

MINUTES

Eugene City Council  
McNutt Room--City Hall

February 15, 1995  
11:30 a.m.

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

The adjourned meeting of February 8, 1995, of the Eugene City Council was called to order by Her Honor Mayor Ruth Bascom.

**I. APPROVAL OF THE ORDER OF THE AGENDA**

Mr. Laue moved, seconded by Mr. Torrey to approve the order of the agenda. The motion passed, 7:1; with Ms. Keller opposed.

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

**A. Meeting Process**

Ms. Nathanson pointed out on the monitor that Item I had been crossed off, and noted she suggested, as well, changing the agenda to print the time allocated for each item.

**B. Willamette Street Design**

Ms. Nathanson said she would be distributing a memorandum outlining a suggestion on how to proceed with redesigning the plaza area of Willamette Street.

**C. Fire Prevention**

Ms. Nathanson said she would be working with staff on developing a proposal for using some Fire/EMS redeployment funds for capital or other improvements, as necessary, to set up a test brush disposal site at the neighborhood level to eliminate a hazard that contributes to wild fires.

**D. Appreciation**

Mr. Farr thanked City staff for providing his orientation to the organization and on issues before the council. He also thanked councilors Boles, Laue, Nathanson, Swanson Gribkov, and Torrey, adding he looked forward to meeting with Mr. Hornbuckle and Ms. Keller soon.

#### E. Council Calendar

Ms. Swanson Gribkov thanked Mayor Bascom for suggesting a change to the Council Calendar that highlights major items "on the horizon."

#### F. Snow

Ms. Swanson Gribkov thanked street maintenance crews who kept roads/streets as safe as possible during this week's snow storm.

#### G. Board and Commission Structure

Ms. Keller asked to address, time permitting later in the meeting, the new board and commission structure implemented about 1-1/2 years ago. She expressed concern that the council was convening many committees with fewer and fewer lay community members, in particular on public safety issues.

Mr. Boles agreed, recalling that the council left open the option for reestablishing the Public Safety Advisory Committee (PSAC) as a council standing committee. Given the council's imminent ranking of goals, he said, that may be something that comes up in conjunction with strategies.

#### H. Downtown Development

Ms. Keller recalled that the council previously agreed to do more comprehensive planning for the downtown, including mixed uses (the Library, housing, parking, etc.). She expressed concern at what she described as "doing a lot of downtown on an ad hoc basis" and asked to address the issue later in the meeting, time permitting.

#### I. Women's Suffrage

Mr. Hornbuckle announced a Public Broadcasting Service program on women's suffrage at 9 p.m. tonight.

#### J. Amazon Housing

Mr. Hornbuckle recalled that on October 19, 1994, the council passed a motion that no action be taken on a specific Amazon project. He said that "City staff had set it up so that the council majority can help save some Amazon housing for relocation by issuing a demolition permit" at the council March 6, 1995, meeting--an action contrary to the council's previous instructions.

#### K. Community Policing

Mr. Boles said members of his community have expressed concern at what the Department of Public Safety (DPS) has called the three community policing areas of the community (sectors), and asked that a gentler term be used. He also asked for a map depicting the three areas.



**L. House Bill 2898**

Mr. Boles discussed House Bill 2898, which was introduced to expand the definition of capital improvement for use of systems development charges (SDCs).

**M. Cascadia Conference**

Mr. Boles thanked staff for setting up an e-mail registration at the Cascadia Conference for all the participants.

**N. Homeless Car Camp**

Mr. Torrey commended the Fire Department for its activities at the Homeless Car Camp on February 14. He also noted that a Springfield resident had contributed propane gas for all campers.

**O. Ferry Street Corridor North Bank Study**

Mr. Torrey announced an open house from 5-9 p.m. at Sheldon High School on February 16 on the Ferry Street Corridor North Bank Study.

**P. Video Poker Tax**

Mr. Laue asked if it were true that the City's proposed vote on the video poker tax was moot, given the legislature's recent action. He also asked if the City could ban video poker within its boundaries.

**Q. United Nations Birthday**

Mayor Bascom called attention to the United Nations birthday and said she would distribute a memorandum suggesting displaying the flag for a brief time in the council chamber in recognition of that.

**R. Cascadia Conference**

Mayor Bascom announced the Cascadia Conference on Sustainable Communities on February 16-17.

**S. Stormwater Report**

City Manager Mike Gleason commended Bob Hammitt's report on flooding, noting it was more than a 10-year event. He added that the school districts' decision to close school at about 11 a.m. on February 13 prompted staff's decision to address clearing school bus routes first, making it necessary to close down the Ferry Street and Washington/Jefferson bridges.

### III. WORK SESSION: SCOPING REPORT ON LOW-INCOME HOUSING GOALS AND OPTIONS

Mr. Gleason asked the council to keep in mind the extended lead time required by projects with multi-agency responsibility.

#### A. Introduction

Abe Farkas, Planning and Development Director, introduced the topic and said this is the first of a two-part scoping. He recognized all the players involved in making the presentation possible, including Ms. Keller and John Van Landingham, Housing Policy Board. He also recognized the role of nonprofit agencies who contributed to the report. Mr. Farkas reviewed wall displays that identified the land system components. He said that the interdependent functions and players produced a fluid market with fewer players, a compressed time line, and costs based on the wants of owners/renters. When affordable housing is the issue, the system becomes more complicated with more players, more difficult funding, and an extended time line--a system where costs are based on need. Mr. Farkas said the issue before the council is what is the most effective City role, given the various functions, players, and limited resources, if affordable housing is to be provided. He said that staff's perspective is to focus the City's attention on land, funding, and regulatory issues with an ongoing commitment to the policy. He said today's discussion would focus on funding and the March 8 discussion would entail land use and regulatory issues.

#### B. Staff Presentation

Richie Weinman, Planning and Development Department, gave a brief history of the issue, noting that the committee created had two goals: 1) build 100 units annually; and 2) expand and rehabilitate the Family Shelter House. He reported on progress made to date: 156 units built and occupied since 1989, with 313 units in progress; and the \$.5 million expansion of the Family Shelter House from 26 to 29 units. Other changes since that time that have made a difference include: 4 experienced private nonprofit developers; Federal Low-Income Housing Tax Credits as a new source of funding; the Oregon Housing Trust Fund; the use of property tax exemptions; the Federal HOME Program; the Federal Home Loan Bank Program; the Department of Housing and Urban Development (HUD) 811 grants; Interfaith Emergency Shelter; and the Centennial Car Camp.

Mr. Weinman said the community learned from this that it can create a plan and reach goals, but it takes resources to do it. According to the 1990 census, there are about 11,000 families in the area that are low-income, about 78 percent of whom spend more than 30 percent of their income on their housing need and 53 percent that spend over 50 percent. He noted that this leaves little for other basic needs and puts them at high risk of homelessness. Mr. Weinman said that over 2,700 households in the area were receiving some form of public assistance, leaving 7,000 households eligible but unassisted. He pointed out that the number of homeless people rose in each of the last few years.



Mr. Weinman explained how permanent affordable housing was more efficient than providing emergency shelter and said there had been a measure of success over the last six years for the following reasons: the City had a supply of land bank sites (a critical element for providing affordable housing), Federal and State money has been available, Lane County allocated \$750,000 in 1989 after its Housing and Affordability Task Force recommended a permanent funding source, low interest rates helped leverage funding, Lane County Road Funds, and the intergovernmental political and council support. Mr. Weinman said there is significant concern for future projects because of the following: land bank sites are used up; available land costs are much higher; Federal money is at risk; the Oregon Housing Trust Fund is undercapitalized; interest rates are higher; and the number of homeless is steadily increasing. Mr. Weinman discussed how the impact of the homeless on public health, safety, and education was of major concern to the future, explaining that if society is unable to help one meet one's basic needs, one may not feel obliged to follow the basic rules of society. He said that the aging housing stock adds to the problem, many needing repair/maintenance at the same time. Funding set aside for rehabilitation loans is being used up quickly and will need to be replaced.

Mr. Weinman described the "housing system ladder," identifying the different needs of the low-income populace including the following: emergency housing; transitional services; low-income ownership; median-income ownership; and rehabilitation funding for low-income housing providers. He said what the community needs to do is create a housing system ladder with specific attainable goals and resources to meet those goals. Given the resources currently available, he said, affordable housing for very-low-income households cannot be built without some local subsidy.

Mr. Weinman said staff believed that the goal of creating 100 low-income units annually is a reasonable and attainable objective, given the community's resources and about \$1 million in local money. He said that a .5 percent real estate transfer tax (with exemptions for homes under \$100,000) and a tax base/serial levy would be sufficient to address the bottom rungs on the ladder. Additionally, a bond would address households closer to 80 percent of median income. Mr. Weinman said land use and regulatory solutions would be addressed on March 8.

#### C. Council Questions

Addressing a question from Ms. Nathanson, Mr. Weinman said there is nothing currently being funded that would be displaced by permanent housing, noting that there is a proposal before the Intergovernmental Human Services Committee to fund the Centennial Car Camp. Ms. Nathanson said that because of the implications of homelessness, spending money on something that attacks the root of the problem ultimately saves money through avoided costs.

Mr. Hornbuckle said he was disappointed in the report because of the conceptualization involved, e.g., there is nothing progressive about the funding recommendations. He explained he wanted to see new ideas that will create solutions to old problems. He said that language in the report suggests that

renters get subsidies but the developers get incentives when, in fact, the exact opposite is true, i.e., the renters subsidize the landlords who are in that business for profit. Mr. Hornbuckle said the City should be the developer, cutting out the profit motive.

Mr. Farr wondered how dependable was continued support. Mr. Weinman said there was concern that it may not be there, but staff's best guess is that some of the variety of funding sources will drop out and some new ones may be found. Addressing a follow-up question, Mr. Weinman said it was reasonable to assume that some people will move up the housing ladder.

Mr. Boles asked what would be needed to capitalize a housing trust fund to yield \$1 million. Mr. Weinman said it would involve an investment of \$21 million. Mr. Boles asked staff to provide a rate for a real estate transfer tax if the council chose to capitalize that over a four-year period, excluding houses under \$100,000. He said the analysis in the packet indicated some objection to the predictability associated with "pay and play" and asked for the actual amount yielded based on past performance and forecasted building.

Ms. Swanson Gribkov wondered why more Community Development Block Grant funding could not be allocated to low-income housing, adding the council may wish to adjust its priorities in the block grant program. Addressing a follow-up question, Mr. Weinman said the County had been very supportive in the past but based on conversations with commissioners and the County's inability to pass measures for any of its programs, future general fund contributions were doubtful.

In response to a question from Ms. Keller, Mr. Weinman said the following projects were among those included in the 156 units completed: Richardson Bridge, Sponsors, Uhlhorn Apartments, Maple Wood Meadows, Mary Skinner Apartments, and St. Vincent de Paul. Addressing a follow-up question, Mr. Weinman said the in-progress 313 units included Walnut Park, Willakenzie, acquisition of Firwood Apartments, and two HUD 811 projects. Ms. Keller noted Mr. Weinman was including acquisitions and single person units that were not part of the goal of 100 new family units. With regard to the real estate transfer tax, Ms. Keller said it may be possible to structure it as a "pay to play" approach. She indicated she was concerned with Robin Johnson's reports about how most incentives were density bonuses and how most cost more to the community than they produced.

Mr. Gleason noted that at the rate of 100 units annually, the City was catching up to the need instead of widening the gap between the "haves" and "have-nots." He added that 100 units does have a market impact and it may be possible to interest banks and the construction and real estate industries in a "pay-to-play" relationship.

Mr. Torrey said the key to the issue is the reality of the funding source. He suggested bringing the "best community minds," including the real estate and development communities, together to analyze the report, educate the community, and garner support for revenue sources under consideration.



Mayor Bascom said she has recognized private nonprofits as developers, adding it may be possible to acquire land in that way. Mr. Weinman acknowledged that the Neighborhood Economic Development Corporation (NEDCO) was able to purchase State surplus land with grant funding support but it was hard to find parcels like that. He indicated that much of the money ultimately came from the jurisdictions in the form of State and Federal programs.

Mr. Laue said that the most rapidly growing homeless population was youth and the council needed to recognize how this keys with its public safety concerns. He noted that the incidence of crime occurred particularly between the ages of 18 and 30 years and if the community had that population becoming increasingly at risk of being homeless, an investment in that regard seemed appropriate.

Mr. Hornbuckle said that the way the current rental market is structured, the driving force is for the development of rentals, which reduces purchasing power and leaves permanent new housing for people in the upper income brackets. He said this was a political problem and Mr. Torrey was correct in recognizing that this was a problem that needed to be dealt with in a political way, i.e., if there is to be a real estate transfer tax, there needs to be a frank discussion about the means by which it could be legally achieved.

Ms. Keller recalled that affordable housing has been a council goal for six years but has never addressed local funding. She asked that the issue be placed on the agenda for February 22 and that a decision be made at that time, adding that a real estate transfer tax did not need to be put to a vote.

Mr. Laue moved, seconded by Mr. Torrey, to extend the discussion by five minutes and reduce the time allotted for Item VI. The motion passed, 7:1; with Ms. Keller opposed.

Mr. Gleason said it was most hopeful to him that the community can succeed, and encouraged the council not to polarize the debate around the issue as there was great potential for bringing all the players together to resolve the problem. He cautioned against raising the political dialogue first.

Mr. Boles said he agreed with Ms. Keller about moving forward with a funding strategy, adding he was interested in capitalizing a housing trust fund and there were few avenues for doing that that did not have a political consequence. He said the first question was: Is there a majority on the council to try to raise the \$1 million annually for the next ten years?

#### IV. WORK SESSION: TRANSPLAN UPDATE STATUS REPORT

##### A. Staff Presentation

##### 1. Introduction

Jan Childs, Planning Division Manager, said that the purpose of the report was to give a progress report on what has transpired over the last few months in preparation for the next major TransPlan update event, a March 16 symposium.

She invited the council to the event and noted that two councilors were stakeholders and would be participating. She indicated that the update was a multi-agency production and acknowledged the following people for their contributions: Allen Lowe and Dave Reinhard, City staff; Stefano Viggiano, Lane Transit District (LTD); and Tom Schwetz and Peter Watt, Lane Council of Governments (LCOG).

Ms. Childs reviewed the Transportation Triangle introduced to the council about a year ago, which has as its components land use measures, transportation demand management (TDM), and transportation systems improvements (TSI). She said the diagrams are used to depict the range of topics that is being considered in the TransPlan update process, including those items the council has talked about in furthering its own transportation goals. Ms. Childs described the following as parallel tracks moving toward the development of alternative concepts: data development; model development; special projects (urban rail, etc.); alternative concepts/working paper; and development of evaluation criteria and measurable objectives. The latter will be more fully defined after the symposium to lead the community ultimately to a preferred concept.

## 2. Alternative Plan Concepts

Allen Lowe, Planning Division, said staff had developed four concepts (represented by charts on the wall). He noted that each concept included the three functional areas depicted in the transportation triangle, adding that the demand management leg was independent, in terms of modeling, of the other two. Mr. Lowe said what was being tested was the effects of the land use/systems improvement and TDM strategies on the transportation system. He said existing "nodal development areas" are superimposed on the base case map to illustrate what the system will look like if the jurisdictions follow through with existing adopted plans.

Mr. Lowe identified areas of nodal development, which were implemented as part of the 1982 Metro Plan. The refinement of nodal development, he said, is that much closer attention would be paid to how they are designed--interconnecting them and making them work for all modes, etc. Other refinements deal with encouraging mixed-use development, increased density, housing diversity, pedestrian planning, and open space planning within nodes. Mr. Lowe described Concept A as a low-level of emphasis on changing development patterns, where nodal development is applied to new-growth areas. Concept B applied nodal development to new-growth and multi-nodal corridors, with emphasis on 10-minute mass transit service. The Concept C map shows what happens when all strategies (land use, demand management, and system improvements) are applied. Mr. Lowe said Concept B begins to affect existing developed areas, implying that there is some infill and redevelopment effort, while C illustrates the effect of a greater emphasis on infill and redevelopment.

Mr. Boles wondered which concept best addressed compact urban growth and the State's imposition of reduced vehicle miles traveled (VMTs). Mr. Lowe said Concept C probably best addressed those, but added that the alternative concepts had not yet been modeled for transportation impacts. Mr. Boles



noticed that any movement from one node to another was routed through the center of the city. Mr. Viggiano said LTD has planned a Beltline route that would permit transfers similar to a "grid" system. Mr. Boles expressed concern that all the concepts had an underlying radial pattern.

Mr. Torrey asked how the plan would address substandard building to accomplish the council's goals. Mr. Lowe said staff was holding ongoing discussions with stakeholders, including builders, lenders, and developers, to identify impediments to accomplishing infill and redevelopment.

Ms. Nathanson announced that LTD was holding a public hearing this evening on proposed route changes and wondered if the proposal had been analyzed with respect to these concepts. Mr. Viggiano indicated that the proposed route changes on which the hearing will be held were minor, adding that LTD made a practice to review development/redevelopment permits.

Mr. Hornbuckle said there needed to be some sensitivity to ownership opportunities in high density areas, adding the council should keep in mind Mr. Weinman's statement that it was "a lot cheaper to keep what we have than build something new."

Ms. Keller thanked staff for the presentation, calling it "excellent work." Addressing comments made by Mr. Torrey earlier, she explained that the purpose for the updates was to create planning policy/documents that allowed for a "smooth transition" of property suitable for redevelopment that fits into the "larger scheme" so as things changed, they changed in the direction planned.

### 3. Urban Rail Feasibility Study

Mr. Viggiano reported on the Urban Rail Study, saying it was intended to answer questions of if, when, and how rail fits into the TransPlan update. He referred the council to Attachment C and reviewed the major tasks involved in the study, including research, development of criteria, identification of potential corridors and evaluation of them, getting advice from consultants on suggestions for making rail more feasible in the area, and suggesting transportation policies that support rail, and right-of-way acquisition.

In response to a question from Ms. Swanson Gribbskov, Mr. Viggiano said the study is scheduled to be completed in May or June 1995.

Mr. Boles moved, seconded by Ms. Nathanson, to extend the discussion five minutes and that the time allocated for Item V be reduced.

Ms. Keller asked that items V and VI be reversed. The council agreed.

The motion passed, 6:2; with Mr. Farr and Ms. Keller opposed.

Mr. Boles posed the following questions for staff responses later: what is the relative emphasis in the study between the light rail type of system versus the trolley; will the cost alternative analysis, analyze light-rail vs

trolley vs automobile in terms of the subsidy to those three modes, and are these alternatives being considered in terms of the extent to which they meet the two primary goals, reduced VMT and compact urban growth.

#### V. RATIFICATION OF COUNCIL OFFICERS' RECOMMENDATIONS

Ms. Nathanson moved, seconded by Mr. Laue, to ratify the Council Officers' recommendations of February 2, 1995, Items A, plus attached memos C, D, and E. Roll call vote.

Mayer Bascom clarified that excluded item B was the council committee assignments.

Ms. Keller moved, seconded by Mr. Boles, to amend the motion, changing Item A, directing the City Manager to constitute the committee as the ozone ordinance directs, and ask the committee to return recommendations to the council for any changes needed in the ordinance prior to its effective date.

Ms. Keller explained that the memo brings up particular concerns but it does not suggest a specific way of dealing with them, and the committee is the most appropriate way of doing that.

Mr. Boles supported the amendment, saying a fuller discussion needed to be held. He said the main motion "gutted" the ordinance.

Mr. Gleason said there was a need for the council to settle on a policy position, adding that if the issue is handed over to a committee, the committee will reflect the council's multiple viewpoints and the council will need to address it again.

Ms. Nathanson opposed the motion because she agreed with Mr. Gleason that the council would "end up in the same place."

Mr. Laue said he saw nothing in the officers' recommendation that "gutted" the ordinance or precluded use of a committee after the council's spring break.

The motion to amend failed, 5:3; with councilors Boles, Hornbuckle, and Keller voting in favor.

The main motion passed, 5:3; with councilors Boles, Hornbuckle, and Keller opposed.

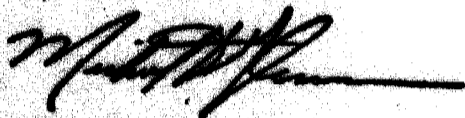
#### VI. APPROVAL OF INTERGOVERNMENTAL RELATIONS (IGR) COMMITTEE MINUTES

Mr. Boles asked to postpone the item to the next meeting, noting there were no time-sensitive issues. He asked the council to review the minutes associated with the two pieces of legislation that the council was divided on. The council agreed.



The meeting adjourned at 1:30 p.m.

Respectfully submitted,



Michael Gleason  
City Manager

(Recorded by Yolanda Paule)  
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