,356,600. Each capital project represented in the FY 16-17 Budget is described in detail in a CIP project sheet that can be found at the end of this document. Each project sheet provides a description of the project, the project's purpose and driver (the reason for the project), the funding schedule for the project, and the project's expected final cost and cash flow. For those projects that are in progress, a short status report is included on the project sheet.

Completed Capital Projects

In FY 15-16, the following capital projects are projected to be completed and closed out. No CIP project sheets are included for these projects because there is no expected carryover of project funds to FY 16-17.

- Repair/Replacement of Biosolids Force Main
- Sodium Hypochlorite Conversion
- Influent Pumping and Headworks Expansion

Carryover Capital Projects

All or a portion of remaining funding for active capital projects in FY 15-16 is carried forward to the FY 16-17 Budget. The on-going carryover projects are:

- Increase Digestion Capacity
- Operations & Maintenance Building Improvements
- Poplar Harvest Management Services
- WPCF Lagoon Removal/Decommissioning
- Thermal Load Mitigation: Pre-Implementation
- Thermal Load Mitigation: Implementation 1
- Facilities Plan Engineering Services
- Capacity Management Operations and Maintenance (CMOM)
- Biogas Cogeneration (a Major Capital Outlay project)

Overall, the budgeting for these projects follows, and is consistent with, the 2006 CH2M estimated cost of the listed capital projects and new information gathered during design development.

New Projects

No new projects are anticipated for the MWMC FY 16-17 Capital Budget.

FY 16-17 Capital Budget Summary (Exhibit 12)

Exhibit 12 below displays the adjusted budget and end-of-year expenditure estimates for FY 15-16, the amount of funding projected to be carried over to FY 16-17 and additional funding for existing and/or new projects in FY 16-17.

EXHIBIT 12**Summary of FY 16-17 MWMC Construction Program Capital Budget**

	FY 15-16 ADJUSTED BUDGET	FY 15-16 ESTIMATED ACTUALS	FY 15-16 CARRYOVER TO FY 16-17	NEW FUNDING FOR FY 16-17	TOTAL FY 16-17 BUDGET
Projects to be Completed in FY 15-16					
Repair/ Replacement of Biosolids Force Main	322,704	40,000	0	0	0
Sodium Hypochlorite Conversion	1,039,800	200,000	0	0	0
Influent Pumping and Headworks Expansion	285,186	285,000	0	0	0
Projects to be Carried Over to FY 16-17					
Increase Digestion Capacity	16,157,068	1,437,068	14,720,000	0	14,720,000
Operations & Maint Building Improvements	14,719,167	749,167	13,970,000	0	13,970,000
Poplar Harvest Management Services	1,334,535	163,526	772,000	0	772,000
WPCF Lagoon Removal / Decommissioning	4,869,681	179,681	390,000	0	390,000
Thermal Load Mitigation: Pre-Implementation	246,092	81,692	164,400	79,600	244,000
Thermal Load Mitigation: Implementation 1 ⁽¹⁾	730,884	171,429	131,000	0	131,000
Facilities Plan Engineering Services	97,547	67,947	29,600	70,000	99,600
Capacity Mgmt Operations Maint (CMOM)	94,454	33,058	30,000	0	30,000
TOTAL Capital Projects	\$39,897,118	\$3,408,568	\$30,207,000	\$149,600	\$30,356,600
Major Capital Outlay Carried Over to FY 16-17					
Biogas Cogeneration ⁽²⁾	2,900,000	800,000	2,100,000	3,200,000	5,300,000
TOTAL Major Capital Outlay (multi-year project)	\$2,900,000	\$800,000	\$2,100,000	\$3,200,000	\$5,300,000

Notes:

(1) Thermal Load Mitigation: Implementation 1 budget includes Mill Race Sponsorship (\$200,000) and Cedar Creek Sponsorship (\$250,000).

(2) Biogas Cogeneration is multi-year Major Capital Outlay project, a detail sheet is located at the end of this document.

FY 16-17 Asset Management Capital Project Status and Budget

The AMCP consists of the following three programs:

- Equipment Replacement
- Major Rehabilitation
- Major Capital Outlay

The FY 16-17 budget and status of each program is described below:

Equipment Replacement Program - Budget

The FY 16-17 Capital Programs budget includes \$381,000 in Equipment Replacement purchases that are identified on the table below.

Equipment Replacement	
Project Description	FY 16-17 Budget
Aerial Lift	100,000
Fleet Replacement	90,000
Diesel Generator, 80 KW	80,000
Inductively Coupled Plasma Spectrometer - Lab	77,000
Security Camera System	25,000
Computer File Server	9,000
Total	\$381,000

Aerial Lift. Provides access for regular and ongoing maintenance of overhead facilities and equipment such as indoor/outdoor lighting, electrical systems, and heating/ventilation equipment. Replaces 45-foot boom lift purchased in 2006.

Fleet Replacement. An assessment of age, mileage, hours of operation, and maintenance costs support the replacement of three electric carts and replacement of a 10-yard dump truck bed.

Diesel Generator, 80 KW. Provides portable emergency power for wastewater treatment facilities and Glenwood Pump Station. Replacement of 23 year old generator.

Inductively Coupled Plasma Spectrometer. Replacement of 12 year old spectrometer in the main laboratory.

Security Camera System. Supports video monitoring of Biosolids Management Facility and Biocycle Farm operations and site activities. Replaces and updates 12 year old equipment.

Computer File Server. Scheduled replacement of one network file server.

Major Rehabilitation Program - Budget

The FY 16-17 Capital Programs budget includes \$534,000 for Major Rehabilitation projects that are identified on the table below.

Major Rehabilitation	
Project Description	FY 16-17 Budget
Air Drying Bed Resurfacing (2 beds)	180,000
Solids Pretreatment Building Roof	95,000
Plant Fuel Tank Replacement	85,000
Air Drying Beds Crack/fog Sealing (11 beds)	64,000
Maintenance Building High Bay Air Handlers	60,000
Operations/Maintenance Building	50,000
Total	\$534,000

Air Drying Bed Resurfacing. The biosolids drying process takes place on 13 asphalt drying beds over a 25 acre area. The beds have been on a rotational schedule for resurfacing to extend their useful life. In FY 16-17 two beds will be resurfaced.

Solids Pretreatment Building Roof Replacement. Replacement of 20 year old built-up roofing. Inspection findings of blistering and seams separation indicate need for replacement.

Plant Fuel Tank Replacement. Decommissions 32 year old underground fuel tanks and replaces with above ground tank system.

Air Drying Beds Crack/Fog Sealing (11 beds). Provides protective seal to surface of asphalt drying beds to help maximize useful life.

Maintenance Building High Bay Air Handlers. Replaces original 33 year old air handlers for heating and ventilation that have reached the end of their useful life.

Operations/Maintenance Building Improvements. This expenditure will go towards miscellaneous improvements, repairs, and renovations to improve the functionality and usefulness of existing buildings.

Major Capital Outlay - Budget

The FY 16-17 Capital Programs budget includes \$5,670,000 for the Major Capital Outlay items identified on the table below.

Major Capital Outlay	
Project Description	FY 16-17 Budget
Engine Generator Replacement	5,300,000
Residuals Aerator Tractor Replacement	370,000
Total	\$5,670,000

Engine Generator. The existing 800 KW engine generator provides about 55% of plant electric power needs and heating water for sludge digestion, building heat, and hot water. This project will replace the existing equipment with greater generation capacity of up to 1.2 megawatts, and replace related electrical and control systems that have reached the end of their useful life. As of January 2016, the project is currently in the design phase. The FY 15-16 budget included \$2.9 million for the project. The FY 16-17 budget includes an additional \$3.2 million for a project total of \$6.1 million.

Residuals Aerator Tractor Replacement. Replaces the original 16 year old paddle mixer which is used for daily mixing/turning of biosolids windrows in air drying beds.

Asset Management Capital Budget Summary

The following table summarizes the FY 16-17 Asset Management Capital Program Budget by project type.

Asset Management Capital Project Budget Summary	
Capital Project Type	FY 16-17 Budget
Equipment Replacement	381,000
Major Rehabilitation	534,000
Major Capital Outlay	5,670,000
Total	\$6,585,000

5-Year Capital Plan (Exhibit 13)

For each fiscal planning cycle, only the first year of budget authority is appropriated. The remaining four years of the CIP and AMCP Capital Plans are important and useful for fiscal and work planning purposes. However, it is important to note that the funds in the outer years of the Capital Plan are only planned and not appropriated. Also, the full amount of obligated multi-year project costs is often appropriated in the first year of the project, unless a smaller subset of the

Metropolitan Wastewater Management Commission

Capital Improvement Program

project, such as project design, can be identified and funded without budgeting the full estimated project cost. For these multi-year contracts, unspent funds from the first fiscal year will typically be carried over to the next fiscal year until the project is completed. Accordingly, the RWP Capital Plan presented herein is a subsequent extension of the plan presented in the adopted FY 15-16 Budget that has been carried forward by one year. However, changes to the plan typically occur from year to year as more information becomes available. In addition to these yearly adjustments, RWP staff were further informed by a Partial Facilities Plan Update that was completed in June of 2014. Those changes were reflected in the MWMC FY 15-16 budget and continue forward in the FY 16-17 for the 5-Year Capital Plan.

Exhibit 13 displays the MWMC 5-Year Capital Plan programs budget, which includes \$79,742,600 in planned capital projects and \$12,540,600 planned asset management capital projects for an overall 5-Year Capital Plan Budget of \$92,283,200.

EXHIBIT 13

Regional Wastewater 5-Year Capital Programs

	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	TOTAL
CAPITAL PROJECTS						
Biosolids Management						
Poplar Harvest Management Services	772,000	868,000	304,000	4,000	4,000	1,952,000
Non-Process Facilities and Facilities Planning						
Facility Plan Engineering Services	99,600	70,000	70,000	70,000	70,000	379,600
Capacity Mgmt Operations Maint (CMOM)	30,000					30,000
Comprehensive Facility Plan		713,000	742,000			1,455,000
Conveyance Systems						
Glenwood Pump Station			926,000			926,000
Plant Performance Improvements						
Increase Digestion Capacity	14,720,000					14,720,000
Operations & Maintenance Building Improvements	13,970,000					13,970,000
WPCF Lagoon Removal/Decommissioning	390,000	4,300,000				4,690,000
Thermal Load Mitigation: Pre-Implementation	244,000	148,000				392,000
Thermal Load Mitigation: Implementation 1 ⁽¹⁾	131,000	324,000	4,838,000	4,796,000	2,739,000	12,828,000
Thermal Load Mitigation: Implementation 2			1,500,000	3,500,000	4,000,000	9,000,000
Aeration Basin Improvements - Phase 2				4,050,000	11,850,000	15,900,000
Tertiary Filtration - Phase 2					3,500,000	3,500,000
TOTAL CAPITAL PROJECTS	\$30,356,600	\$6,423,000	\$8,380,000	\$12,420,000	\$22,163,000	\$79,742,600
ASSET MANAGEMENT						
Equipment Replacement	381,000	972,000	588,000	617,000	648,000	3,206,000
Major Rehab	534,000	813,300	763,500	607,000	566,800	3,284,600
Major Capital Outlay ⁽²⁾	5,670,000		380,000			6,050,000
TOTAL ASSET MANAGEMENT	\$6,585,000	\$1,785,300	\$1,731,500	\$1,224,000	\$1,214,800	\$12,540,600
TOTAL CAPITAL IMPROVEMENTS	\$36,941,600	\$8,208,300	\$10,111,500	\$13,644,000	\$23,377,800	\$92,283,200

Note:

(1) Thermal Load Mitigation: Implementation 1 budget includes Mill Race Sponsorship (\$200,000) and Cedar Creek Sponsorship (\$250,000).

(2) FY16-17 includes \$5.3 million for Biogas Cogeneration which is a multi-year project, a detail sheet is located at the end of this document.

Item 2.C.

CAPITAL PROJECT DETAIL

Item 2.C.

POPLAR MANAGEMENT SERVICES



Description: The Biocycle Farm comprises nearly 400 acres of hybrid poplar trees, which were planted as three management units (MUs). The MUs were initially planted in 2004, 2007, and 2009 and are managed on regulated 12-year rotations. This project develops a harvest management plan for the Biocycle Farm through market collaboration and refinement of poplar harvest and planting practices. The project ensures the timely harvest of the initial plantings in each MU within the regulatory 12-year rotation limit and subsequent replanting.

Status: 18% completed. MU-1, comprising 156 acres, was fully harvested in 2013-2015. MU-1 will be replanted in FY 15-16 with replanting activities extending into FY 16-17. MU-2 was partially harvested in FY 15-16 for test marketing of veneer. Complete harvest of MU-2 will resume in FY 16-17.

Justification: Land use regulatory requirement for operation of the Biocycle Farm.

Project Driver: Land Use Compatibility Statement (LUCS) issued by Lane County.

Project Trigger: Oregon ORS/OAR and NRCS rules dictating that exclusive farm use lands and farmed wetland status agricultural lands requiring agriculturally managed hybrid poplar plantations must be limited to 12-year rotation duration.

Project Type: 100% Performance

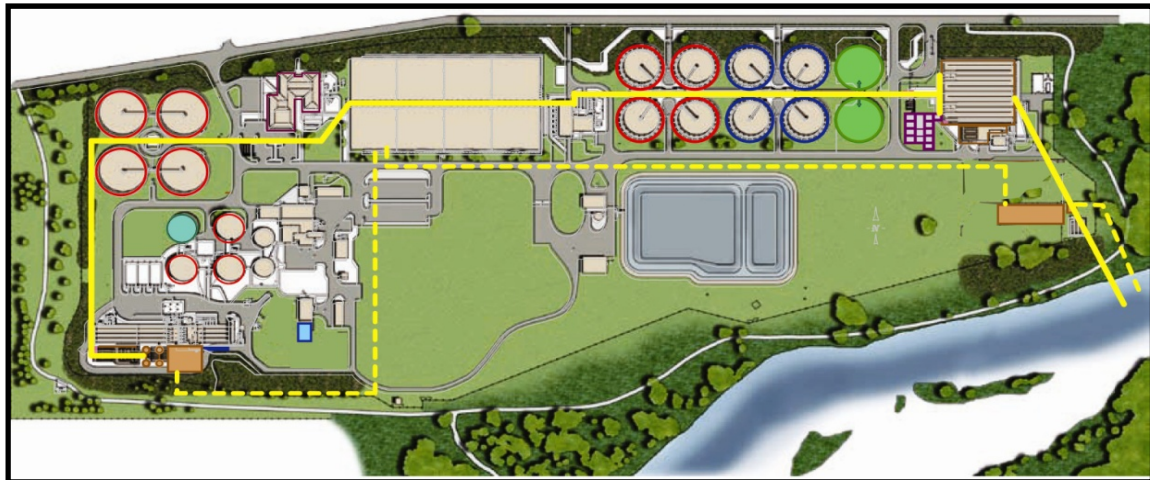
Improvement SDC Eligibility: 0%

Estimated Project Cost: \$2,346,000 for harvest and administration of the initial plantings across all three MUs.

Estimated Cash Flow: FY 13-14 = \$116,009; FY 14-15 = \$114,465; FY 15-16 = \$163,526; FY 16-17 = \$772,000; FY 17-18 = \$868,000; FY 18-19 = \$304,000; FY 19-20 = \$4,000; FY 20-21 = 4,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$230,474	\$163,526	\$772,000	\$868,000	\$304,000	\$4,000	\$4,000	\$2,346,000	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost	\$230,474	\$163,526	\$772,000	\$868,000	\$304,000	\$4,000	\$4,000	\$2,346,000	

FACILITY PLAN ENGINEERING SERVICES



Description: Engineering services for analysis, project definition, cost estimating, and general consultation regarding the 20-Year Facilities Plan.

Status: This year, work continued on assessment of biogas utilization alternatives, which used a Triple Bottom Line (TBL) approach to inform staff recommendations. Based on TBL results, regional program staff recommended implementation of a project to expand the WPCF’s combined heat and power (CHP) production capacity from 0.8 to 1.2 megawatts. This would allow the plant to more fully utilize the biogas for power and heat production and minimize biogas flaring. However, due to recent changes in Eugene Water and Electric Board’s (EWEB’s) proposed power pricing structure, the project was halted while regional program staff revises the economic assessment of the CHP expansion project. Moving forward, staff anticipates additional need for Facilities Plan Engineering Services to support ongoing upgrades and infrastructure needs at MWMC facilities.

Justification: Projects were developed to varying levels of specificity in the 20-Year Facilities Plan and there is an on-going need for ongoing technical and engineering resources to help in further refining projects and generally assisting with implementation of the plan. Another need addressed by this resource is assurance that the new improvements maintain the overall integrity of the plant in terms of treatment processes and hydraulics. This task also provides ongoing planning work related to items not addressed by the 2004 MWMC Facilities Plan.

Project Driver: Ongoing goal to efficiently follow and accommodate the upgrades resulting from the 20-Year Facilities Plan.

Project Trigger: On-going need.

Estimated Project Cost: \$933,639

Estimated Cash Flow: FY 06-07 = \$50,000; FY 07-08 = \$50,044; FY 08-09 = \$25,467; FY 09-10 = \$31,829; FY 10-11 = \$69,419; FY 11-12 = \$8,699; FY 12-13 = \$36,690; FY 13-14 = \$146,491; FY 14-15 = \$67,453; FY 15-16 = \$67,947; FY 16-17 = \$99,600; FY 17-18 = \$70,000; FY 18-19 = \$70,000; FY 19-20 = \$70,000; FY 20-21 = \$70,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$486,092	\$67,947	\$99,600	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$933,639
Total Cost	\$486,092	\$67,947	\$99,600	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$933,639

CAPACITY MANAGEMENT, OPERATIONS, AND MAINTENANCE (CMOM)



Description: This project (formerly identified as the WWFMP Update project) supports and guides ongoing collection system capacity management, operations and maintenance (CMOM) programs to address Rainfall Derived Inflow and Infiltration (RDII) and sanitary sewer overflows (SSOs). The MWMC’s NPDES permit requires wet weather planning and prohibits SSOs. DEQ’s SSO Enforcement Internal Management Directive identifies CMOM as an acceptable programmatic approach to help ensure compliance. The MWMC’s CMOM program provides staff resources and engineering consultant services to support the implementation of CMOM programs owned and operated by the two partner cities within the MWMC’s service area (i.e., Eugene and Springfield). The effort funded through this project provides or supports workshop organization and facilitation, guidance development and documentation, technical analysis, standards establishment, and CMOM gap analysis assistance.

Status: Last year, both partner cities completed CMOM program implementation plans building on the gap analyses they performed in the prior year. Summaries of these plans were presented to the MWMC on August 14, 2015. In addition, regional program staff hired a consultant to perform a study of private lateral program approaches. A goal of this study was to recommend steps that partner agencies could follow to develop private lateral programs to reduce the amount of RDII entering the collection system. A summary of study findings was presented to the MWMC on March 13, 2015. Finally, regional program staff organized a workshop attended by staff from the two partner cities and representatives from three Oregon wastewater agencies who have implemented successful private lateral programs. The goal of the workshop was to share information on private lateral programs between the agencies. A debriefing meeting was held shortly after the workshop to discuss and identify potential next steps for each partner city. Going forward, regional wastewater program staff will continue to facilitate further discussion and potential implementation of private lateral programs.

Project Driver: Meet new NPDES requirements concerning SSOs, wet weather planning, and RDII reduction through a CMOM program approach.

Project Trigger: Address NPDES Permit requirements related to SSOs and RDII.

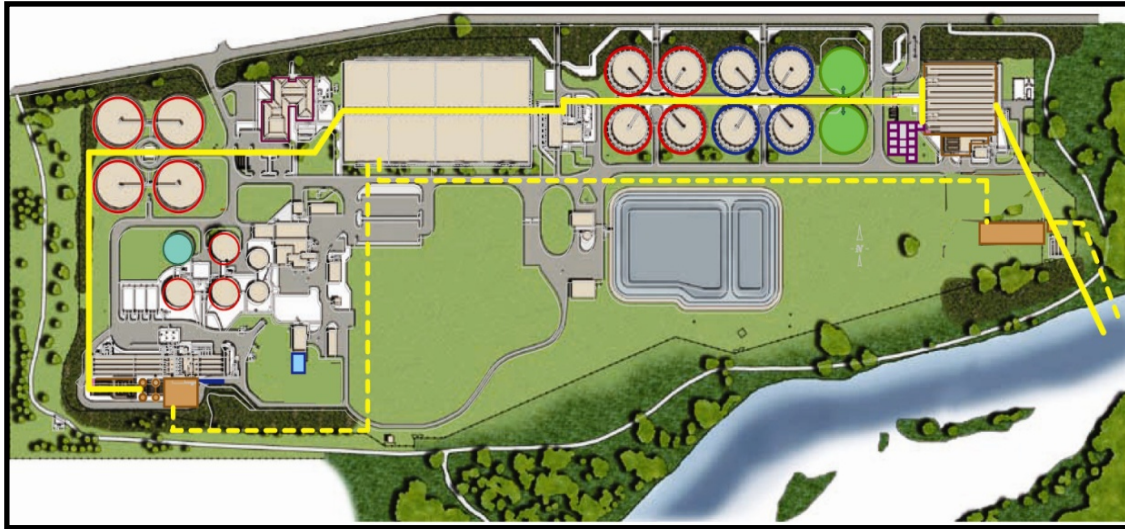
Improvement SDC Eligibility: 11%

Estimated Project Cost: \$500,604

Estimated Cash Flow: FY 05-06 = \$6,028; FY 06-07 = \$86,895; FY 07-08 = \$42,589; FY 08-09 = \$9,562; FY 09-10 = \$14,724; FY 10-11 = \$7,538; FY 11-12 = \$26,909; FY 12-13 = \$123,251; FY 13-14 = \$91,671; FY 14-15 = \$28,379; FY 15-16 = \$33,058; FY 16-17 = 30,000

Expenditure/Category	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$437,546	\$33,058	\$30,000	\$0	\$0	\$0	\$0	\$0	\$500,604
Total Cost	\$437,546	\$33,058	\$30,000	\$0	\$0	\$0	\$0	\$0	\$500,604

COMPREHENSIVE FACILITIES PLAN UPDATE NO.1



Description: This will be the first MWMC Comprehensive Facilities Plan Update since the 2004 MWMC Facilities Plan. This Comprehensive Facilities Plan Update effort will consider a 20-year planning horizon and will draw on the most recent plant data, current regulatory landscape, and available technology in order to ensure the MWMC continues to meet future regulations, environmental standards, and customer needs.

Status: Planned for future implementation.

Justification: Plan future conveyance and treatment upgrades and/or expansions to meet regulatory requirements, preserve public health and regional water quality standards.

Project Driver: Provides comprehensive facilities planning to develop the capital program for the upcoming 20-year period once the MWMC receives new regulatory requirements under the next NPDES permit renewal.

Project Trigger: Planning cycle initiated under the 2004 Facilities Plan and later modified to match evolving NPDES permit renewal schedule, now estimated for 2017 at the earliest.

Project Type: Facilities Plan

Improvement SDC Eligibility: 21%

Estimated Project Cost: \$1,457,280

Estimated Cash Flow: FY 14-15 = \$2,280; FY 17-18 = \$713,000; FY 18-19 = \$742,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2015-16</u>		<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Total</u>
		<u>Est.</u>	<u>Act.</u>						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$2,280	\$0	\$0	\$713,000	\$742,000	\$0	\$0	\$0	\$1,457,280
Total Cost	\$2,280	\$0	\$0	\$713,000	\$742,000	\$0	\$0	\$0	\$1,457,280

GLENWOOD PUMP STATION UPGRADE



Description: Expand Glenwood pump station capacity. The existing pump station is built to be expandable in capacity when the need arises. Two pumps are installed with the expandability to add up to two additional pumps when needed.

Status: The project is anticipated to start design development in 2018 with consultant services. The scope of work is planned to add one wastewater pumping system.

Justification: Additional pumping capacity will be required at this MWMC pump station to handle increasing flows in the Glenwood area (Springfield) and the Laurel Hill area (Eugene).

Project Driver: Keep up with capacity needs, maintain required pumping redundancy, and prevent overflows upstream of the Glenwood pump station.

Project Trigger: Planning work in 2014 anticipates that a third pump to increase capacity should be operational by about year 2019. The timing will be impacted by the rate and type of development in the area and efforts to minimize infiltration and inflow that impact the Glenwood pump station. The MWMC Partial Facilities Plan Update document dated June 2014 recommended moving the initial budget year to FY 18-19 as shown below.

Project Type: 100% Capacity

Improvement SDC Eligibility: 38%

Estimated Project Cost: \$926,000 (funding for administration, design, permits, construction, etc.)

Estimated Cash Flow: FY 18-19 = \$864,000; FY 19-20 = \$62,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2015-16</u>		<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Total</u>
		<u>Est.</u>	<u>Act.</u>						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$926,000	\$0	\$0	\$926,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$926,000	\$0	\$0	\$926,000

INCREASE DIGESTION CAPACITY



Description: Installation of a fourth digester for expanded production of Class B biosolids. This project also included supporting the plant-wide landscaping construction work that was completed in December of 2012.

Status: As of January 29, 2016, the project to Increase Digestion Capacity is in the design phase for a fourth digester and construction should start in fall of 2016. The MWMC has three existing digesters.

Justification: Continue to meet the requirements for Class B digestion with the ability to take one digester out of service for cleaning and/or repairs.

Project Driver: Addresses the need for anaerobic digestion capacity. The 2004 MWMC Facilities Plan considers an option to upgrade the existing digestion process to meet Class A biosolids standards as a strategy to secure a wider range of beneficial end-use options and increase program flexibility. Since that time, the MWMC has effectively expanded beneficial application of Class B biosolids with expansion of the Biocycle Poplar Farm, and through working with private sector end-users.

Project Trigger: Estimates indicate that expanded digestion facilities will be needed by 2017 or 2018. The design phase started in 2015.

Improvement SDC Eligibility: 54.3%

Estimated Project Cost: \$16,653,170 (funding for administration, design, permits, construction, etc.)

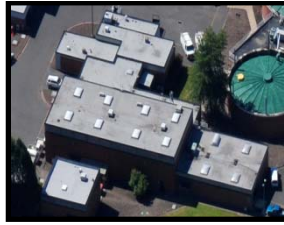
Estimated Cash Flow: FY 11-12 = \$139,028; FY 12-13 = \$44,142; FY 13-14 = \$0; FY 14-15 = \$312,932; FY 15-16 = \$1,437,068; FY 16-17 = \$7,050,000; FY 17-18 = \$7,600,000; FY 18-19 = \$70,000

Expenditure/Category:	Prior	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
	Years	Est. Act.						
Design/Construction	\$496,102	\$1,437,068	\$14,720,000	\$0	\$0	\$0	\$0	\$16,653,170
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$496,102	\$1,437,068	\$14,720,000	\$0	\$0	\$0	\$0	\$16,653,170

OPERATIONS & MAINTENANCE BUILDING IMPROVEMENTS



Operations Building



Maintenance Building
Aerial



Maintenance Building



ISC Modular Building

Description: This project will update and expand the Operations and Maintenance (O&M) support facilities at the Water Pollution Control Facility (WPCF). The support facilities to be updated and expanded on include the Maintenance Building, Administrative/Operations Building, and the temporary Industrial Source Control (ISC) building. The improvements will include a new laboratory building located where the temporary ISC building is currently.

Status: As of December 29, 2015: The project team with direction from the Architectural Consultant created three alternatives with cost estimates to consider based on information gathered during the pre-design (architectural programming) phase. Staff received Commission approval to move forward with the design of Alternative #2 which include modifications and additions to the Maintenance and Administration/Operations Buildings and design a new building for laboratory functions. The project is in the design phase, and construction bidding is anticipated in summer or fall of 2016.

Justification: The original design for the O&M Buildings at the WPCF was completed in the late 1970s. Since that time, use of the O&M Buildings have changed substantially due to modifications in the workforce, advancing technology, regulatory changes, and an increase in staff to support additional facilities. Building codes, have also changed during this time, necessitating upgrades. Lastly, the ISC modular building was installed as a temporary structure in 1996 and has since reached the end of its useful life.

Project Driver: The need to update and/or replace the existing O&M support facilities is driven by the need to provide a safe and efficient work environment for WPCF staff. Many of these changes stem from a changing wastewater/environmental business since the MWMC original construction that occurred in the early 1980's.

Project Trigger: As needed, due to expansion and changes related to the MWMC facilities and safety.

Estimated Project Cost: \$14,900,000

Improvement SDC Eligibility: To be determined

Estimated Cash Flow: FY 14-15 = \$180,833; FY 15-16 = \$749,167; FY 16-17 = \$4,400,000; FY 17-18 = \$6,500,000; FY 18-19 = \$3,070,000 (estimated cash flow related to administration, design, permits, construction, etc.)

Expenditure/Category:	Prior	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
	Years	Est. Act.						
Design/Construction	\$180,833	\$749,167	\$13,970,000	\$0	\$0	\$0	\$0	\$14,900,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$180,833	\$749,167	\$13,970,000	\$0	\$0	\$0	\$0	\$14,900,000

WPCF ONSITE LAGOON



Description: This project decommissions the existing biosolids lagoon at the Water Pollution Control Facility (WPCF).

Status: As of January 13, 2016: The project is in pre-design phase and cost estimations are preliminary. The MWMC hired a consultant in December of 2014 to create a bid package to decommission the lagoon. Lagoon decommissioning site work is anticipated in 2018 but the schedule might change based on progress of the construction of the fourth digester improvements.

Justification: The lagoon was constructed in 1979 as a temporary biosolids storage facility while the Biosolids Management Facility was under construction. Since that time it has also served as a temporary storage lagoon to support digester cleaning operations. However, the lagoon no longer serves the purpose for which it was originally constructed and does not meet current design standards for wastewater lagoons.

Project Driver: The lagoon can no longer provide the biosolids capacity for which it was intended nor cost effectively continue to support digester cleaning operations. The lagoon is almost full of accumulated rainwater and residual solids. Therefore, the decision was made to decommission the lagoon and change the process of cleaning the digesters.

Project Trigger: The WPCF lagoon no longer functions as originally designed.

Estimated Project Cost: \$5,000,000 (funding for administration, design, permits, construction, etc.)

Improvement SDC Eligibility: Not applicable

Estimated Cash Flow: FY 13-14 = \$1,769; FY 14-15 = \$128,550; FY 15-16 = \$179,681; FY 16-17 = \$33,000; FY 17-18 = \$542,000; FY 18-19 = \$4,115,000

Expenditure/Category:	Prior	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
	Years	Est. Act.						
Design/Construction	\$130,319	\$179,691	\$390,000	\$4,300,000	\$0	\$0	\$0	\$5,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$130,319	\$179,681	\$390,000	\$4,300,000	\$0	\$0	\$0	\$5,000,000

THERMAL LOAD MITIGATION PRE-IMPLEMENTATION



Description: This project includes the study and planning of thermal load mitigation measures including recycled water feasibility studies, riparian shading projects, and water quality trading credit development, as well as associated permit negotiation and legal strategy related to the temperature total maximum daily loads (TMDL) and NPDES permit renewal.

Status: Two of three planned phases of thermal load strategy planning have been completed with recommendations to develop opportunities for recycled water demonstration projects and partnerships in watershed restoration for temperature credits. The third phase of study commenced in FY 15-16 and will continue in FY 16-17.

Justification: Provides planning of infrastructure, projects, and collaborative agreements needed so that thermal loads are reduced on the Willamette River while providing additional environmental and community benefits.

Project Driver: Address NPDES permit thermal load compliance related to Willamette River TMDL temperature requirements.

Project Trigger: Planning necessary for ongoing compliance with Oregon’s temperature standard.

Project Type: 100% Performance

Improvement SDC Eligibility: 26%

Estimated Project Cost: \$818,595

Estimated Cash Flow: FY 13-14 = \$ 295,995; FY 14-15 = \$48,908; FY 15-16 = \$81,692; FY 16-17 = \$244,000; FY-17-18 = \$148,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$344,903	\$81,692	\$244,000	\$148,000	\$0	\$0	\$0	\$0	\$818,595
Total Cost	\$344,903	\$81,692	\$244,000	\$148,000	\$0	\$0	\$0	\$0	\$818,595

THERMAL LOAD MITIGATION – IMPLEMENTATION 1



Description: This project implements thermal load mitigation projects strategized for regulatory compliance and additional environmental and community benefits. The projects may include recycled water use expansion at MWMC facilities and/or extension of recycled water services to community partners, water quality trading credit strategies through shade credit investments, and collaborative partnerships for permit compliance. The recycled water projects may include additional treatment, disinfection, pumping, pipeline, and distribution/irrigation systems.

Status: Pilot-scale riparian shade projects are currently being implemented under a 25-year contract agreement with The Freshwater Trust. Additional project opportunities are being evaluated for future implementation under the Thermal Load Mitigation: Pre-Implementation Project.

Justification: Meet future thermal load permit limits and improve water quality. Implementation of the thermal load compliance strategy developed under pre-implementation planning phase.

Project Driver: Address NPDES permit thermal load compliance related to Willamette River total maximum daily loads (TMDL) temperature requirements.

Project Trigger: Project implementation necessary for ongoing compliance with Oregon’s temperature standard.

Project Type: 100% Performance

Improvement SDC Eligibility: 26%

Estimated Project Cost: \$13,165,470

Estimated Cash Flow: FY 13-14 = \$78,925; FY 14-15 = \$87,116; FY 15-16 = \$171,429; FY 16-17 = \$131,000; FY 17-18 = \$324,000; FY 18-19 = \$4,838,000; FY 19-20 = \$4,796,000; FY 20-21 = \$2,739,000

<u>Expenditure/Category:</u>	<u>Prior Years</u>	<u>2015-16 Est. Act.</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Total</u>
Design/Construction	\$166,041	\$171,429	\$131,000	\$324,000	\$4,838,000	\$4,796,000	\$2,739,000	\$13,165,470
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$166,041	\$171,429	\$131,000	\$324,000	\$4,838,000	\$4,796,000	\$2,739,000	\$13,165,470

THERMAL LOAD MITIGATION – IMPLEMENTATION 2



Description: This project anticipates future expansion of recycled water uses, riparian restoration, and/or other thermal load and watershed management strategies for regulatory compliance and environmental and community benefits. These projects are subject to the outcomes of the regulatory scenarios and goals associated with changing conditions of total maximum daily loads (TMDL) implementation, community and climatic factors, and emerging water quality/quantity needs.

Status: To be planned.

Justification: Ongoing fulfillment of thermal load mitigation strategic plans.

Project Driver: Address NPDES permit thermal load compliance related to Willamette River TMDL temperature requirements, other emerging water quality regulatory drivers, and community needs.

Project Trigger: Compliance with NPDES discharge permit.

Project Type: 100% Performance

Improvement SDC Eligibility: 26%

Estimated Project Cost: \$9,000,000 (plus up to \$8,000,000 anticipated project need in the out-years FY 21-22 and beyond for a total project cost of \$17,000,000).

Estimated Cash Flow: FY 18-19 = \$1,500,000; FY 19-20 = \$3,500,000; FY 20-21 = \$4,000,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$1,500,000	\$3,500,000	\$4,000,000	\$9,000,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$1,500,000	\$3,500,000	\$4,000,000	\$9,000,000

AERATION BASIN IMPROVEMENTS – PHASE 2



Description: Aeration Basin (Phase 2): Add step feed, anoxic selectors, and fine bubble diffusers to 4 of the 8 cells of the aeration basins and make hydraulic improvements. This project was originally the North Aeration Basin Improvements project; however the Phase 1 study/design phase showed that improvements to the four eastern most basins as a first phase would allow for better hydraulics and more operational flexibility.

In January 2016, the project scope and cost (estimate \$750K) increased to include replacement of existing aeration basin gates, valves and spray system.

Status: The Aeration Basin (Phase 2) project is anticipated to start design development in fiscal year 19-20 with consultant services.

Justification: Increase the dry weather aeration basin treatment capacity with respect to ammonia (with nitrification) and increase the wet weather treatment capacity.

Project Driver: National Pollution Discharge Elimination System (NPDES) permit includes ammonia limit requiring nitrification in dry weather and expansion of wet weather capacity to treat wet weather flows to meet NPDES permit monthly and weekly suspended solids limits.

Project Trigger: Address water quality requirements (need to evaluate the requirements based on the MWMC next NPDES permit renewal that is not anticipated to be issued in 2016).

Project Type: 50% Capacity; 50% Performance

Improvement SDC Eligibility: 58.7%

Estimated Project Cost: \$15,900,000 (funding for administration, design, permits, construction, etc.)

Estimated Cash Flow: FY 19-20 = \$1,450,000; FY 20-21 = \$6,800,000; FY 21-22 = \$6,950,000; FY 22-23 = \$700,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$4,050,000	\$11,850,000	\$15,900,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$4,050,000	\$11,850,000	\$15,900,000

TERTIARY FILTRATION - PHASE 2



Description: The phased work program will install infrastructure/support facilities for 30 mgd of filters for tertiary filtration of secondary treated effluent. Phase 2 is planned to install filter system technology sufficient for another 10 mgd of treatment that will increase the total filtration capacity to 20 mgd. The Phase 3 project will install the remaining filtration technology to meet the capacity needs identified in the 2004 MWMC Facilities Plan.

In January 2016, the project scope and cost (estimate \$530K) increased to include updating electrical switchgear, and install tertiary filter flushing headers/pipe vents.

Status: Tertiary Filtration (Phase 2) project is anticipated to start design development in fiscal year 20-21. The MWMC has an existing equipment agreement (ending October 2017) to allow for additional filtration equipment at a defined price.

Justification: The 2004 MWMC Facilities Plan proposes phasing filters on a phased work program. Filtration provides high quality secondary effluent to help meet permit requirements and potential Class A recycled water.

Project Driver: Performance reliability to meet the dry weather NPDES total suspended solids limits of less than 10 mg/L, reuse development, and compliance with effluent limits during peak flow conditions.

Project Trigger: NPDES permit compliance for total suspended solids (TSS): Dry weather maximum month flow in excess of 49 mgd. Also, provide higher quality effluent so that reuse options can be developed.

Improvement SDC Eligibility: 41.6%

Estimated Project Cost: \$14,030,000 (funding for administration, design, permits, construction, etc.)

Estimated Cash Flow: FY 20-21 = \$1,600,000; FY 21-22 = \$5,800,000; FY 22-23 = \$6,630,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000	\$3,500,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000	\$3,500,000

BIOGAS COGENERATION SYSTEM REPLACEMENT

- Description:** Increase capacity of the combined heat and power generation system (also known as a cogeneration system), located at the Water Pollution Control Facility (WPCF), to maximize biogas utilization.
- Status:** As of January 20, 2016, design of a larger capacity cogeneration system is 50% complete. Further design efforts are paused until definitive long-term financial determinations can be made.
- Justification:** This project will beneficially utilize nearly 100% of generated biogas, opposed to currently flaring approximately 30%.
- Project Driver:** Maximize the beneficial use of biogas, following the recommendation of the Biogas Utilization Study.
- Project Trigger:** Existing cogen unit is scheduled to need a major rebuild by March 2017.
- Project Type:** 100% Performance
- Improvement SDC Eligibility:** Not applicable
- Estimated Project Cost:** \$6,100,000 (funding for administration, design, permits, construction, etc.)
- Estimated Cash Flow:** FY 15-16 = \$800,000; FY 16-17 = \$3,200,000; FY 17-18 = \$2,100,000

Expenditure/Category:	Prior Years	2015-16		2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Est.	Act.						
Design/Construction	\$0	\$800,000	\$5,300,000	\$0	\$0	\$0	\$0	\$0	\$6,100,000
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost	\$0	\$800,000	\$5,300,000	\$0	\$0	\$0	\$0	\$0	\$6,100,000

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Adoption of a Resolution Annexing Land to the City of Eugene (Krumdieck, Richard; A 16-1)

Meeting Date: May 9, 2016
 Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2D
 Staff Contact: Nicholas R. Gioello
 Contact Telephone Number: 541/682-5453

ISSUE STATEMENT

This item is a request to annex approximately 1.8 acres (78,663 square feet) of vacant land located at the southern terminus of Briars Street and the western terminus of Emily Lane and west of Calumet Way. The property is located within the Urban Growth Boundary (UGB), and is contiguous on the east and south to other properties within the City limits.

The property is zoned R-1/UL (Low Density Residential and Urbanizable Lands Overlays). The Metro Plan designates the subject property for Low Density Residential use. The applicable refinement plan is the River Road - Santa Clara Urban Facilities Plan, which also designates the property for Low Density Residential Use. Plans for future development of the site are not included as part of this annexation application.

BACKGROUND

In December 2007, the City Council adopted Ordinance No. 20400 establishing the procedures for annexation requests and amending Chapter 9 of the Eugene Code (EC) to include these procedures. These annexation procedures provide for the council to adopt a resolution approving, modifying and approving, or denying an application for annexation; or provide for the council to hold a public hearing before consideration of the annexation request.

Approval of annexation requests are based on the criteria at EC 9.7825 which require that (1) the land proposed to be annexed is within the City's Urban Growth Boundary (UGB) and is contiguous to the City limits or separated from City limits only by a right-of-way or water body; (2) the proposed annexation is consistent with the applicable policies in the Metro Plan and in any applicable refinement plans and (3) the proposed annexation will result in a boundary in which the minimal level of key urban facilities and services can be provided in an orderly, efficient, and timely manner. Draft findings demonstrating that the annexation request is consistent with these approval criteria are included as Exhibit C to the draft resolution (Attachment B).

Public notice for this annexation request was provided in accordance with Eugene Code requirements. Two neighbors provided written correspondence regarding the proposal. Both neighbors expressed

concerns with the potential effects of increased density and traffic when the property develops in the future. As the City Council is aware, annexation applications are the first step in preparing property for development. The question before the council at this stage is whether the subject property should be included in the city limits. Future development will require a subsequent land use application, such as a subdivision. That land use application will also require public notice and opportunity for public comment. Issues such as traffic, density and other potential impacts will be fully evaluated at that time. Based on this information, staff does not believe a public hearing is warranted.

Referral comments were provided by affected agencies including City of Eugene Public Works and the Eugene Water & Electric Board (EWEB). These referral comments confirm that the property can be provided with the minimum level of key urban services consistent with the approval criteria.

Additional background information regarding this request, including relevant application materials, is included for reference as Attachment C. A full copy of all materials in the record is also available at the Permit and Information Center located at 99 West 10th Avenue.

RELATED CITY POLICIES

The Metro Plan contains the policies that are related to this annexation request. The River Road - Santa Clara Urban Facilities Plan is the refinement plan applicable to the subject property. The policies applicable to this request are addressed in the Planning Director's findings and recommendation (Exhibit C to Attachment B). In short, the proposal appears to meet all of the City's relevant policies concerning this annexation request.

COUNCIL OPTIONS

1. Adopt the draft resolution.
2. Adopt the draft resolution with specific modifications as determined by the City Council.
3. Deny the draft resolution.
4. Defer action until after the council holds a public hearing on the proposed annexation.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends that the City Council adopt the draft resolution by finding that the request complies with all applicable approval criteria, and that the annexation be approved.

SUGGESTED MOTION

Move to adopt Resolution 5151, which approves the proposed annexation request consistent with the applicable approval criteria.

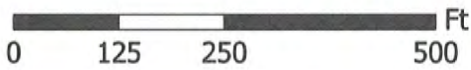
ATTACHMENTS

- A. Vicinity Map
- B. Draft Annexation Resolution with Exhibits A through C
 - Exhibit A: Map of Annexation Request
 - Exhibit B: Legal Description
 - Exhibit C: Planning Director Findings and Recommendation
- C. Application Materials for Annexation Request
- D. City Council Resolution 4903

FOR MORE INFORMATION

Staff Contact: Nicholas R. Gioello
Telephone: 541/682-5453
Staff E-Mail: Nick.r.gioello@ci.eugene.or.us

Krumdieck, Richard (A16-1)



Legend

- Area of Request
- Streets
- City Limits
- Taxlots

Caution:
This map is based on imprecise source data, subject to change, and for general reference only.

May 2016



RESOLUTION NO. _____

**A RESOLUTION ANNEXING LAND TO THE CITY OF EUGENE
(PROPERTY IDENTIFIED AS ASSESSOR'S MAP 17-04-02-12, TAX LOT
211).**

The City Council of the City of Eugene finds that:

A. An annexation application was submitted by Richard Krumdieck on January 22, 2016, in accordance with the provisions of Section 9.7810(2) of the Eugene Code, 1971, ("EC") for annexation to the City of Eugene of the property identified as Assessor's Map 17-04-02-12, Tax Lot 211.

B. The territory proposed to be annexed is depicted on the map attached as Exhibit A to this Resolution. The legal description of the property described is attached to this Resolution as Exhibit B.

C. The City's Planning Director has submitted a written recommendation that the application be approved based on the criteria of EC 9.7825. The Planning Director's Findings and Recommendation is attached as Exhibit C.

D. On April 8, 2016, a notice containing the street address and assessor's map and tax lot number, a description of the land proposed to be annexed, and the Planning Director's preliminary recommendation was mailed to the applicants, owners and occupants of property within 500 feet of the subject property, and the Santa Clara Community Organization. The notice advised that the City Council would consider the Planning Director's full recommendation on the proposed annexation on May 9, 2016.

E. After considering the Planning Director's recommendation, the City Council finds that the application should be approved.

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a
Municipal Corporation of the State of Oregon, as follows:**

Section 1. Based on the above findings and the Planning Director's Findings and Recommendation attached as Exhibit C which are adopted in support of this Resolution, it is ordered that the land identified as Assessor's Map 17-04-02-12, Tax Lot 211 on the map attached as Exhibit A, and described in the attached Exhibit B, is annexed to the City of Eugene.

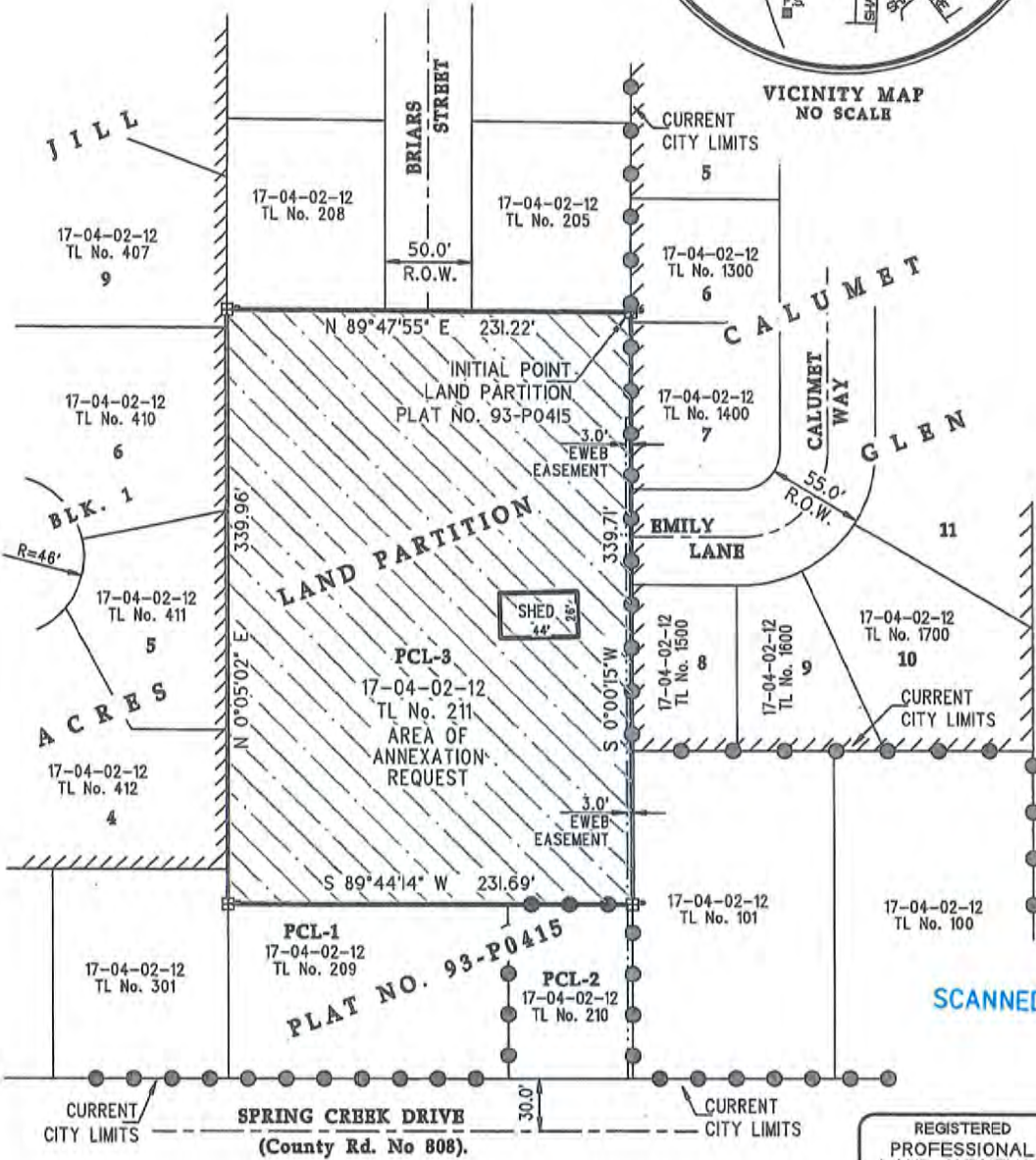
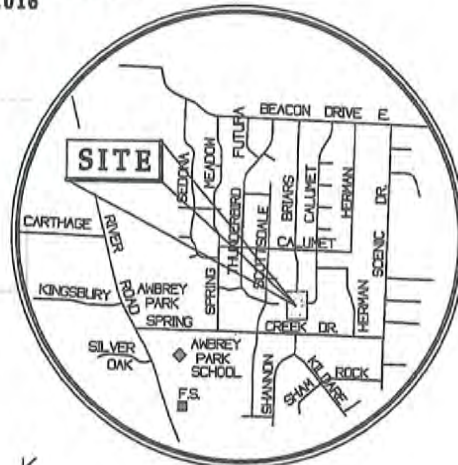
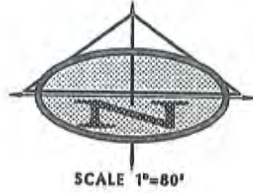
Attachment B

Section 2. This Resolution is effective immediately upon its passage by the City Council. The annexation and automatic rezoning of the land from R-1/UL to R-1 pursuant to EC 9.7820(3) shall become effective in accordance with State law.

The foregoing Resolution adopted the 9th day of May, 2016.

City Recorder

SITE PLAN for KRUMDIECK PROPERTY ANNEXATION
 NE 1/4, SEC. 2 T 17 S, R 4 W W.M.
 ASSESSOR'S MAP 17-04-02-12 TL No. 211
 EUGENE, LANE COUNTY, OREGON
 JANUARY 14, 2016



SCANNED

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Jonathan A. Oakes
 OREGON
 JULY 13, 1984
 JONATHAN A. OAKES
 2105
 EXPIRES: DECEMBER 31, 2016

POAGE ENGINEERING & SURVEYING, INC.
 P.O. BOX 2527 • EUGENE, OREGON 97402 • (541) 485-4505
 JOB No. 4422 • DRAWN: JAOV4422.GXD • 01-16

Attachment B

Exhibit B

**Legal Description for the Annexation of the Krumdieck Property
to the City of Eugene
NE 1/4 SEC. 2 T 17 S, R 4 W W.M.
Assessor's Map No. 17-04-02-12, TL No. 211**

Parcel 3 of Land Partition Plat No. 93-P0415 as platted and recorded November 3, 1993 in the Lane County Oregon Partition Plat Files



Exhibit C

**Planning Director's Findings and Recommendation
Annexation Request for Krumdieck, Richard
(City File A 16-1)**

Application Submitted: January 22, 2016
Applicant: Richard Krumdieck
Property Included in Annexation Request: Tax Lot 211 of Assessor's Map 17-04-02-12
Zoning: R-1/UL Low Density Residential with Urbanizable Lands Overlay
Location: South terminus of Brairs Street and west terminus of Emily Lane and west of Calumet Way
Representative: Jonathon Oakes, Poage Engineering, PO Box 2527, Eugene OR 97402; 541-485-4505
Lead City Staff: Nicholas Gioello, City of Eugene Planning Division, 541-682-5453

EVALULATION:

Based on the information provided by the applicant, the City has determined that this request complies with Eugene Code (EC) Section 9.7805 Annexation - Applicability. As such, it is subject to review and approval in accordance with the requirements, application criteria and procedures of EC 9.7800 through 9.7835. The applicable approval criteria are presented below in bold typeface with findings and conclusions following each.

EC 9.7825(1) The land proposed to be annexed is within the city's urban growth boundary and is:	
<p>(a) Contiguous to the city limits; or (b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.</p>	
<p>Complies</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Findings: The annexation area is within the City's urban growth boundary (UGB), and is contiguous to the City limits, consistent with subsection (a). As shown in the application materials and confirmed by City staff, the City limits are contiguous with the subject area of land along the eastern and western boundaries.</p>
EC 9.7825(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.	
<p>Complies</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Findings: Several policies from the Metro Plan provide support for this annexation by encouraging compact urban growth to achieve efficient use of land and urban service provisions within the UGB, including the following policies from the Growth Management section (in <i>italic</i> text):</p> <p><i>Policy 8. Land within the UGB may be converted from urbanizable to urban only through annexation to a city when it is found that:</i></p> <p><i>a. A minimum level of key urban facilities and services can be provided to the area in an orderly and efficient manner.</i></p> <p><i>b. There will be a logical area and time within which to deliver urban services and facilities. Conversion of urbanizable land to urban shall also be consistent with the Metro Plan. (page II-C-4)</i></p> <p><i>Policy 10. Annexation to a city through normal processes shall continue to be the highest priority. (page II-C-5).</i></p> <p><i>Policy 15. Ultimately, land within the UGB shall be annexed to a city and provided with the required minimum level of urban facilities and services. While the time frame for annexation may vary, annexation should occur as land transitions from urbanizable to</i></p>

Attachment B

		<p><i>urban. (page II-C-5)</i></p> <p>As addressed below under subsection (3), and consistent with these policies, a minimum level of key urban facilities and services can be provided to the area in an orderly and efficient manner.</p> <p>The <u>Metro Plan</u> designates the annexation area as appropriate for Low Density Residential use. The <u>River Road - Santa Clara Urban Facilities Plan (RR/SC UFP)</u> is the adopted refinement plan for the subject properties and also designates the area for Low Density Residential uses. The property is currently zoned R-1/UL Low-Density Residential with Urbanizable Land Overlay. The /UL overlay will be automatically removed from the zoning following annexation approval.</p> <p>With regard to applicable policies of the <u>RR/SC UFP</u>, the subject property is not located within any of the described subareas. Further, none of the general “Residential Land Use Policies” at Section 2.2 appear to be directly applicable to the subject request. The “Public Facilities and Services Element” policies of the <u>RR/SC UFP</u> are directed at local government; however, the premise of these policies (regarding the provision of urban services) is the assumption that the properties within the UGB will be annexed.</p> <p>As previously discussed in this subsection, and further detailed under subsection (3) below, the proposed annexation is consistent with <u>Metro Plan</u> growth management policies and can be served by the minimum level of key urban services. The annexation procedures beginning at EC 9.7800 are consistent with State law and therefore, as found throughout this report, the annexation is consistent with State law.</p> <p>Therefore, based on the findings above, the proposal is consistent with the applicable policies of the <u>Metro Plan</u> and applicable refinement plan.</p>
<p>EC 9.7825(3)</p>		<p>The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.</p>
<p>Complies</p> <p><input checked="" type="checkbox"/> YES</p> <p><input type="checkbox"/> NO</p>		<p>Findings: Consistent with this criterion, the proposed annexation will result in a boundary in which the minimum level of key urban facilities and services can be provided in an orderly, efficient, and timely manner as detailed below:</p> <p><u>Wastewater</u> Public wastewater is available to serve the subject vacant property. There are existing 8-inch lines within Briars St. and Emily Ln. There is an On-Hold assessment due related to the existing public services that will become payable at the time of development.</p> <p><u>Stormwater</u> There are no public stormwater facilities immediately adjacent to the subject property. Stormwater may be accommodated on site; records show that the Type B soils infiltrate well. Compliance with applicable stormwater development standards will be ensured at the time of development.</p> <p><u>Transportation</u> The subject property abuts Briars Street, which is under Lane County jurisdiction, as well as Emily Lane and Calumet Way, residential City of Eugene streets with 28 feet of paving within a 55-foot right-of-way and setback sidewalks. Street improvements will be determined at the time of property development.</p> <p><u>Lane County Transportation Planning</u> Comments from Public Works staff indicate the property has frontage on two streets, Briars Street</p>

and Emily Lane, which both dead end at the property boundary. To the north is the dead end of Briars Street. Briars Street is a Lane County road functionally classified as an urban Local Road. For urban Local Roads, the minimum right-of-way width for development setback purposes is 60 feet, except that the right-of-way width may be reduced to a minimum of 45 feet for development setback purposes upon written approval of the County Engineer or designee (Lane Code 15.070(1)(c)(i)(ff)).

In accordance with Lane Code 15.205(1), a Facility Permit shall be required for placement of facilities within the right-of-way of County roads. A Facility Permit may be required for any future connection to Briars Street.

In accordance with Lane Manual 15.515, storm water runoff from private property shall not be directed to the Lane County road right-of-way, or into any Lane County drainage facility, including roadside ditches. Ditches adjacent to County roads are designed solely to accommodate roadway storm water runoff.

Solid Waste

Collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

Water and Electric

EWEB Water staff state no objection to the annexation. EWEB Electric staff state no objection to the proposed annexation request. Water and electric services can be extended in accordance with EWEB policies and procedures.

Public Safety

Police protection can be extended to this site upon annexation consistent with service provision through the City. Fire protection will be provided by the City of Eugene Fire Department. Emergency medical services are currently provided on a regional basis by the cities of Eugene and Springfield to central Lane County and will continue in the same manner upon annexation.

Parks and Recreation

A minimum level of park service can be provided to the proposal area as prescribed in the Metro Plan.

Planning and Development Services

Planning and building permit services are provided for all properties located within the urban growth boundary by the City of Eugene. The Eugene Code, Chapter 9, will provide the required land use controls for future development of the subject property upon annexation.

Communications

A variety of other telecommunications providers offer communications services throughout the Eugene/Springfield area.

Public Schools

The subject property is within Eugene School District 4J and is within the district boundary of Awbrey Park Elementary School, Madison Middle School, and North Eugene High School.

CONCLUSION:

Based on the above findings, information submitted to date, and the criteria set forth in EC 9.7825, the proposed annexation is consistent with the applicable approval criteria. A map and legal description showing the area subject to annexation are included in the application file for reference. The effective date is set in accordance with state law.

Attachment B**INFORMATION:**

- Upon approval of the annexation, the base zoning of R-1 Low Density Residential will remain; however, the /UL Urbanizable Lands overlay will be automatically removed from the annexation area. The property is designated in the Metro Plan and River Road – Santa Clara Urban Facilities Plan for Low Density Residential use, which is consistent with the R-1 zoning. Please contact the Permit Information Center, Planner-on-Duty at 682-5377 for more information.
- A Lane County Facility Permit shall be required for placement of facilities within the right-of-way of County roads. Facilities and development includes, but is not limited to, road improvements, sidewalks, new or reconstructed driveway or road approach intersections, utility placements, excavation, clearing, grading, culvert placement or replacement, storm water facilities, or any other facility, thing, or appurtenance. Please contact 541-682-6902 or visit this link for information regarding facility permits: <http://www.lanecounty.org/Departments/PW/Engr/RightofWay/Pages/rowpermits.aspx>
- For information regarding EWEB requirements at the time of development, please contact Bill Johnson, EWEB Water, at 541-685-7377; Jon Thomas, EWEB Electric, at 541-685-7472; and Lori Price EWEB Right-of-Way, at 541-685-7366
- Approval of this annexation does not relieve the applicant from complying with applicable codes and statutory requirements.

February 16, 2016

ANNEXATION APPLICATION

Property Location: Map 17-04-02-12, TL No. 211
Vacant (not addressed)

Owner: Richard Krumdieck
70 Carthage Avenue
Eugene, OR 97404

Applicant: same as owner

Applicant's Representative: Poage Engineering and Surveying Inc.
P.O. Box 2527
Eugene, OR 97402

Contact: Jonathan Oakes
Phone: 541-485-4505; email: oakes@poage.net

WRITTEN STATEMENT

I. INTRODUCTION AND BACKGROUND

1. Description of subject property:

Map and tax lot 17-04-02-12-00211 is approximately 1.81 acres in size. It is designated by the Metro Plan as Low Density Residential. It is zoned R-1/low density residential with the UL/urbanizable land overlay. The site contains a vacant accessory structure that is intended to be removed under a future development plan. Tax Lot 211 is contiguous to the incorporated city limits of Eugene along approximately 248' feet of its eastern boundary and approximately 71 feet of its southern boundary.

2. Summary of land use request:

The applicant requests to annex all of TL No. 211, such that the /UL overlay will be removed.

3. Application Contents

The information requirements for an annexation application are stated at EC 9.7810(1) through (10). The application form page 2 lists all the required information. That information has been compiled here, as reflected in the check boxes on the application form.

4. Criteria for approval of annexation application:

EC 9.7825 provides the primary criteria applicable to an annexation application. This code section refers to additional criteria (such as applicable Metro Plan policies) that will need to be addressed as well.

EC 9.7825 Annexation – Approval Criteria. *The city council shall approve, modify and approve, or deny a proposed annexation based on the application's consistency with the following:*

- (1) The land proposed to be annexed is within the city's urban growth boundary and is:*
 - (a) Contiguous to the city limits; or*
 - (b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.*

Applicant's proposed finding: the subject property is within the city's UGB. The subject property is directly contiguous with the current city limits along approximately the north 248 feet of its eastern boundary and approximately the east 71 feet of its southern boundary.

"(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans."

Applicant's proposed finding: The Metro Plan Policy 10, page 11-C-4, recognizes annexations through this normal process to be the highest priority. As such, the proposal is consistent with this policy

Metro Plan Policy 8, page 11-C-4, provides for annexation when a minimum level of key facilities and services can be provided. This policy is the subject of the annexation standard in (3) below.

Metro Plan Policy 15 provides that land within the UGB shall be annexed to a city and provided with the minimum level of urban facilities and services. It further provides that while the timeframe for annexation may vary, annexation should occur as land transitions from urbanizable to urban. The property is within the UGB and therefore, based on this policy, should be annexed. The provision of facilities and services is addressed in standard (3) below. The property is designated LDR on the Metro Plan. The property is currently zoned R-1 which is consistent with the low density residential designation assigned to the site in the Metro Plan.

Metro Plan Policy 17 is instructional to the City to dissolve special service districts after annexation and to consider intergovernmental agreements with affected special service districts. The applicant does not object to dissolving special service districts, as needed. The proposal is consistent with Policy 17.

Metro Plan Policy 19 stipulates the criteria that must be met in order to annex territory to existing service districts within the UGB. This proposal is consistent with Policy 19 in the fact that the key urban services are directly available to the property making immediate annexation to the City a possibility and the affected property owners have provided the signed consent to annex agreement with the City of Eugene in accordance Oregon annexation law.

Metro Plan Policy 20 outlines the methodology for extending new urban service to unincorporated areas within the UGB. This proposal is consistent with Policy 20 in the fact that the applicant is requesting annexation to the City of Eugene, which is the highest priority of all the methods outlined in Policy 20 for providing new urban service to unincorporated areas within the UGB.

“(3) The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.”

Applicant’s proposed finding: The Metro Plan defines the “Minimum Level” of “key urban facilities and services” as including

“wastewater service, stormwater service, transportation, solid waste management, water service, fire and emergency medical services, police protection, city-wide parks and recreation programs, electric service, land use controls, communication facilities, and public schools on a district-wide basis (in other words, not necessarily within walking distance of all students served).”

Each of these facilities and services is addressed below.

In summary, the minimum level of key urban facilities and services is either immediately available or can be provided within a reasonable future time frame as needed.

Wastewater services: When property is annexed to the city, it is automatically annexed to the Lane County Metropolitan Wastewater Service District, as provided for in ORS 199.510(2)(c). In the post-Boundary Commission era, the subject property will have to be annexed to the MWSD in a separate action, following annexation to the city.

Currently, there is an 8” public wastewater line in Emily Lane immediately adjacent to the eastern boundary of the subject property and an 8” public wastewater line in Briars Street immediately adjacent to the north boundary of the subject property. This fact is illustrated on Page 25 of the Wastewater and Stormwater Infrastructure Map Book 2013. Therefore, wastewater services are already available to the subject property.

Attachment C

Stormwater services:

As shown on Page 25 of the Infrastructure Map Book referenced above, the nearest public stormwater facility is located near the intersection of Calumet Way and Mahonia Lane which is approximately 280' North and 110' East of the subject property. Current City stormwater policies require that stormwater be kept on-site and any run-off shall be limited to predevelopment flows. Therefore, future development of the site will require an on-site stormwater facility sized in accordance with the treatment and flood control guidelines of the City of Eugene Stormwater Management Manual. Overflows from the designed facility will be directed to the curb and gutter system in Emily Lane and Calumet Way where it will eventually enter the public system at the intersection of Calumet Way and Mahonia Lane. Therefore, this type of "key urban facility" is available to the subject property.

Transportation:

The property is adjacent to Briars Street on the north and Emily Lane on the east. These are improved local streets which in turn connect to other local streets that feed Spring Creek Drive, a neighborhood collector. Spring Creek Drive eventually connects to River Road, which is a major arterial and thereby providing the subject property with access to the entire transportation network within the city limits and surrounding area. Therefore, the subject property is already served with this type of "key urban facility."

Solid Waste Management: Private firms and individuals collect and transport solid waste to the Lane County administered landfill. Therefore, the subject property is already served with this type of "key urban facility."

Water Service: Water is available from the 8" water main located in Emily Lane and the 6" water main located in Briars Street. Therefore, the subject property is already served with this type of "key urban facility."

Fire and emergency medical services: According to RLID, fire protection is currently provided by the Santa Clara RFPD. Upon annexation, the City of Eugene will provide services directly to the property. Therefore, the subject property is already served with this type of "key urban facility."

Police Protection: Police protection will be provided by Eugene, which currently services other properties inside the city. After annexation this property will receive police services on an equal basis with all properties inside the city. Therefore, the subject property is can be served with this type of "key urban facility."

City-wide parks and recreation programs: Park services are already provided to this area, consistent with the Metro Plan. The subject property is not currently located within an established park district. According to Lane County's GIS maps, there are two parks within one mile of the subject property: Awbrey Park and Wendover Park.

Electric Service: The adjacent properties are served by EWEB, and service is available at the property boundaries.

Land Use Controls: The subject property is now, and after annexation will continue to be, subject to the land use controls of the City of Eugene.

Communication Facilities: Land line phone service, cellular phone and data service, and cable television are available in the area, and can be extended to the subject property.

Public schools on a district-wide basis: The Eugene 4J School District serves the annexation area. Existing schools are: Awbrey Park Elementary, Madison Middle, and North Eugene High Schools

Attachment C

Application #: C * 2008 - _____
 For City Use Only

* CB = Coburg
 CR = Creswell
 FL = Florence
 OA = Oakridge

CG = Cottage Grove
 EU = Eugene
 JC = Junction City
 SP = Springfield

PETITION

Petition Signature Sheet
 Annexation by Individuals

We, the following property owners/electors, consent to the annexation of the following territory to the City of (insert Name of City):

Signature	Date Signed m/d/y	Print Name	Residence Address (street, city, zip code)	Map and Tax Lot Number (example: 17-04-03-00-00100)	Land Owner	Reg Voter	Acres (qty)
<i>[Signature]</i>	1-15-11	RICHARD B. BROWN	70 CLAYTHAM AVE. EUGENE OR 97404	17-04-02-12-00211	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1.91

Note: With the above signature(s), I am attesting that I have the authority to consent to annexation on my own behalf or on behalf of my firm or agency. (Attach evidence of such authorization when applicable.)

I, JOYANNA STEES (printed name of circulator), hereby certify that every person who signed this sheet did so in my presence.
 X Markus A. Oller (signature of circulator)

CERTIFICATION OF PROPERTY OWNERS

The total landowners in the proposed annexation are _____ (qty). This petition reflects that _____ (qty) landowners (or legal representatives) listed on this petition represent a total of _____ (%) of the landowners and _____ (%) of the acres as determined by the map and tax lots attached to the petition. A&T is not responsible for subsequent deed activity which may not yet be reflected on the A&T computerized tax roll.

Lane County Department of Assessment and Taxation

Date Certified _____

CERTIFICATION OF ELECTORS

The total active registered voters in the proposed annexation are _____, I hereby certify that this petition includes _____ valid signatures representing _____ (%) of the total active registered voters that are registered in the proposed annexation.

Lane County Clerk or Deputy Signature _____

Date Certified _____

Consent to Annexation

Consent is hereby given to the annexation by the City of Eugene, Oregon of the following described real property:

Map and Tax Lot: 17-04-02-12-CO211 Address: VACANT

Legal Description:

PARCEL 3 OF LAND PARTITION PLAT NO. 93-P0415 AS PLATTED AND RECORDED NOVEMBER 3, 1993 IN THE LANE COUNTY OREGON PARTITION PLAT FILES IN LANE COUNTY OREGON.

In the corporate limits of said city, which is owned by the undersigned

DATED this 15th day of JANUARY, 2016.

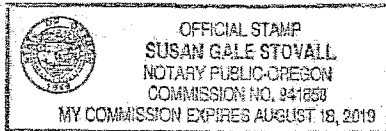
Richard L. Kruendieck

STATE OF OREGON)

County of) ss)

On this 15th day of January, 2016, before me, the undersigned, a notary public in and for the said county and state, personally appeared the within-named, Richard L. Kruendieck, who is known to me to be the identical individual described herein and who executed the same freely and voluntarily.

Seal:



IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.

Susan M Stovall
Notary Public for Oregon
My Commission Expires August 18, 2019

Attachment C

Summary of Urban Service Provision

This form is intended as a guide to assist applicants in demonstrating that a minimum level of key urban services can be provided to the area proposed for annexation. Space is provided on this form for you to provide detailed information on service provision. Please add additional pages if necessary to provide details of servicing issues related to the area you are annexing. To assist you in providing this information, some contacts are listed below. For large or difficult to serve properties, you may wish to contact a private land use planning consultant to prepare your application.

Property Owner(s) Name:

RICHARD KRUMDIECK

Assessor's Map and Tax Lot Numbers for Properties Proposed for Annexation
(For example: Map 17-03-19-31, Tax Lot 100)

17-04-02-12 TAX LOT NO. 211

Wastewater -- All new development must connect to the wastewater (sanitary sewer) system. Is wastewater service available to serve the area proposed for annexation? (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

The property(ies) in this annexation request:

will be served from an existing gravity wastewater line.

Location and size of existing wastewater line:

AN 8" SEWER IN BRILLY LN. ADJACENT TO THE EAST BOUNDARY OF THE SITE.
AN 8" SEWER IN BRILLY ST. ADJACENT TO THE NORTH BOUNDARY OF THE SITE.

_____ will be served by an extension of an existing gravity wastewater line.

Where will a wastewater line be extended from? When will it be extended? By whom?

Stormwater -- Site plans for all new development must provide for drainage to an approved system consistent with the Comprehensive Stormwater Management Plan. City approval for storm drainage will be required as part of the development process. (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

Is the site currently served by an approved stormwater system?

No

If yes, location? _____

If no, how will stormwater be handled after development? -
STORMWATER WILL BE RETAINED ON-SITE IN AN APPROVED
STORMWATER TREATMENT FACILITY

Streets - What existing streets provide access to this site. List existing streets that provide access to this site from River Road, the Northwest Expressway, or Beltline Highway. SPRING CREEK DR, SPRING MEADOW AVE, CALUMET AVE,
BRIARS ST, CALUMET WAY, EMILY LA.

Will dedication for additional street right-of-way be required upon further development of this site?

Yes No Unknown

Will existing streets be extended or new streets constructed upon further development of this site?

Yes No Unknown

(For more information, contact the City of Eugene Public Works staff at (682-6004).)

Parks, Recreation, and Cultural Services

Systems Development revenues generated by new development and Ballot Measure 20-30, which authorized the issuance of \$25.3 million in general revenue bonds, will help to fund future City park acquisition and development in this area and throughout the city. Please list the parks and recreation facilities that already exist or are planned in the general vicinity of the property(ies) included in this annexation:

AUBREY PARK & WENDOVER PARK ARE THE TWO NEAREST
PARKS TO THE PROPERTY REQUESTING ANNEXYATION

Key services, defined by the Metropolitan Plan as parks and recreation programs, will be available to new city residents in this area on an equal basis with residents throughout the city.

Public Safety

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city.

Attachment C

For River Road/Santa Clara area-

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city. Police currently travel along River Road to provide service to areas throughout the River Road and Santa Clara area. Infill annexations and development in this area will increase the efficiency of service delivery to this area.

Fire and emergency services (Please indicate which fire district serves subject property.)

Santa Clara - Fire protection services are currently provided to the subject property by the Santa Clara Rural Fire Protection District.

River Road - Fire and emergency services - Fire protection is currently provided to the subject property by the River Road Water District under contract with the City of Eugene. Upon annexation, fire protection will be provided directly by the City of Eugene Fire & EMS Department.

Emergency medical transport (i.e., ambulance) services are currently provided on a regional basis by Eugene, Springfield, and Lane Rural Fire/Rescue to central Lane County, including the River Road and Santa Clara areas. After annexation, this service will continue to be provided by the current provider. All ambulance service providers have mutual aid agreements and provide back-up service into the other providers' areas.

Planning and Development Services -- Planning and building permit services are provided to the area outside the city limits but within the urban growth boundary by the City of Eugene. This service would continue after annexation.

EWEB (Eugene Water and Electric Board) currently provides water and electric service in the Eugene area and can provide service to new development in the River Road and Santa Clara area upon annexation. Some properties in northern Eugene receive electric service from EPUD (Emerald People's Utility District). Some properties in south Eugene receive electric services from the Lane Electric Cooperative; please note if this is the case for your property. For more information contact EWEB, ph. 484-2411, EPUD, ph. 746-1583 or Lane Electric Co-op, 484-1151.

Electric Service -- Which electric company will serve this site?

E.W.E.B.

Water Service -- Please provide the size and location of the water main closest to your property.

AN 8" WATER MAIN EXISTS IN EMILY LA. ADJUTING THE EAST BOUNDARY OF THE SITE
AND 6" WATER MAIN EXISTS IN BOULDER ST. ADJUTING THE NORTH BOUNDARY OF THE SITE

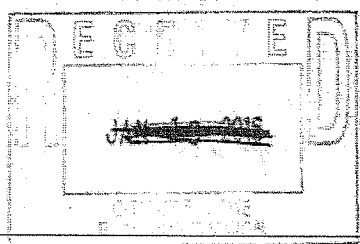
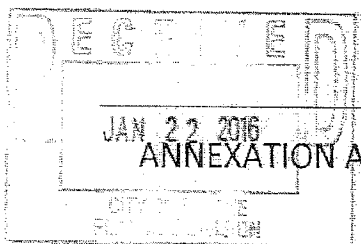
Solid Waste -- Solid waste collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

Attachment C

Natural Gas -- Northwest Natural Gas can extend service to new development in this area.

Communications -- US West Communications and a variety of other telecommunications providers offer communications services throughout the Eugene/Springfield Area.

Attachment C



Planning & Development Planning
 City of Eugene
 99 West 10th Avenue
 Eugene, Oregon 97401
 (541) 682-5377
 (541) 682-5572 Fax
 www.eugene-or.gov

Please complete the following application checklist. Note that additional information may be required upon further review in order to adequately address the applicable criteria for approval. If you have any questions about filling out this application, please contact Planning staff at the Permit and Information Center, phone (541)682-5377, 99 West 10th Avenue, Eugene.

List all Assessor's Map and Tax Lot numbers of the property included in the request.

Assessor's Map	Tax Lot	Zoning	Acreage
17-04-02-12	211	R-1/UC	1.91 AC

Property Address: VACANT NOT ADDRESSED

Plans for Future Development & Permit Number (if applicable): _____

Public Service Districts:

Name			
Parks:			
Electric:	EUGENE WATER AND ELECTRIC BOARD		
Water:	EUGENE WATER AND ELECTRIC BOARD		
Sanitary Sewer:	CITY OF EUGENE METROPOLITAN WASTE		
Fire:	SANTA CLARA RFPD		
Schools:	Elementary: AWBIREY	Middle: MADISON	High: N. EUGENE
Other:	PARK		

Filing Fee

A filing fee must accompany all applications. The fee varies depending upon the type of application and is adjusted periodically by the City Manager. Check with Planning staff at the Permit and Information Center to determine the required fee or check website at www.eugeneplanning.org

Attachment C

Written Statement (Submit 5 copies)

- Submit a detailed written statement describing how this request is consistent with all applicable criteria (Section 9.7825 of the Eugene Code).

Site Plan Requirements

Submit 8 copies of a site plan, drawn to an engineer's scale on 8 1/4" x 14" sheet of paper. Site plans shall include the following information:

- Show the date & north arrow on site plan.
- Show the Assessor's Map and Tax Lot number(s) on the site plan.
- Show a vicinity map on the site plan (vicinity map does not need to be to scale).
- Show city limits & UGB (if applicable)
- Clearly label the affected territory and any public right of ways to be annexed.
- Show all adjacent streets, alleys, and accessways.
- Show all dimensions of existing public utility easements and any other areas restricting use of the parcels, such as conservation areas, slope easements, access easements, etc.
- Show the location of all existing structures.

Other Application Requirements (Submit 5 copies of all)

- Petition for Annexation form listing all owners, including partial owners, and electors. This form includes the Certification of Electors which must be signed by the Lane County Elections/Voter Registration Department and also includes the Verification (Certification) of Property Owners which must be signed by the Lane County Department of Assessment and Taxation. *This form is required even if the land is vacant.*
- Notarized Consent to Annexation form.
- A legal description of the land proposed for annexation, including any public right of way prepared by a registered land surveyor. Oregon Revised Statutes (ORS) 308.225 requires submittal of a closing metes and bounds description or subdivision block and lot number description. Please see example of acceptable legal descriptions contained in the application packet. The legal description must exactly correspond with the map included with the application or the Assessor's map.
- Summary of Urban Service Provision form.
- A county Assessor's cadastral map. *(Available at Lane County Assessment & Taxation)*
- Census Information Sheet.

Note: This is not a complete list of requirements. Additional information may be required after further review in order to adequately address the applicable approval criteria.

Attachment C

By signing, the undersigned certifies that he/she has read and understood the submittal requirements outlined, and that he/she understands that omission of any listed item may cause delay in processing the application. I (We), the undersigned, acknowledge that the information supplied in this application is complete and accurate to the best of my (our) knowledge.

PROPERTY OWNER OF TAX LOT: 211

Name (print): RICHARD KRUMDIECK
Address: 70 CARTHAGE AVE Email: _____
City/State/Zip: EUGENE OR 97404 Phone: 541 579-1951 Fax: _____
Signature: [Handwritten Signature] Date: 1-15-14

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____
Address: _____ Email: _____
City/State/Zip: _____ Phone: _____ Fax: _____
Signature: _____ Date: _____

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____
Address: _____ Email: _____
City/State/Zip: _____ Phone: _____ Fax: _____
Signature: _____ Date: _____

SURVEYOR:

Name (print): JONATHAN OWLES
Company/Organization: POAGE ENGINEERING
Address: P.O. BOX 2527

Attachment C

City/State/Zip: EUGENE OR 97402 Phone: 541-485-4505 Fax: 541-485-5624

E-mail: OAKES@POAGE.NET

Signature: *Mark A. Oakes* Date: 01/14/2016

REPRESENTATIVE (If different from Surveyor):

Name (print): _____

Company/Organization: _____

Address: _____

City/State/Zip: _____ Phone: _____ Fax: _____

E-mail: _____

Signature: _____ Date: _____

**Attached additional sheets if necessary.

**Planning
Receipt**



Planning & Development Attachment C
 Planning Division
 99 West 10th Avenue
 Eugene, OR 97401
 (541) 682-5377

Date: 1/22/16 Received From Krumdieck
 Address 70 Carthage Ave
97404

Method of Payment:
 Cash
 Check
 Visa/MC

Amount Received \$ 5155.70 Phone (541) 579 1951
 Project 17-04-02-12 - 00211

Enter amount:

Annexation	\$ <u>4730.00</u>	Subdivision, Tentative	\$
Appeal	\$	Subdivision, Final	\$
Conditional Use Permit	\$	Traffic Impact Analysis	\$
Legal Lot Verification	\$	Vacations (all)	\$
Lot Validation	\$	Willamette Greenway Permit	\$
Partition, Tentative	\$	Zone Change	\$
Partition, Final	\$	Other	\$
Property Line Adjustment	\$	Fire Review Fee	\$
PUD Tentative	\$	Subtotal	\$ <u>4730.00</u>
PUD Final	\$	Administrative Fee (except appeals)	\$ <u>425.70</u>
Site Review	\$	TOTAL	\$ <u>5155.70</u>

Staff Initials MAD
 Updated: June 2015

CITY OF EUGENE
BUILDING & PERMIT SERVICE
99 WEST 10TH AVE 682-5086
REG-RECEIPT:3-0000618 Jan 22 2016
CASHIER: RRC

Annexation Fee \$4,730.00
Admin Fee-Auto Calc \$425.70

TOTAL DUE: \$5,155.70

RECEIVED FROM:
RICHARD L KRUMDIECK

Credit: \$5,155.70

Total tendered: \$5,155.70

Change due: \$.00

www.eugene-or.gov/bldgpermittracking

Please take our customer survey at:
www.surveymonkey.com/s/COEPermitSurvey



COUNCIL RESOLUTION NO. 4903

**A RESOLUTION AMENDING THE
ADMINISTRATIVE GUIDELINES
FOR ANNEXATIONS ADOPTED BY
RESOLUTION NO. 4358 OF THE
CITY COUNCIL.**

PASSED: 8:0

REJECTED:

OPPOSED:

ABSENT:

RECUSED:

CONSIDERED: April 11, 2007

RESOLUTION NO. 4903

A RESOLUTION AMENDING THE ADMINISTRATIVE GUIDELINES FOR ANNEXATIONS ADOPTED BY RESOLUTION NO. 4358 OF THE CITY COUNCIL.

The City Council of the City of Eugene finds that:

A. Administrative Guidelines for Annexation Proposals (the Guidelines) were adopted by Resolution No. 4358 of the City Council on January 25, 1993. The Guidelines, which were attached as Exhibit A to Resolution No. 4358 were adopted as City policy to be utilized, together with such other criteria as may be required under state law and adopted City policy, in the formation, processing and adjudication of annexation proposals.

B. Copies of Resolution 4358, including its Exhibit A, were forwarded to the City's Planning Commission, Planning and Development Department and other affected City departments to ensure the Guidelines were considered and evaluated in the processing and development of annexation proposals to be initiated before the Lane County Local Government Boundary Commission.

C. The second paragraph under the Annexation Initiation and Formation Guidelines section of the Guidelines sets forth the conditions under which property owner initiated annexation requests should be expanded to include road rights-of-way or public land. The City Council has directed that the city manager halt the practice of adding right-of-way to annexation requests in the River Road/Santa Clara area where such additions would create islands of unincorporated properties, and the Guidelines should be amended to explicitly recognize this direction.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based on the above findings, which are hereby adopted, the lead sentence for the second paragraph under the Annexation Initiation and Formation Guidelines section of the Guidelines attached as Exhibit A to Resolution No. 4358 is amended by revising and adding language to read as follows:

“Under any of the following conditions property owner initiated annexation requests may be expanded to include road rights-of-way or public land except where adding right of way would create islands of unincorporated properties in the River Road/Santa Clara area.”

Attachment D

Section 2. The City Recorder is requested to append a copy of this Resolution to Resolution No. 4358, and to forward copies to the City's Planning Commission, Planning and Development Department, Lane County Local Government Boundary Commission, and other affected agencies or departments.

Section 3. Except as herein amended, all other provisions of Resolution No. 4358, and the Administrative Guidelines for Annexations adopted therein, remain in full force and effect.

Section 4. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the 11th day of April, 2007.



City Recorder

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Adoption of a Resolution Annexing Land to the City of Eugene (Prairieview Ventures, LLC; A 16-2)

Meeting Date: May 9, 2016
 Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2E
 Staff Contact: Nicholas R. Gioello
 Contact Telephone Number: 541/682-5453

ISSUE STATEMENT

This item is a request to annex approximately 1.08 acres (47,045 square feet) of vacant land located at the northeast corner of East Enid Road and Woodruff Street. The property is located within the Urban Growth Boundary (UGB), and contiguous on three sides to other properties within the City limits

The property is zoned I-3/CAS/UL (Heavy Industrial with Commercial Airport Safety and Urbanizable Lands Overlays). The Metro Plan designates the subject property for heavy industrial use. There is no applicable refinement plan for this area. Plans for future development of the site are not included as part of this annexation application.

BACKGROUND

In December 2007, the City Council adopted Ordinance No. 20400 establishing the procedures for annexation requests and amending Chapter 9 of the Eugene Code (EC) to include these procedures. These annexation procedures provide for the council to adopt a resolution approving, modifying and approving, or denying an application for annexation; or provide for the council to hold a public hearing before consideration of the annexation request.

Approval of annexation requests are based on the criteria at EC 9.7825 which require that (1) the land proposed to be annexed is within the City's Urban Growth Boundary (UGB) and is contiguous to the City limits or separated from City limits only by a right-of-way or water body; (2) the proposed annexation is consistent with the applicable policies in the Metro Plan and in any applicable refinement plans and (3) the proposed annexation will result in a boundary in which the minimal level of key urban facilities and services can be provided in an orderly, efficient, and timely manner. Draft findings demonstrating that the annexation request is consistent with these approval criteria are included as Exhibit C to the draft resolution (Attachment B).

Public notice for this annexation request was provided in accordance with Eugene Code requirements, and no written testimony has been received as of this date. Referral comments were provided by affected agencies including City of Eugene Public Works and the Eugene Water & Electric Board (EWEB). These referral comments confirm that the property can be provided

with the minimum level of key urban services consistent with the approval criteria. Given the findings of compliance and lack of testimony received, a public hearing is not recommended in this instance.

Additional background information regarding this request, including relevant application materials, is included for reference as Attachment C. A full copy of all materials in the record is also available at the Permit and Information Center located at 99 West 10th Avenue.

RELATED CITY POLICIES

The Metro Plan contains the policies that are related to this annexation request. There is no refinement plan applicable to the subject property. The policies applicable to this request are addressed in the Planning Director's findings and recommendation (Exhibit C to Attachment B). In short, the proposal appears to meet all of the City's relevant policies concerning this annexation request.

COUNCIL OPTIONS

1. Adopt the draft resolution.
2. Adopt the draft resolution with specific modifications as determined by the City Council.
3. Deny the draft resolution.
4. Defer action until after the council holds a public hearing on the proposed annexation.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends that the City Council adopt the draft resolution by finding that the request complies with all applicable approval criteria, and that the annexation be approved.

SUGGESTED MOTION

Move to adopt Resolution 5152, which approves the proposed annexation request consistent with the applicable approval criteria.

ATTACHMENTS

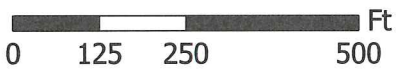
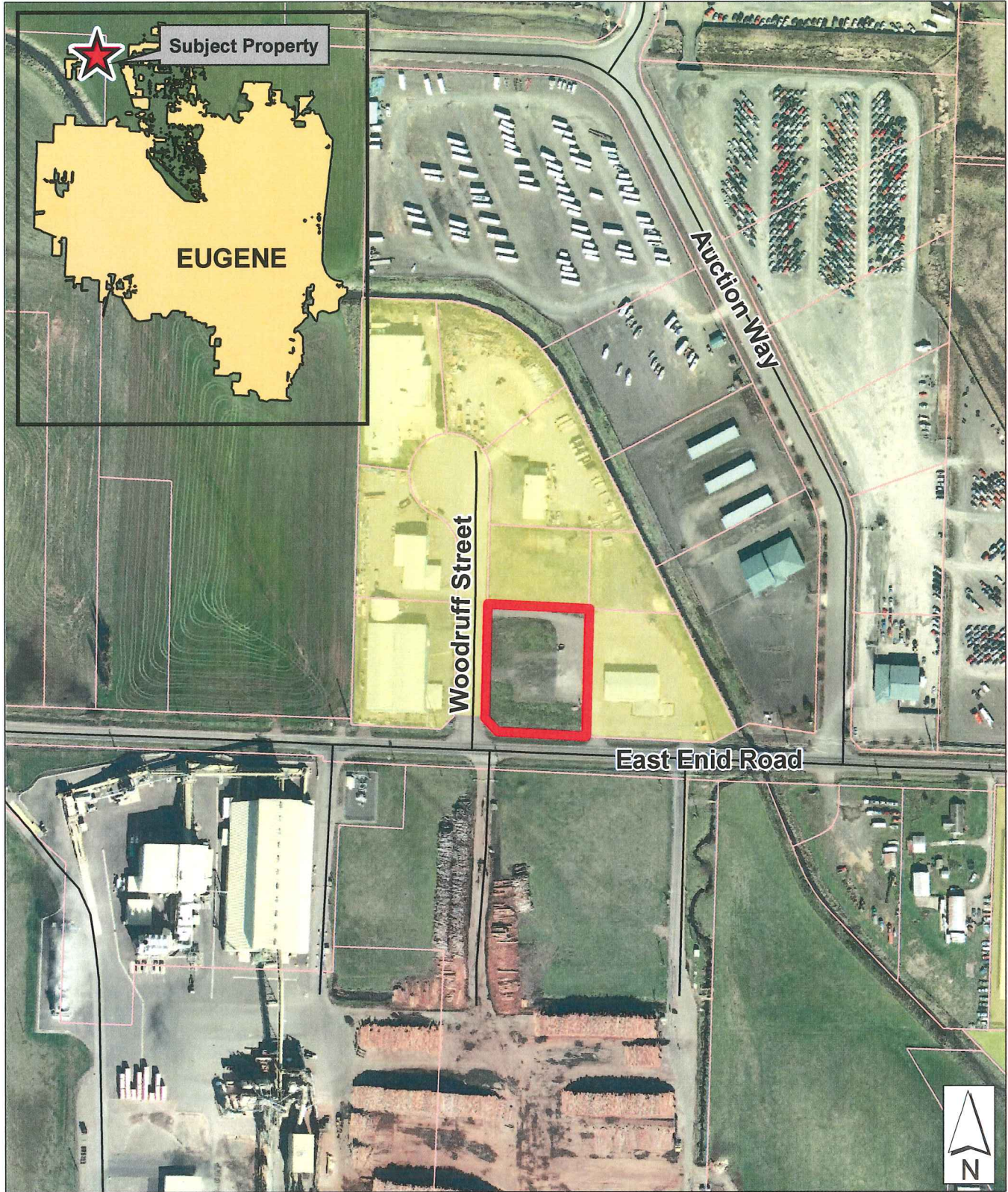
- A. Vicinity Map
- B. Draft Annexation Resolution with Exhibits A through C
 - Exhibit A: Map of Annexation Request
 - Exhibit B: Legal Description
 - Exhibit C: Planning Director Findings and Recommendation
- C. Application Materials for Annexation Request
- D. City Council Resolution 4903

FOR MORE INFORMATION

Staff Contact: Nicholas R. Gioello
Telephone: 541/682-5453

Staff E-Mail: Nick.r.gioello@ci.eugene.or.us

Prairieview Ventures, LLC (A 16-2)



Legend

- Area of Request
- Streets
- City Limits
- Taxlots

Caution:
This map is based on imprecise
source data, subject to change,
and for general reference only.

May 2016



RESOLUTION NO. _____

**A RESOLUTION ANNEXING LAND TO THE CITY OF EUGENE
(PROPERTY IDENTIFIED AS ASSESSOR'S MAP 17-04-04-00, TAX LOT
207).**

The City Council of the City of Eugene finds that:

A. An annexation application was submitted by Prairieview Ventures on January 25, 2016, in accordance with the provisions of Section 9.7810(2) of the Eugene Code, 1971, ("EC") for annexation to the City of Eugene of the property identified as Assessor's Map 17-04-04-00, Tax Lot 207.

B. The territory proposed to be annexed is depicted on the map attached as Exhibit A to this Resolution. The legal description of the property described is attached to this Resolution as Exhibit B.

C. The City's Planning Director has submitted a written recommendation that the application be approved based on the criteria of EC 9.7825. The Planning Director's Findings and Recommendation is attached as Exhibit C.

D. On April 8, 2016, a notice containing the street address and assessor's map and tax lot number, a description of the land proposed to be annexed, and the Planning Director's preliminary recommendation was mailed to the applicants, owners and occupants of property within 500 feet of the subject property, and the Industrial Corridor Community Organization. The notice advised that the City Council would consider the Planning Director's full recommendation on the proposed annexation on May 9, 2016.

E. After considering the Planning Director's recommendation, the City Council finds that the application should be approved.

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a
Municipal Corporation of the State of Oregon, as follows:**

Section 1. Based on the above findings and the Planning Director's Findings and Recommendation attached as Exhibit C which are adopted in support of this Resolution, it is ordered that the land identified as Assessor's Map 17-04-04-00, Tax Lot 207 on the map attached as Exhibit A, and described in the attached Exhibit B, is annexed to the City of Eugene.

Attachment B

Section 2. This Resolution is effective immediately upon its passage by the City Council. The annexation and automatic rezoning of the land from I-3/CAS/UL to I-3/CAS pursuant to EC 9.7820(3) shall become effective in accordance with State law.

The foregoing Resolution adopted the 9th day of May, 2016.

City Recorder

Exhibit B

Attachment B

Legal Description of Territory to be Annexed

Lot 7, Block 1, WAREHOUSE CITY, as platted and recorded in Book 71, Page 17, Lane County Oregon Plat Records, in Lane County, Oregon.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Michael R. Dahrens

OREGON
JULY 11, 2000
MICHAEL R. DAHRENS
60052

RENEWAL DATE: 12-31-2017

JAN 25 2016



Exhibit C

**Planning Director's Findings and Recommendation
Annexation Request for Prairieview Ventures, LLC
(City File A 16-2)**

Application Submitted: January 25, 2016
Applicant: Prairieview Ventures, LLC (Mark Stolle)
Property Included in Annexation Request: Tax Lot 207 of Assessor's Map 17-04-04-00
Zoning: I-3/CAS/UL with Commercial Airport Safety and Urbanizable Lands Overlays
Location: Northeast corner of East Enid Road and Woodruff Street
Representative: Jason Goshert, SSW Engineers Inc., 2350 Oakmont Way, Ste 105, Eugene OR 97401; 541-485-8383
Lead City Staff: Nicholas Gioello, City of Eugene Planning Division, 541-682-5453

EVALULATION:

Based on the information provided by the applicant, the City has determined that this request complies with Eugene Code (EC) Section 9.7805 Annexation - Applicability. As such, it is subject to review and approval in accordance with the requirements, application criteria and procedures of EC 9.7800 through 9.7835. The applicable approval criteria are presented below in bold typeface with findings and conclusions following each.

EC 9.7825(1) The land proposed to be annexed is within the city's urban growth boundary and is:	
<p>(a) Contiguous to the city limits; or (b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.</p>	
<p>Complies</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Findings: The annexation area is within the City's urban growth boundary (UGB), and is contiguous to the City limits, consistent with subsection (a). As shown in the application materials and confirmed by City staff, the City limits are contiguous with the subject area of land along the eastern, northern and western boundaries.</p>
EC 9.7825(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.	
<p>Complies</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Findings: Several policies from the Metro Plan provide support for this annexation by encouraging compact urban growth to achieve efficient use of land and urban service provisions within the UGB, including the following policies from the Growth Management section (in <i>italic</i> text):</p> <p><i>Policy 8. Land within the UGB may be converted from urbanizable to urban only through annexation to a city when it is found that:</i></p> <p><i>a. A minimum level of key urban facilities and services can be provided to the area in an orderly and efficient manner.</i></p> <p><i>b. There will be a logical area and time within which to deliver urban services and facilities. Conversion of urbanizable land to urban shall also be consistent with the Metro Plan. (page II-C-4)</i></p> <p><i>Policy 10. Annexation to a city through normal processes shall continue to be the highest priority. (page II-C-5).</i></p> <p><i>Policy 15. Ultimately, land within the UGB shall be annexed to a city and provided with the required minimum level of urban facilities and services. While the time frame for annexation may vary, annexation should occur as land transitions from urbanizable to urban. (page II-C-5)</i></p>

Attachment B

	<p>As addressed below under subsection (3), and consistent with these policies, a minimum level of key urban facilities and services can be provided to the area in an orderly and efficient manner.</p> <p>The <u>Metro Plan</u> designates the annexation area as appropriate for Heavy Industrial use. The subject property is not located within an adopted refinement plan area. As discussed in this subsection, and further detailed under subsection (3) below, the proposed annexation is consistent with the <u>Metro Plan</u> growth management policies and can be served by the minimum level of key urban services. The annexation procedures beginning at EC 9.7800 are consistent with State law and therefore, as found throughout this report, the annexation is consistent with State law.</p> <p>Therefore, based on the findings above, the proposal is consistent with the applicable policies of the <u>Metro Plan</u>.</p>
<p>EC 9.7825(3) The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.</p>	
<p>Complies <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Findings: Consistent with this criterion, the proposed annexation will result in a boundary in which the minimum level of key urban facilities and services can be provided in an orderly, efficient, and timely manner as detailed below:</p> <p><u>Wastewater</u> Public wastewater is available to serve the subject vacant property. There is an 8-inch line within Woodruff Street, which flows into a 21-inch line within East Enid Road. There is an On-Hold assessment due related to the existing public services that will become payable at the time of development.</p> <p><u>Stormwater</u> There are no public stormwater facilities immediately adjacent to the subject property. Stormwater may be able to be accommodated on site; compliance with applicable stormwater development standards will be ensured at the time of development.</p> <p><u>Transportation</u> The subject property abuts Woodruff Street cul-de-sac, an industrial street improved with 44-feet of paving within a 60-foot right-of-way. Ariel photos indicate that a sidewalk has not been constructed adjacent to the subject property along Woodruff Street. If this property develops in the future, a sidewalk may be required to be constructed, in accordance with City standards. East Enid Road abuts the southerly property boundary. East Enid Road is classified by the City as a major collector; records indicate that East Enid Road is under Lane County jurisdiction.</p> <p><u>Lane County Transportation Planning</u> Comments from Public Works staff indicate the property has frontage on East Enid Road to the south and Woodruff Street to the west. East Enid Road is a Lane County road which is functionally classified as an urban Minor Collector that has a minimum right-of-way width of 60-feet for building setback purposes (Lane Code 15.070(1)(c)(i)(dd)). Woodruff Street is under the jurisdiction of the City of Eugene. Transportation and permitting issues related to Woodruff Street should be directed to the City of Eugene.</p> <p>It appears from Lane County Road Management Inventory System data aerial photography that current access to the property exists from Woodruff Street. Additionally, the subject property has internal access to an adjacent parcel to the east with access to East Enid Road. This parcel is also owned by the applicant. There is currently no access along the subject property's southern frontage with East Enid Road. Lane County staff notes there is insufficient spacing between Woodruff Street and the existing first driveway to the east on East Enid Road to add an additional driveway access to East Enid Road from the subject property. Lane County indicates a preference</p>

for access from the lower volume Woodruff Street to remain and access to East Enid Road to remain as exists through the adjacent parcel to the east.

In accordance with Lane Manual 15.515, storm water runoff from private property shall not be directed to the Lane County road right-of-way, or into any Lane County drainage facility, including roadside ditches. Ditches adjacent to County roads are designed solely to accommodate roadway storm water runoff.

Solid Waste

Collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

Water and Electric

EWEB Water staff state no objection to the proposed annexation. EWEB Electric staff state no objection to the proposed annexation request. Water and electric services can be extended in accordance with EWEB policies and procedures. EWEB indicates there are overhead facilities along the southern property line are high-voltage (115KV) wires and subject to increased clearance requirements. EWEB Right-of-Way staff indicate there is one utility easement listed on Map # 17-04-04-00 Tax Lot: 00207. Recorded on April 20, 2010, Instrument #2010-018767, Lane County Deeds and Records, Lane County, Oregon.

Public Safety

Police protection can be extended to this site upon annexation consistent with service provision through the City. Fire protection will be provided by the City of Eugene Fire Department. Emergency medical services are currently provided on a regional basis by the cities of Eugene and Springfield to central Lane County and will continue in the same manner upon annexation.

Parks and Recreation

A minimum level of park service can be provided to the proposal area as prescribed in the Metro Plan.

Planning and Development Services

Planning and building permit services are provided for all properties located within the urban growth boundary by the City of Eugene. The Eugene Code, Chapter 9, will provide the required land use controls for future development of the subject property upon annexation.

Communications

A variety of other telecommunications providers offer communications services throughout the Eugene/Springfield area.

Public Schools

The subject property is within the Bethel School District boundary and Irving Elementary School, Shasta Middle School, and Willamette High School.

CONCLUSION:

Based on the above findings, information submitted to date, and the criteria set forth in EC 9.7825, the proposed annexation is consistent with the applicable approval criteria. A map and legal description showing the area subject to annexation are included in the application file for reference. The effective date is set in accordance with state law.

Attachment B

INFORMATION:

- Upon approval of the annexation, the base zoning of I-3 Heavy Commercial and Commercial Safety Corridor Overlay will remain; however, the /UL Urbanizable Lands overlay will be automatically removed from the annexation area. The property is not located within a designated refinement plan. City review is required before development can occur on this lot. Please contact the Permit Information Center, Planner-on-Duty at 682-5377 for more information.
- A Lane County Facility Permit shall be required for placement of facilities within the right-of-way of County roads. Facilities and development includes, but is not limited to, road improvements, sidewalks, new or reconstructed driveway or road approach intersections, utility placements, excavation, clearing, grading, culvert placement or replacement, storm water facilities, or any other facility, thing, or appurtenance. Please contact 541-682-6902 or visit this link for information regarding facility permits: <http://www.lanecounty.org/Departments/PW/Engr/RightofWay/Pages/rowpermits.aspx>
- For information regarding EWEB requirements at the time of development, please contact Bill Johnson, EWEB Water, at 541-685-7377; Jon Thomas, EWEB Electric, at 541-685-7472; and Lori Price EWEB Right-of-Way, at 541-685-7366
- Approval of this annexation does not relieve the applicant from complying with applicable codes and statutory requirements.

ANNEXATION APPLICATION

Property Location: Currently Vacant – No Address
(Address Pending: 90451 E. Enid Road
- OR -
90451 Woodruff Street
Eugene, OR 97402)
Assessor’s Map 17-04-04-00, Tax Lot 207
NE Corner East Enid Road & Woodruff Street

Owner / Applicant: Prairieview Ventures, LLC
3025 W. 7th Place
Eugene, OR 97402

Applicant’s Representative: Jason Goshert
SSW Engineers Inc.
2350 Oakmont Way, Suite 105
Eugene, OR 97401
Phone: 541-485-8383
jasong@sswengineers.com

Surveyor: Michael R. Dahrens, PLS
SSW Engineers Inc.
2350 Oakmont Way, Suite 105
Eugene, OR 97401
Phone: 541-485-8383
miked@sswengineers.com

Current Base Zoning: I - 3 “Heavy Industrial”

Overlay Zone(s): CAS “Commercial Airport Safety” Zone

Metro Plan Designation: Heavy Industrial

Neighborhood: Industrial Corridor Community Organization

Request: Annexation to the City of Eugene due to requirement by the City that this site be annexed prior to the City issuing a building permit for the pending development of the site.

(WRITTEN STATEMENT IS ON FOLLOWING PAGES)

WRITTEN STATEMENT

This written statement describes how this annexation request is consistent with all applicable criteria referenced in Section 9.7825 of the Eugene Code. Approval criteria are shown in *italics*, with subsequent findings / responses shown in regular text.

9.7825 ***Annexation – Approval Criteria.*** *The city council shall approve, modify and approve, or deny a proposed annexation based on the application’s consistency with the following:*

- (1) *The land proposed to be annexed is within the city’s urban growth boundary and is:*
- (a) *Contiguous to the city limits; or*
 - (b) *Separated from the city only by a public right of way or a stream, bay, lake or other body of water.*

The land proposed for annexation (hereinafter referred to as the “subject property”) is located well within the City of Eugene’s urban growth boundary (UGB). The subject property is also contiguous to the current city limits on three (3) sides. More specifically, the Woodruff Street public right-of-way immediately adjacent to west side of the subject property, as well as the properties currently comprised of Tax Lots 206, 208 and 209 immediately adjacent to the north and east sides of the subject property, were all formally annexed into the City of Eugene in 1988 (refer to City File No. A 87-05). Therefore, the proposed annexation satisfies EC 9.7825(1) & (1)(a).

9.7825 ***Annexation – Approval Criteria. (continued)***

- (2) *The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.*

Metro Plan Policy 8 provides for conversion of land from urbanizable to urban through annexation when a minimum level of key urban facilities and services can be provided. This policy is the subject of EC 9.7825 Annexation Approval Criteria (3), which is addressed in detail below.

Metro Plan Policy 10 states that annexation to the city through this normal process shall be the highest priority. As such, the proposed annexation is consistent with this policy.

Metro Plan Policy 16 states that land within the UGB shall be annexed to a city and provided with the required minimum level of urban facilities and services. It further states that while the timeframe for annexation may vary, annexation should occur as land transitions from urbanizable to urban. The subject property is located within the UGB and therefore, based on this policy, should be annexed. Surrounding lands in the immediate vicinity of the subject property were previously annexed in 1988, the majority of which have been fully developed since then, and remain under continued industrial uses with the benefit of at least the minimum level of urban facilities and services such that they have certainly been “urbanized”. As such, with respect to the transition from urbanizable to urban, it can be argued that annexation of the subject property is overdue. Furthermore, the property owners are being required by the City to

annex the subject property prior to issuance of a building permit to allow for the development and final “urbanization” of the subject property. The provision of the minimum level of urban facilities and services is the subject of EC 9.7825 Annexation Approval Criteria (3), which is addressed in detail below. Therefore, the proposed annexation is consistent with Metro Plan Policy 16.

Metro Plan Policy 18 applies to local government as opposed to the applicant, in that it concerns dissolution of special service districts after annexation and consideration of intergovernmental agreements with affected special service districts. The applicant does not object to the dissolution of any special service districts as necessary. The proposed annexation is not inconsistent with this policy.

Metro Plan Policy 20 states that annexation of territory to existing service districts within the UGB shall occur only when immediate annexation to a city is not possible because the required minimum level of key urban facilities and services cannot be provided in a timely manner (within 5 years) and, except for areas that have no fire protection, affected property owners have signed consent to annex agreements. As addressed below in response to EC 9.7825 Annexation Approval Criteria (3), the minimum level of key urban facilities and services are available to the subject property such that immediate annexation to the City is possible. Therefore, Metro Plan Policy 20 is not applicable to the proposed annexation.

Metro Plan Policy 21 states that when unincorporated territory within the UGB is provided with any new urban service, that service shall be provided by the following method (in priority order): a) Annexation to a city; b) Contractual annexation agreements with a city; c) Annexation to an existing district; or d) creation of a new service district. Annexation to the City of Eugene is being proposed to allow connection to/utilization of existing City utilities and urban services by the subject property consistent with this policy.

The subject property is currently zoned I-3 “Heavy Industrial”, consistent with the current “Heavy Industrial” designation per the Metro Plan.

The subject property is currently located within the CAS “Commercial Airport Safety” Overlay Zone. This overlay zone does not affect the proposed annexation, nor would approval of the proposed annexation affect current or future compliance with the applicable provisions of the “Commercial Airport Safety” Overlay Zone.

The subject property is not located within the boundaries of any applicable refinement plans. However, it is located within the Industrial Corridor Community Organization (ICCO), a neighborhood organization which has been granted limited recognition by the City of Eugene. While technically not an applicable requirement or criteria for approval, the proposed annexation is generally consistent with the intent of the Annexation and Urban Services Policy Agreement between the City and the ICCO circa 1991.

In consideration of the above, as well as relevant portions of the statements below addressing EC 9.7825 Annexation Approval Criteria (3), the proposed annexation is consistent with applicable policies in the Metro Plan and therefore satisfies EC 9.7825(2).

9.7825 **Annexation – Approval Criteria. (continued)**

- (3) *The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.*

The Metro Plan defines the “Minimum Level” of “key urban facilities and services” as including:

“...wastewater service, stormwater service, transportation, solid waste management, water service, fire and emergency medical services, police protection, city-wide parks and recreation programs, electric service, land use controls, communication facilities, and public schools.”

Wastewater service is already available to the subject property via an existing public 8” sewer main within Woodruff Street and an existing public 21” sewer main within East Enid Road.

Stormwater service is already available to the subject property via the existing public open drainage ditch located along the north side of East Enid Road, adjacent to the south side of the subject property. An on-site private stormwater management system will be constructed and connected to the existing public system at the time of development of the subject property.

The subject property is adjacent to Woodruff Street (classified as a local street) on the west and East Enid Road (classified as a major collector) on the south, which in turn provides connectivity to a major collector (Prairie Road) and minor arterial (Northwest Expressway) to the east and a major arterial (Highway 99) to the west. Therefore, with respect to **transportation**, the subject property is already served by this type of “key urban facility”.

Garbage and recycling service is available from local and regional private firms which collect and transport **solid waste** to landfills managed by Lane County, therefore the subject property is already served by this type of “key urban service”.

Eugene Water and Electric Board (EWEB) **water service** is already available to the subject property via an existing 8” water main along the east side of Woodruff Street and an existing 12” water main along the north side of East Enid Road.

According to the Regional Land Information Database of Lane County (RLID), **fire protection and ambulance/emergency medical services** are currently provided by Lane Rural Fire / Rescue. Upon annexation, these services will either continue to be provided by Lane Rural Fire / Rescue via agreement with the City of Eugene, will be provided directly by City of Eugene Fire & Emergency Medical Services Department, or will be provided by some combination thereof. Therefore, the subject property is already served by this type of “key urban service”.

Following annexation, **police protection** will be provided by the Eugene Police Department, which currently provides police protection to properties within the city limits of Eugene. Therefore, the subject property can be provided with this type of “key urban service”.

The subject property is located within the urban growth boundary (UGB) of the City of Eugene, and is therefore included in the City of Eugene Parks, Recreation and Open Space (PROS) Comprehensive Plan area. According to the online Lane County GIS mapping utility, Arrowhead Park is located approximately 0.88 miles from the subject property. Therefore, with respect to **city-wide parks and recreation programs**, these types of “key urban facilities and services” will be available to the subject property.

Eugene Water and Electric Board (EWEB) **electric service** is already available to the subject property via existing underground electric distribution facilities within Woodruff Street and existing overhead electric distribution facilities within East Enid Road.

The subject property is currently subject to the **land use controls** of the City of Eugene, and will continue to be following annexation.

A variety of **communications facilities** and services (e.g. – phone, cellular, data, cable TV, etc.) are available in the area, to which the owner(s) of subject property can subscribe/connect to as they wish. Therefore, the subject property can be served by these types of “key urban facilities and services”.

The subject property is located within the Eugene 4J School District. Existing **public schools** in the vicinity are Irving Elementary, Shasta Middle School and Willamette High School. Therefore, the subject property is already served by these types of “key urban facilities and services”.

In consideration of the above, the proposed annexation satisfies EC 9.7825(3), as well as relevant components of applicable Metro Plan policies pursuant to EC 9.7825(2).

Prepared by:

SSW Engineers Inc.

Jason Goshert, Project Manager
Survey & Land Use Planning Technician

Application #: C * 2008 - _____
For City Use Only

- * CB = Coburg
- CR = Creswell
- FL = Florence
- OA = Oakridge
- CG = Cottage Grove
- EU = Eugene
- JC = Junction City
- SP = Springfield

RECEIVED


JAN 12 2016

LANE COUNTY
ASSESSMENT & TAXATION

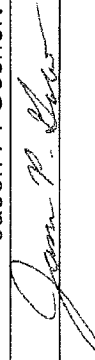
PETITION

Petition Signature Sheet
Annexation by Individuals

We, the following property owners/electors, consent to the annexation of the following territory to the City of (Insert Name of City):

Signature	Date Signed m/d/y	Print Name	Residence Address (street, city, zip code)	Map and Tax Lot Number (example: 17-04-03-00-00100)	Land Owner	Reg Voter	Acres (qty)
	1/12/16	Brent Lanz, Member Prairieview Ventures, LLC	Not Applicable (Vacant Industrial Property)	17-04-04-00-00207	✓		1.08
2.							
3.							
4.							
5.							

Note: With the above signature(s), I am attesting that I have the authority to consent to annexation on my own behalf or on behalf of my firm or agency. (Attach evidence of such authorization when applicable.)

I, Jason P. Goshert (printed name of circulator), hereby certify that every person who signed this sheet did so in my presence.
X  (signature of circulator)

CERTIFICATION OF PROPERTY OWNERS

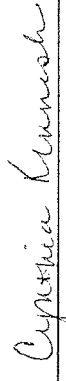
The total landowners in the proposed annexation are 1 (qty). This petition reflects that 1 (qty) landowners (or legal representatives) listed on this petition represent a total of 100 (%) of the landowners and 100 (%) of the acres as determined by the map and tax lots attached to the petition. A&T is not responsible for subsequent deed activity which may not yet be reflected on the A&T computerized tax roll.

CERTIFICATION OF ELECTORS

The total active registered voters in the proposed annexation are 0. I hereby certify that this petition includes 0 valid signatures, representing 0 (%) of the total active registered voters that are registered in the proposed annexation.


Lane County Department of Assessment and Taxation

1-12-16
Date Certified


Lane County Clerk or Deputy Signature

1/13/2016
Date Certified

Consent to Annexation

Consent is hereby given to the annexation by the City of Eugene, Oregon of the following described real property:

Map and Tax Lot: Map 17-04-04-00, Tax Lot 207 Address: N/A (Vacant Property)

Legal Description: Lot 7, Block 1, WAREHOUSE CITY, as platted and recorded in Book 71, Page 17, Lane County Oregon Plat Records, in Lane County, Oregon.

In the corporate limits of said city, which is owned by the undersigned

DATED this 12 day of January, 20 16.

x 

Brent S. Lanz, as Trustee of the Lanz Joint Trust

Member of PRAIRIEVIEW VENTURES, LLC

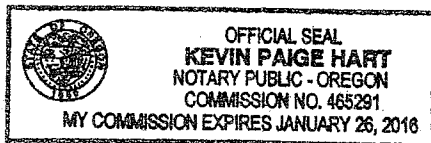
STATE OF OREGON)

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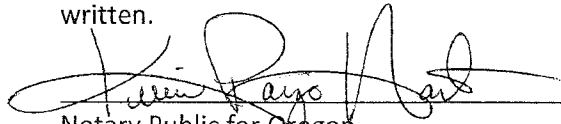
County of Lane)

On this 12th day of January, 20 16, before me, the undersigned, a notary public in and for the said county and state, personally appeared the within-named, Brent S. Lanz as Trustee of the Lanz Joint Trust, Member of PRAIRIEVIEW VENTURES, LLC, who is known to me to be the identical individual described herein and who executed the same freely and voluntarily.

Seal:



IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.


Notary Public for Oregon
My Commission Expires 01-26-16

Summary of Urban Service Provision

This form is intended as a guide to assist applicants in demonstrating that a minimum level of key urban services can be provided to the area proposed for annexation. Space is provided on this form for you to provide detailed information on service provision. Please add additional pages if necessary to provide details of servicing issues related to the area you are annexing. To assist you in providing this information, some contacts are listed below. For large or difficult to serve properties, you may wish to contact a private land use planning consultant to prepare your application.

Property Owner(s) Name:

PRAIRIEVIEW VENTURES, LLC

Assessor's Map and Tax Lot Numbers for Properties Proposed for Annexation
(For example: Map 17-03-19-31, Tax Lot 100)

Map 17-04-04-00, Tax Lot 207

Wastewater -- All new development must connect to the wastewater (sanitary sewer) system. Is wastewater service available to serve the area proposed for annexation? (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

The property(ies) in this annexation request:

will be served from an existing gravity wastewater line.

Location and size of existing wastewater line:

8" line within Woodruff Street, 21" line within East Enid Road.

_____ will be served by an extension of an existing gravity wastewater line.

Where will a wastewater line be extended from? When will it be extended? By whom?

Stormwater -- Site plans for all new development must provide for drainage to an approved system consistent with the Comprehensive Stormwater Management Plan. City approval for storm drainage will be required as part of the development process. (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

Is the site currently served by an approved stormwater system?

Adjacent Public System: YES; On-site Private System: NO

If yes,
location? Existing public open drainage ditch located along North side of East Enid Rd.

If no, how will stormwater be handled after development? -
Collection via on-site private system, pre-treatment and detention via on-site private vegetated stormwater filtration planter, then disposition into above referenced existing public open drainage ditch along North side of East Enid Road (refer to pending Building Permit No. 15-06755-01).

Streets – What existing streets provide access to this site. List existing streets that provide access to this site from River Road, the Northwest Expressway, or Beltline Highway. FROM RIVER ROAD OR NORTHWEST EXPRESSWAY: East on Irving Road or Irvington Drive, North on Prairie Road, West on East Enid Road to Woodruff Street. FROM BELTLINE HIGHWAY: North on Highway 99, East on East Enid Road to Woodruff Street.

Will dedication for additional street right-of-way be required upon further development of this site?

Yes No Unknown

Will existing streets be extended or new streets constructed upon further development of this site?

Yes No Unknown

(For more information, contact the City of Eugene Public Works staff at (682-6004.)

Parks, Recreation, and Cultural Services

Systems Development revenues generated by new development and Ballot Measure 20-30, which authorized the issuance of \$25.3 million in general revenue bonds, will help to fund future City park acquisition and development in this area and throughout the city. Please list the parks and recreation facilities that already exist or are planned in the general vicinity of the property(ies) included in this annexation:

Per Lane County GIS map, Arrowhead Park is located +/- 0.88 miles east/southeast of the subject property; no other parks or recreation facilities exist within one (1) mile of the subject property. Planned Parks/Recreation Facilities: Unknown; maps are absent from readily available online copy of the City of Eugene 'Parks, Recreation and Open Space (PROS) Comprehensive Plan'.

Key services, defined by the Metropolitan Plan as parks and recreation programs, will be available to new city residents in this area on an equal basis with residents throughout the city.

Public Safety

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city.

Attachment C

For River Road/Santa Clara area-

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city. Police currently travel along River Road to provide service to areas throughout the River Road and Santa Clara area. Infill annexations and development in this area will increase the efficiency of service delivery to this area.

Fire and emergency services (Please indicate which fire district serves subject property.)

Fire & emergency services currently provided by Lane Rural Fire / Rescue.

Santa Clara - Fire protection services are currently provided to the subject property by the Santa Clara Rural Fire Protection District.

River Road - Fire and emergency services - Fire protection is currently provided to the subject property by the River Road Water District under contract with the City of Eugene. Upon annexation, fire protection will be provided directly by the City of Eugene Fire & EMS Department.

Emergency medical transport (i.e., ambulance) services are currently provided on a regional basis by Eugene, Springfield, and Lane Rural Fire/Rescue to central Lane County, including the River Road and Santa Clara areas. After annexation, this service will continue to be provided by the current provider. All ambulance service providers have mutual aid agreements and provide back-up service into the other providers' areas.

Planning and Development Services -- Planning and building permit services are provided to the area outside the city limits but within the urban growth boundary by the City of Eugene. This service would continue after annexation.

EWEB (Eugene Water and Electric Board) currently provides water and electric service in the Eugene area and can provide service to new development in the River Road and Santa Clara area upon annexation. Some properties in northern Eugene receive electric service from EPUD (Emerald People's Utility District). Some properties in south Eugene receive electric services from the Lane Electric Cooperative; please note if this is the case for your property. For more information contact EWEB, ph. 484- 2411, EPUD, ph. 746-1583 or Lane Electric Co-op, 484-1151.

Electric Service -- Which electric company will serve this site?

Eugene Water and Electric Board (EWEB).

Water Service -- Please provide the size and location of the water main closest to your

property. EWEB Water

Existing 12" water main along North side of Enid Road, existing 8" water main along East side of Woodruff Street

Solid Waste -- Solid waste collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

Natural Gas -- Northwest Natural Gas can extend service to new development in this area.

Communications -- US West Communications and a variety of other telecommunications providers offer communications services throughout the Eugene/Springfield Area.

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EUGENE

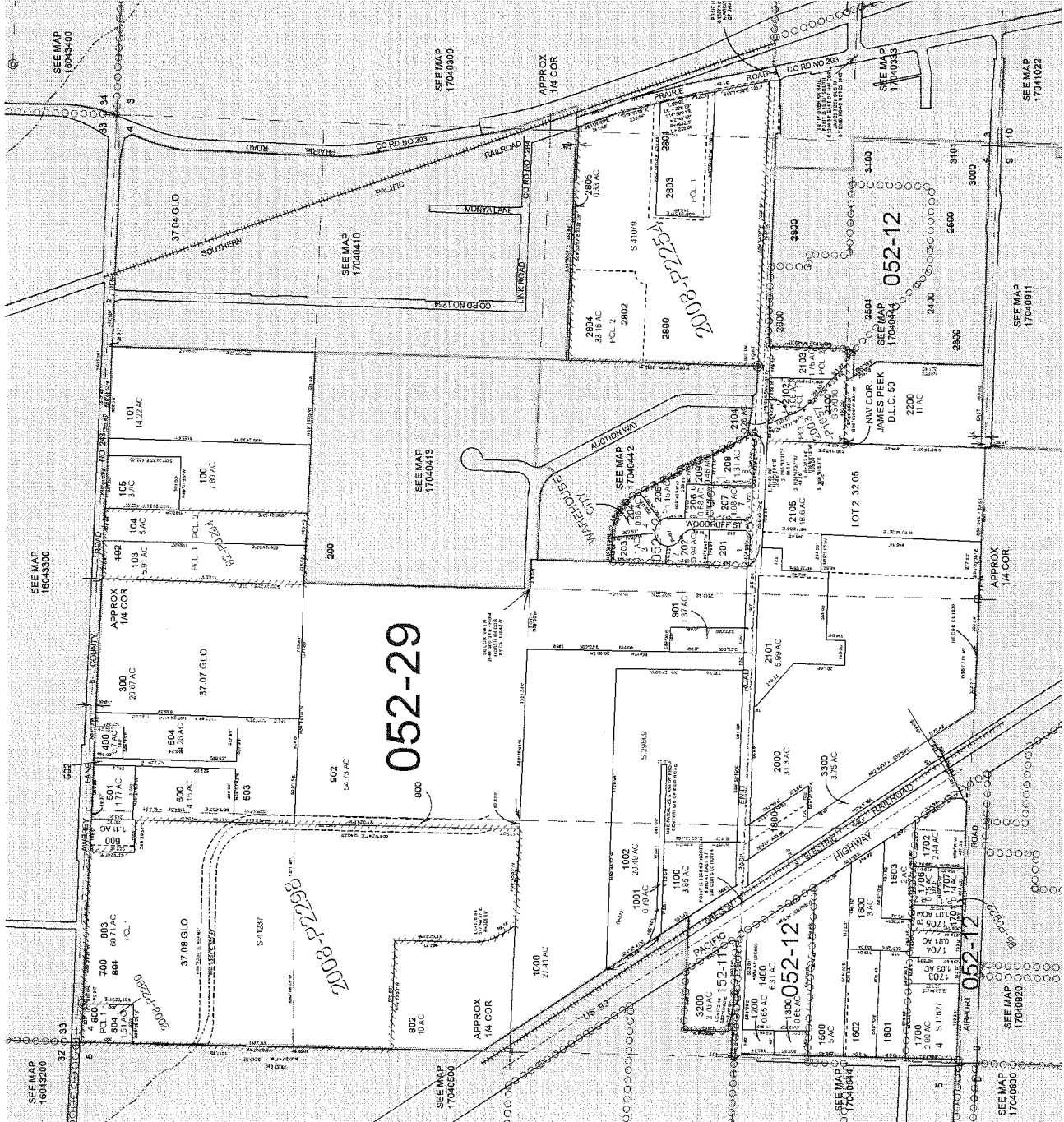
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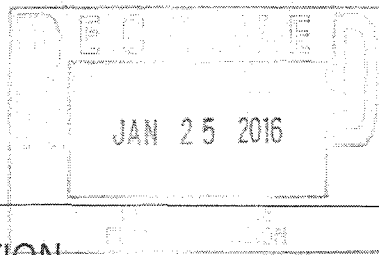
REVISIONS
17040400 - COUNTY CONSERV MAP TO 06

SECTION 4 T. 17S. R. 4W. W.M.
Lane County
1" = 400'

FOR ASSESSMENT AND
TAXATION ONLY



EUGENE
17040400



Planning & Development Planning

City of Eugene
 99 West 10th Avenue
 Eugene, Oregon 97401
 (541) 682-5377
 (541) 682-5572 Fax
 www.eugene-or.gov

ANNEXATION APPLICATION

Please complete the following application checklist. Note that additional information may be required upon further review in order to adequately address the applicable criteria for approval. If you have any questions about filling out this application, please contact Planning staff at the Permit and Information Center, phone (541)682-5377, 99 West 10th Avenue, Eugene.

List all Assessor's Map and Tax Lot numbers of the property included in the request.

Assessor's Map	Tax Lot	Zoning	Acreage
17-04-04-00	207	I-3 / CAS	1.08 Acres

Property Address: 90451 Woodruff Street per 15-05490-01; 90451 Enid Road per 15-06755-01

Plans for Future Development & Permit Number (if applicable): 15-06755-01 (& 15-05490-01)

Public Service Districts:

Name	
Parks:	Unknown
Electric:	Eugene Water & Electric Board (EWEB)
Water:	Eugene Water & Electric Board (EWEB)
Sanitary Sewer:	City of Eugene
Fire:	Lane Rural Fire / Rescue
Schools:	Elementary: Irving Middle: Shasta High: Willamette
Other:	Lane Transit District, Upper Willamette Soil & Water Conservation District

Filing Fee

A filing fee must accompany all applications. The fee varies depending upon the type of application and is adjusted periodically by the City Manager. Check with Planning staff at the Permit and Information Center to determine the required fee or check website at www.eugeneplanning.org CURRENT FEE: \$5,155.70

Attachment C

Written Statement (Submit 5 copies)

- Submit a detailed written statement describing how this request is consistent with all applicable criteria (Section 9.7825 of the Eugene Code).

Site Plan Requirements

Submit 8 copies of a site plan, drawn to an engineer's scale on 8 1/2" x 14" sheet of paper. Site plans shall include the following information:

- Show the date & north arrow on site plan.
- Show the Assessor's Map and Tax Lot number(s) on the site plan.
- Show a vicinity map on the site plan (vicinity map does not need to be to scale).
- Show city limits & UGB (if applicable)
- Clearly label the affected territory and any public right of ways to be annexed.
- Show all adjacent streets, alleys, and accessways.
- Show all dimensions of existing public utility easements and any other areas restricting use of the parcels, such as conservation areas, slope easements, access easements, etc.

*N/A Show the location of all existing structures. * Vacant property - no existing structures.

Other Application Requirements (Submit 5 copies of all)

- Petition for Annexation form listing all owners, including partial owners, and electors. This form includes the Certification of Electors which must be signed by the Lane County Elections/Voter Registration Department and also includes the Verification (Certification) of Property Owners which must be signed by the Lane County Department of Assessment and Taxation. *This form is required even if the land is vacant.*
- Notarized Consent to Annexation form.
- A legal description of the land proposed for annexation, including any public right of way prepared by a registered land surveyor. Oregon Revised Statutes (ORS) 308.225 requires submittal of a closing metes and bounds description or subdivision block and lot number description. Please see example of acceptable legal descriptions contained in the application packet. The legal description must exactly correspond with the map included with the application or the Assessor's map.
- Summary of Urban Service Provision form.
- A county Assessor's cadastral map. (Available at Lane County Assessment & Taxation)

*N/A Census Information Sheet. * Vacant industrial property - no dwellings / residents.

Note: This is not a complete list of requirements. Additional information may be required after further review in order to adequately address the applicable approval criteria.


By signing, the undersigned certifies that he/she has read and understood the submittal requirements outlined, and that he/she understands that omission of any listed item may cause delay in processing the application. I (We), the undersigned, acknowledge that the information supplied in this application is complete and accurate to the best of my (our) knowledge.

PROPERTY OWNER OF TAX LOT: 207

Name (print): Prairieview Ventures, LLC (Contact: Mark Stolle)

Address: 3025 W. 7th Place Email: mstolle@ordellconstruction.com

City/State/Zip: Eugene, OR 97402 Phone: 541-747-8734 Fax: 541-747-8735

Signature:  Date: 1-08-2016

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____

Address: _____ Email: _____

City/State/Zip: _____ Phone: _____ Fax: _____

Signature: _____ Date: _____

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____

Address: _____ Email: _____

City/State/Zip: _____ Phone: _____ Fax: _____

Signature: _____ Date: _____

SURVEYOR:

Name (print): Michael R. Dahrens, Oregon LS 60052

Company/Organization: SSW Engineers Inc.

Address: 2350 Oakmont Way, Suite 105

Attachment C

City/State/Zip: Eugene, OR 97401 Phone: 541-485-8383 Fax: 541-485-8384

E-mail: miked@sswengineers.com

Signature: *Michael Rabrens* Date: 1-14-16

REPRESENTATIVE (If different from Surveyor):

Name (print): Jason Goshert

Company/Organization: SSW Engineers Inc.

Address: 2350 Oakmont Way, Suite 105

City/State/Zip: Eugene, OR 97401 Phone: 541-485-8383 Fax: 541-485-8384

E-mail: jasang@sswengineers.com

Signature: *Jason P. Goshert* Date: 1/13/2016

**Attached additional sheets if necessary.

Planning & Development
 Planning Division
 99 West 10th Avenue
 Eugene, OR 97401
 (541) 682-5377



**Planning
 Receipt**

Date: 1/25/16 Received From: ORDELL CONSTRUCTION
 Address: _____

Method of Payment:
 Cash
 Check
 Visa/MC

Amount Received: \$ 5155.70 Phone: () _____
 Project: 17-04-04-00-00207

Enter amount:	
Annexation	\$ <u>4730.00</u>
Appeal	\$ _____
Conditional Use Permit	\$ _____
Legal Lot Verification	\$ _____
Lot Validation	\$ _____
Partition, Tentative	\$ _____
Partition, Final	\$ _____
Property Line Adjustment	\$ _____
PUD Tentative	\$ _____
PUD Final	\$ _____
Site Review	\$ _____
Subdivision, Tentative	\$ _____
Subdivision, Final	\$ _____
Traffic Impact Analysis	\$ _____
Vacations (all)	\$ _____
Willamette Greenway Permit	\$ _____
Zone Change	\$ _____
Other	\$ _____
Fire Review Fee	\$ _____
Subtotal	\$ <u>4730.00</u>
Administrative Fee (except appeals)	\$ <u>425.70</u>
TOTAL	\$ <u>5155.70</u>

Attachment C

Staff Initials: KEW
 Updated: June 2015

CITY OF EUGENE
BUILDING & PERMIT SERVICE
99 WEST 10TH AVE 682-5086
REG-RECEIPT: 3-0000845 Jan 25 2016
CASHIER: RMW

Annexation Fee	\$4,730.00
17-04-04-00-00207	
Admin Fee-Auto Calc	\$425.70

TOTAL DUE: \$5,155.70

RECEIVED FROM:
ORDELL CONSTRUCTION, LLC

Check:	\$5,155.70
Total tendered:	\$5,155.70
Change due:	\$.00

Attachment C

www.eugene-or.gov/bldgpermitttracking
Please take our customer survey at:
www.surveymonkey.com/s/COEPermitSurvey



COUNCIL RESOLUTION NO. 4903

**A RESOLUTION AMENDING THE
ADMINISTRATIVE GUIDELINES
FOR ANNEXATIONS ADOPTED BY
RESOLUTION NO. 4358 OF THE
CITY COUNCIL.**

PASSED: 8:0

REJECTED:

OPPOSED:

ABSENT:

RECUSED:

CONSIDERED: April 11, 2007

RESOLUTION NO. 4903**A RESOLUTION AMENDING THE ADMINISTRATIVE GUIDELINES FOR ANNEXATIONS ADOPTED BY RESOLUTION NO. 4358 OF THE CITY COUNCIL.****The City Council of the City of Eugene finds that:**

A. Administrative Guidelines for Annexation Proposals (the Guidelines) were adopted by Resolution No. 4358 of the City Council on January 25, 1993. The Guidelines, which were attached as Exhibit A to Resolution No. 4358 were adopted as City policy to be utilized, together with such other criteria as may be required under state law and adopted City policy, in the formation, processing and adjudication of annexation proposals.

B. Copies of Resolution 4358, including its Exhibit A, were forwarded to the City's Planning Commission, Planning and Development Department and other affected City departments to ensure the Guidelines were considered and evaluated in the processing and development of annexation proposals to be initiated before the Lane County Local Government Boundary Commission.

C. The second paragraph under the Annexation Initiation and Formation Guidelines section of the Guidelines sets forth the conditions under which property owner initiated annexation requests should be expanded to include road rights-of-way or public land. The City Council has directed that the city manager halt the practice of adding right-of-way to annexation requests in the River Road/Santa Clara area where such additions would create islands of unincorporated properties, and the Guidelines should be amended to explicitly recognize this direction.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based on the above findings, which are hereby adopted, the lead sentence for the second paragraph under the Annexation Initiation and Formation Guidelines section of the Guidelines attached as Exhibit A to Resolution No. 4358 is amended by revising and adding language to read as follows:

“Under any of the following conditions property owner initiated annexation requests may be expanded to include road rights-of-way or public land except where adding right of way would create islands of unincorporated properties in the River Road/Santa Clara area.”

Section 2. The City Recorder is requested to append a copy of this Resolution to Resolution No. 4358, and to forward copies to the City's Planning Commission, Planning and Development Department, Lane County Local Government Boundary Commission, and other affected agencies or departments.

Section 3. Except as herein amended, all other provisions of Resolution No. 4358, and the Administrative Guidelines for Annexations adopted therein, remain in full force and effect.

Section 4. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the 11th day of April, 2007.



City Recorder

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: Housing First Resolution

Meeting Date: April 25, 2016
 Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 3
 Staff Contact: Mia Cariaga
 Contact Telephone Number: 541-682-5408

ISSUE STATEMENT

The council can choose to act on a resolution establishing the City of Eugene's commitment to the Housing First model.

BACKGROUND

In December of 2015, the City Council held a joint work session on homelessness with the Human Rights Commission. The commission presented three policy principles for consideration, one of which involved the City of Eugene's commitment to the Housing First model. The council passed a motion directing the City Manager to return with a resolution declaring the City of Eugene's commitment to a Housing First model. The proposed resolution is attached and has been drafted with consideration of comments and suggestions from the Human Rights Commission which are also attached.

Housing First is a strategy that helps people experiencing homelessness enter into permanent housing with no preconditions and offers support services that people can access at their discretion. The Housing First model is supported by the United States Department of Housing and Urban Development and widely recognized as an effective means to reduce homelessness by providing permanent housing.

RELATED CITY POLICIES

Council Resolution No. 5142 declaring the urgency of the housing and homelessness crisis.

COUNCIL OPTIONS

The City Council can approve or not approve the resolution.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends the Council adopt the resolution.

SUGGESTED MOTIONS

Move to adopt Resolution 5153, in support of the Housing First strategy.

ATTACHMENT

- A. Proposed Housing First Resolution
- B. Council Resolution No. 5142
- C. Comments from the Human Rights Commission

FOR MORE INFORMATION

Staff Contact: Mia Cariaga
Telephone: 541-682-5408
Staff E-Mail: Mia.Cariaga@ci.eugene.or.us

ATTACHMENT A

RESOLUTION NO. _____

A RESOLUTION DECLARING THE CITY OF EUGENE'S COMMITMENT TO THE HOUSING FIRST MODEL AS A KEY STRATEGY TO ADDRESSING THE HOUSING AND HOMELESSNESS CRISIS.

The City Council of the City of Eugene finds that:

A. The nation generally, and the City of Eugene and surrounding metro area specifically, are facing a housing crisis. According to a recent one night homeless census, Lane County's homeless population exceeds 1,450 people on any given night.

B. Housing and homelessness is not an isolated issue facing Eugene. With the recent passage of Resolution No. 5142, the City of Eugene asserts that we are indeed in a statewide crisis that requires immediate attention and action by the state.

C. The Poverty and Homelessness Board, of which the City of Eugene is a member, are working to create an interagency Housing First strategy for Lane County to address the growing crisis of homelessness in our community.

D. Many of the most effective outcomes of permanent supported housing studied utilize the Housing First approach which is generally distinguished by its emphasis on moving people into stable housing first and then working to provide robust wrap-around services that address the medical, mental, or behavioral conditions and other needs of residents.

E. Permanent supportive housing models that use a Housing First approach have been proven to be highly effective for people experiencing chronic homelessness who have higher service needs. Studies have shown that Housing First models result in long-term housing stability, improved physical and behavioral health outcomes, and achieve the greatest cost avoidance to taxpayers by reducing use of crisis services such as emergency departments, hospitals, and jails.

F. On June 22, 2010, the United States Interagency Council on Homelessness released the nation's first comprehensive strategy for ending chronic homelessness entitled *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*, which endorsed Housing First as a best practice.

G. On December 9, 2015, the City Council and the Human Rights Commission held a joint work session on homelessness that produced a motion directing that the City Manager prepare for Council consideration a resolution declaring the City of Eugene's commitment to a Housing First model.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. The City of Eugene is committed to addressing the long term, low-cost housing crisis in Lane County. To that end, the City of Eugene is committed to a Housing First approach as the primary strategy to address the need for adequate low-cost housing. A Housing First approach features a supported housing model where chronically homeless persons and families, and the people who are homeless who face barriers to conventional housing programs, have access to permanent housing without preconditions, and that they have access to a menu of supportive services that meet individual needs. The Housing First approach is HUD supported, widely recognized, and an effective means to reduce chronic homelessness.

Section 2. The City Council has supported a number of innovative, short-term, pilot strategies that have made positive contributions to address the need for legal, safe places to sleep for the homeless (Rest Stop Program, Dusk to Dawn Program, car camping, etc.). The Housing First approach is not intended to be a substitute for the current programs of the City that address those emergency shelter needs.

Section 3. Implementation of the Housing First approach requires a multi-governmental strategy that includes investing in new and existing housing units and also funding ongoing supportive services and case management.

Section 4. The City of Eugene is committed to working in partnership with other jurisdictions to identify the resources needed to implement the Housing First approach. Supporting innovations, inviting new participants, and continuing current partnerships will be necessary to secure resources from federal, state and local agencies as called for in City Council Resolution No. 5142 on the urgency of the housing and homelessness crisis.

Section 5. The City Council directs the City Manager to use this Resolution as guidance in administering future work.

Section 6. This Resolution is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of April, 2016.

City Recorder



COUNCIL RESOLUTION NO. 5142

A RESOLUTION DECLARING THE URGENCY OF THE HOUSING AND HOMELESSNESS CRISIS AND THE NEED FOR STATE ASSISTANCE TO ADDRESS IT.

PASSED: 7:0

REJECTED:

OPPOSED:

ABSENT: Poling

CONSIDERED: October 28, 2015



RESOLUTION NO. 5142

A RESOLUTION DECLARING THE URGENCY OF THE HOUSING AND HOMELESSNESS CRISIS AND THE NEED FOR STATE ASSISTANCE TO ADDRESS IT.

The City Council of the City of Eugene finds that:

A. The nation generally, and the City of Eugene and surrounding metro area specifically, are facing a housing crisis. According to a recent one night homeless census, Lane County's homeless population exceeds 1,450 people on any given night.

B. When people are homeless it causes breakdowns in family support and has profound impacts on our public health, public safety and public education systems.

C. Homelessness is a complicated and ongoing concern and the City of Eugene places a great deal of importance on the issue. The City has taken a number of steps to address the issues related to homelessness, including:

- Investing more than \$4.4 million in human services, including the Human Service Commission, over the last four years.
- Expanding the car camping program to over 35 sites and adding Conestoga Huts to the program.
- Providing a site for Opportunity Village, a transitional micro-housing facility for 30-40 homeless individuals and couples.
- Funding emergency winter strategies with \$225,000 of one-time funding to bolster existing services for people who are homeless, or in jeopardy of becoming homeless, including the Egan Warming Shelters, Looking Glass and St. Vincent DePaul.
- Supporting the expansion of the St. Vincent DePaul Service Station to provide for more day-time space for the homeless and improved facilities for feeding people, providing phones, washing machines and showers, and storage lockers.
- Approving the rest stop pilot program and designation of three sites on City-owned property, one on Lane County owned property, and one on private non-profit property.
- Supporting the development of 226 units of affordable rental housing in five new construction projects and one acquisition/rehabilitation project over the past five years. These units are all targeted to very low-income persons earning 50% of Area Median income and below. Many of these

units target special needs populations including veterans, persons with mental and physical disabilities, ex-offenders, children, and seniors.

- Partnering with other government agencies and non-profit organizations to address the complex issues related to homelessness. Some of these agencies include:
 - City of Springfield
 - Catholic Community Services of Lane County
 - Food for Lane County
 - Lane County
 - Looking Glass
 - Sheltercare
 - St. Vincent DePaul
 - United Way of Lane County
 - White Bird Clinic

D. The City currently is working on or partnering with other agencies and entities on a number of additional efforts to augment the existing services for homeless individuals. Some of the efforts include Operation 365 (seeking to create permanent housing for 365 homeless veterans), 15th Night (an effort to ensure that youth do not spend more than 14 nights on the street before permanent housing options are found), the Poverty and Homelessness Board's work, and exploration with Lane County and others about implementation of a Housing First model.

E. In addition, earlier this year, the City Council adopted the Eugene-Springfield Consolidated Plan guiding the use of federal CDBG and HOME funds for the next five years. That Plan anticipates that Eugene will:

- Create 500 permanent affordable housing units (125 units are under development)
- Rehabilitate 350 units of affordable housing units (174 units rehabs underway)
- Provide emergency home repairs to 150 homes occupied by seniors, persons with disabilities, and other low-income persons to prevent homelessness (30 units underway)
- Invest in 15 facilities that provide services, emergency housing, or transitional housing (2 projects underway)

F. Despite all of these significant efforts to find housing for homeless individuals, the number of homeless individuals appears to be growing rather than shrinking. This problem cannot be solved by local government alone. It will take the combined efforts and resources of the State of Oregon, the federal government, non-profit and religious organizations, and business and individuals willing to contribute time, resources and funds.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. The City of Eugene is committed to exploring options for the creation of suitable short-term shelter spaces for the homeless, in addition to the creation of permanent housing options for the homeless. Addressing this issue is urgent in order to aid those in need of shelter.

Section 2. The City Council of the City of Eugene joins other governments in acknowledging the crisis that exists with homelessness and housing and requests that the State treat homelessness as a crisis by (a) convening a work group composed of state agencies, local governments and non-profit service providers to address this issue; and (b) appropriating additional funding for the homelessness and housing crisis.

Section 3. The City Manager is directed to forward a copy of this Resolution to Governor Brown, the President of the Oregon Senate, the Speaker of the Oregon House, and our local state delegation, together with a request that the State take the actions requested above.

The foregoing Resolution adopted the 28 day of October, 2015.



City Recorder

ATTACHMENT C

Comments from the Human Rights Commission

After drafting a resolution based on Council direction in December, staff worked with the HRC in order to obtain their feedback on the proposed resolution. The HRC discussed the Housing First originally proposed by staff at three different meetings as a specific agenda item each time. The suggestions below emerged from those discussions and many of them were incorporated in the resolution as presented to Council.

Section 1: *The City of Eugene is committed to addressing the long term, low-cost housing crisis in Lane County. To that end, the City of Eugene is committed to a Housing First approach as one strategy to address the need for adequate low-cost housing. A Housing First approach features a supported housing model where chronically homeless persons and families and the people who are homeless who face barriers to conventional housing programs have access to permanent housing without preconditions and they have access to a menu of supportive services that meet individual needs. The Housing First approach is HUD supported, widely recognized, and an effective means to reduce chronic homelessness by providing a sufficient amount of permanent supported housing to meet the need for such housing. The Housing First approach is not, however, a substitute strategy for addressing emergency shelter needs. Reducing barriers to the unhoused going about their daily life while unsheltered also remains crucial to addressing the crisis of homelessness. Sufficient emergency shelter will continue to be an ongoing need while an adequate amount of permanent housing is created to house the people who are homeless;*

Section 2: *Long term solutions such as those offered by a Housing First approach must be vigorously pursued so that those who are homeless, both sheltered and unsheltered, are able to gain access to permanent housing. This resolution recognizes also that while long term solutions are being pursued, implementation of short term strategies and services such as providing for emergency and transitional shelter (including innovative shelter options such as rest stops and car camping) will need to be sustained and further expanded to fulfill the pressing immediate shelter needs of people who are homeless;*

Section 3: *Implementation of the Housing First approach requires a strategy that includes investing in new and existing housing units and also funding ongoing supportive services and case management;*

Section 4: *The City of Eugene is committed to working in partnership with other jurisdictions to identify the resources needed to implement the Housing First approach. Supporting innovations, inviting new participants, and continuing current partnerships will be necessary to secure resources from federal, state and local agencies as called for in City Council Resolution No. 5142 on the urgency of the housing and homelessness crisis; and,*

