

MINUTES

Eugene City Council
McNutt Room—City Hall

September 18, 1996
11:30 a.m.

COUNCILORS PRESENT: Tim Laue, Laurie Gribakov Swanson, Shawn Boles, Pat Farr, Kevin Hornbuckle, Barbara Keller, Nancy Nathanson, Jim Torrey.

The adjourned meeting of September 16, 1996, of the Eugene City Council was called to order; Her Honor Mayor Ruth Bascom presiding.

I. APPROVAL OF THE AGENDA AND TIME ESTIMATES

Mr. Laue moved, seconded by Ms. Swanson Gribakov, to approve the agenda and time estimates. The motion passed unanimously, 8:0.

II. ITEMS FROM THE MAYOR, CITY COUNCIL, AND CITY MANAGER

A. Eugene Celebration Parade

Mayor Bascom ascertained that six councilors would ride the council's float in the Eugene Celebration Parade.

B. Committee to Relocate the Cross

Mayor Bascom asked for the councilors' suggestions for a committee to relocate the cross on Skinner Butte.

C. Council Committee on the Enterprise Zone

Mayor Bascom asked for the councilors' suggestions for a committee on the Enterprise Zone should that be appropriate after the council's discussion today.

D. City's Bicycle Projects

Mayor Bascom asked for a status report on the City's key projects.

E. Mayor's Invitational

Mayor Bascom said she hosted mayors from other communities in Oregon, with activities such as the University of Oregon football game, a tour of the Hult Center, and the Mayor's Art Show in the Hult Center's Jacobs Gallery.

F. McKenzie Watershed Council

Mayor Bascom reported on the last meeting of the McKenzie Watershed Council, noting the McKenzie River received the highest ranking for water quality, with the Willamette River ranking about fourth.

G. Scobert Park

Mr. Boles clarified that the City temporarily lost Scobert Park to "drugs, prostitution, and alcohol" because it did not enforce the rules and, at the neighborhood's request, decided on a process for how to deal with that. In the end, the City decided to close the park—a decision supported by him and Councilor-elect Scott Meisner. Mr. Boles explained that the meetings going on with neighborhood residents are to help people understand why the park is being closed and to give notice that Police will enforce the closure. He said that a departmental advisory committee will be convened to address reopening the park so that it can be safe for those who wish to obey the law and use the park. Mr. Boles added that he would meet with the City Manager this afternoon to ensure consistent staff response and that adopted council policy is followed.

H. Annexed Area Citizens - Santa Clara

Mr. Torrey announced a 7 p.m. meeting on September 25 at North Eugene High School that will be facilitated by Representative Kitty Piercy to inform recently annexed citizens about their elected officials.

I. Use of Flashing Signals

Mr. Torrey said he has been contacted by the parent of a disabled Sheldon High School student for assistance in securing flashing lights to alert traffic of the need to stop at stop signs around the school.

J. Amazon Transfer Station

Mr. Laue said that residents in the vicinity of the Lane Transit District Amazon Transfer Station have expressed concern that they were not notified of the process on the Master Park Plan for Amazon Park. He wondered if affected residents were usually notified by the City similar to the notification given about land use decisions. City Manager Linda Norris said she would follow-up, adding that the notification process differs slightly from land use decisions.

K. I-105 Sound Wall

Ms. Swanson Gribakov flagged for the Intergovernmental Relations (IGR) Committee the issue of the I-105 sound wall, noting the project was not included in the State Transportation Improvement Project (STIP).

L. Skinner Butte Cross

Mr. Farr flagged for further discussion later in the meeting reconsideration of the council's September 16 motion regarding the cross at Skinner Butte. He asked that one of the six councilors on the prevailing side of that vote consider introducing a motion to reconsider that action, adding that he wanted two weeks to explore options. No councilor opted to move for reconsideration.

M. Dog and Skateboard Ban

Ms. Keller said the ban on dogs and skateboards had moved the problem further west on 13th Avenue and it was now much worse than before. She asked the council officers to schedule the topic to revisit the issue and explore alternatives.

M. New Councilor Orientation

Ms. Nathanson recalled her orientation process and wondered if incumbent members were ever involved. She recommended extending invitations to the orientation to ongoing councilors. Ms. Norris stated that ongoing councilor involvement is always encouraged and appreciated. Staff will keep the council informed of orientation plans after the election.

N. Right-of-Way

Ms. Nathanson said there is much construction in the community and she is becoming increasingly concerned with damage to rights-of-way. She asked the City to monitor repairs to ensure the integrity of the rights-of-way. Ms. Nathanson also wondered if there were a program that proactively addressed potholes, particularly over the winter months.

Ms. Norris responded to this and other topics raised earlier in the meeting, recommending a department advisory committee to address Scobert Park, assuring the council that staff continues to work on solving the 13th Avenue problem, and saying she would seek more information on the right-of-way topic. She added that the work on potholes occurred regularly but was limited due to budget constraints.

O. Systems Development Charges (SDCs)

Ms. Norris distributed a handout in response to council direction summarizing comments made by Susie Smith, City of Springfield, regarding the MWMC equalization study.

There being sufficient time, the council considered topics flagged for further discussion.

K. I-105 Sound Wall

Mr. Torrey said the Oregon Department of Transportation (ODOT) has indicated that the project does not fall under the "construction" category and the Legislature would have to be convinced that such projects are related to growth and compact urban density.

L. Skinner Butte Cross

Mr. Farr said he wished to give interested parties two weeks to make an offer to fund an appeal to the Ninth Circuit Court's decision regarding the cross on Skinner Butte, adding that many Eugene residents were not satisfied with the council's decision. He asked that a councilor on the prevailing side of the council's September 16 motion introduce a motion to reconsider.

Councilors on the prevailing side indicated no interest in revisiting the decision.

Mr. Torrey said he polled councilors individually to ascertain if they wished to discuss a letter from the American Legion, which he distributed, and there was insufficient interest.

Mayor Bascom asked that councilors forward their recommendations for committee membership to address the issue. Ms. Swanson Gribskov suggested that members of the American Legion be invited to join the committee.

M. Dog and Skateboard Ban

Ms. Keller asked for confirmation that the ban would be scheduled for further discussion by the council officers.

Ms. Swanson Gribskov added her concern, noting that the Council Committee on Public Safety (CCPS) may be the appropriate venue for the discussion.

Addressing a question from Ms. Nathanson, Ms. Norris said that the West University Business Association had provided input into the ordinance but had not addressed specific public safety issues. She agreed with Ms. Swanson Gribskov that the CCPS or council should continue this discussion.

III. WORK SESSION/DIRECTION: STATE CHANGES TO ENTERPRISE ZONE PROGRAM

Denny Braud, Planning and Development Department, provided the staff presentation on the West Eugene Enterprise Zone Program, including recent program and State law changes. He said the council would be asked to convene a committee to decide on the program's future. Mr. Braud identified the following alternatives/options:

1. Approve formation of a council committee.

2. Develop program ("employment-related") changes available under the current law and make application to the State for redesignation.
3. Make no changes to the current program and make application to the State for redesignation.
4. Develop program changes prior to expiration and let program expire on June 30, 1997, with no reapplication.
5. Let the zone expire on June 30, 1997, with no program changes and no reapplication.

Mr. Braud noted that under State law, businesses participating in the program at the time the zone expires are allowed, for a ten-year period, to qualify future investments for tax exemptions.

Mr. Braud said staff recommends that the council establish a council committee to consider the options and forward a recommendation to the council by spring 1997, adding that this allowed for final City Council and County Commission action prior to potential application to the State of Oregon for redesignation by the April 5, 1997, deadline.

Ms. Swanson Gribakov asked for more information on the impact to property owners, noting that the tax rate goes down when companies come off the Enterprise Zone exemption. She said the program had done what it was supposed to do and it was time for it to sunset. Mr. Braud said the impact on the average homeowner was a reduction of about \$5 for every \$35 million put on the rolls.

Mr. Boles recalled that the question was posed by the Planning Commission with respect to the growth management study (GMS) and asked that the material be provided to councillors.

In response to a question from Mr. Farr, Mr. Braud said the Enterprise Zone's boundary could be realigned.

Ms. Nathanson said her evaluation on how desirable the program is has to do with its flexibility and encouraged the participation of former Council Committee on Economic Development citizen members. She suggested the committee consider rule changes even if the council decides to let the program expire.

Mr. Boles said that given the council's full agenda, it may be more appropriate to form a departmental advisory committee to bring recommendations to the council. Staff indicated that was another option.

Addressing a question from Mr. Torrey, staff said that program rule changes cannot be made without approval of the Lane County Board of Commissioners. Mr. Torrey noted that the City of Springfield deals with development quite differently and asked staff to compare that process to the City's. He wondered if the boundary could be realigned in a way that allowed for environmental clean-up of old mill areas. Staff noted that boundary adjustments could be reviewed by the committee.

Ms. Keller expressed appreciation for staff's work, calling it excellent. She said the issues are not around whether to change the program but rather if it will be continued. She supported Mr. Boles' suggestion to give the charge to a departmental committee.

Mr. Hornbuckle said the program was a subsidy for the "capitalist class," whose interest was to destroy jobs through mechanization resulting in longer work hours for fewer people. He said the cost of the program to renters and low-income homeowners should be quantified.

Addressing a question from Mayor Bascom, staff said Portland's in-lieu-of-taxes program requires payments from companies that do not meet a certain hiring criteria, with the money used for activities in the community that are employment related.

In response to questions from Ms. Swanson Gribakov, staff said only companies receiving an exemption at the time the program expires qualifies for additional tax exemptions. Mr. Braud said that staff recommends that the committee include a member of the County Board of Commissioners, noting that there are two other enterprise zones within Lane County, one in Springfield and one in Oakridge/Westfir. He noted that a County presentation on the topic would be scheduled.

Ms. Keller said she was not in favor of extending the program unless there were rule changes sufficient to meet the community's current needs, adding her concern on the impact to resident property owners.

Mr. Boles moved, seconded by Ms. Swanson Gribakov, to extend the discussion by 10 minutes, with the time to be taken from the next item. The motion passed 5:3; with councilors Farr, Hornbuckle, and Keller opposed.

Mr. Boles favored a departmental committee that is instructed by the council to rank the options and analyze the questions raised during the discussion and give feedback on which of the options favored by a council majority are possible.

Ms. Swanson Gribakov said she now appreciated the need for a committee, stating her preference for a department advisory committee.

Mr. Laue moved, seconded by Ms. Swanson Gribakov, to approve the establishment of a department advisory committee for the purpose of analyzing the effectiveness of the West Eugene Enterprise Zone, recommending to the council whether the West Eugene Enterprise Zone should be continued beyond the 1997 expiration, recommending to the council potential employment-related changes available under the existing law, recommending to the council potential zone boundary changes, and recommending to the council potential State legislative policy.

Mr. Laue said the council should also be looking at what "benefit it can get as opposed to what benefit it can give," adding that when the enterprise zone redesignation issue comes before the council for final action, he would look very closely to the public interest that is served by continuing it, as opposed to the creation of jobs.

Mr. Boles asked that the motion include polling the council on the questions raised at this meeting and forwarding that information to the committee.

The motion passed, 7:1; with Mr. Hornbuckle opposed.

Mr. Hornbuckle left the meeting.

IV. WORK SESSION/DIRECTION: OPTIONS CONCERNING MULTI-UNIT RENTAL HOUSING TAX EXEMPTION PROGRAM

Richie Weinman, Planning and Development Department, explained the purpose of the Multi-Unit Rental Housing Tax Exemption Program and reviewed the options available to the council and potential changes to the program proposed by staff. He said the program was an incentive to compact urban growth and recommended that the council approve changes in the program and direct staff to return with an ordinance reflecting those changes. Mr. Weinman reminded the council that a moratorium on new applications had been in effect pending staff recommendations for improvements.

Ms. Keller said that fees should be raised immediately by administrative rule as it was consistent with the council's policy on full cost recovery. She noted that the program core area includes about one-third of the University area and said she was opposed to increasing density in that area.

Ms. Swanson Gribakov expressed concern with continuing a moratorium pending resolution. She suggested scheduling a review of fees every two years and eliminating the "but for" clause.

Mr. Farr agreed with Ms. Keller's focus on the City core but said he believed the West University area could benefit from the program.

Mr. Boles echoed Ms. Swanson Gribakov's concern with full cost recovery. He pointed out the confusion around the purpose of the program, adding he initially favored it because of the social benefit, particularly the low-income housing provision. Mr. Boles expressed interest in continuing the discussion about the distressed areas and urged the council officers to schedule it. He asked for a staff response to a letter from a citizen regarding extending the zone to include the Whiteaker area.

Addressing a question from Mr. Torrey, Mr. Weinman said the council is allowed to change the entire zone boundary provided it is not more than 20 percent of the City, and the area may have to be contiguous. In response to a follow-up question, Mr. Weinman said that the "but for" clause is not a State requirement, reiterating that it is difficult for staff to test it. Mr. Torrey said he was also concerned about the low-income aspect.

Mr. Weinman said one of the reasons this was not specifically a low-income housing program was because at least some believed that there was already a high concentration of low-income rental housing in the core area.

Addressing a question from Ms. Swanson Gribakov, Mr. Weinman said there are no pending applications due to the moratorium although there have been some inquiries.

Ms. Nathanson said she agreed that the core area really is larger than the downtown and supported Ms. Keller's suggestion to encourage development where it is needed, redrawing the boundary as necessary.

Mr. Laue moved, seconded by Ms. Swanson Gribakov, to maintain the existing program boundary, and create two zones: a "Central Core Area" and a "Neighborhood Redevelopment Area."

Ms. Keller said there should be a greater discussion of the ramifications of amending the boundary, adding that she was not interested in increasing the area.

The motion failed 3:4; with councilors Boies, Keller, Laue, and Swanson Gribakov opposed.

Due to insufficient time, the council requested that discussion on multi-unit housing tax exemption program revisions be postponed to September 25.

Ms. Keller left the meeting.

Mr. Laue moved, seconded by Ms. Swanson Gribakov, to direct the City Council Officers to schedule a discussion of the "Housing in Distressed Areas Property Tax Exemption Program," and ask the City Manager to provide the necessary analysis and ordinances for council review and action. The motion passed unanimously, 6:0.

The meeting adjourned at 1:45 p.m.

Respectfully Submitted,

Linda H. Norris

Linda H. Norris
City Manager pro tem

(Recorded by Yolanda Paule)
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