

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Work Session: Next Steps for City Hall

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Meeting Date: June 22, 2011  
Department: Central Services  
*www.eugene-or.gov*

Agenda Item Number: A  
Staff Contact: Mike Penwell  
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#### **ISSUE STATEMENT**

The purpose of this work session is to provide an update on planning efforts related to City Hall.

#### **BACKGROUND**

At the March 16, 2011, work session, the council directed the City Manager to develop and implement a transition plan for moving all remaining City services out of City Hall by June 30, 2012, and to develop a phased approach to building a new City Hall at the current site utilizing available resources. The council also directed the City Manager to return with a funding plan for the project. This is both an update on those efforts and an opportunity for the council to provide input.

The functional, structural, and safety issues at City Hall have been well-documented over the past dozen years. In addition to the seismic vulnerability and deteriorating state of the facility, the approaching deadline for termination of Eugene Water & Electric Board (EWEB) steam heat requires the development of a short-term plan and timeline to address these problems. The City will use available one-time resources to accommodate relocation of the remaining non-police services currently located at City Hall and for building the first phase of a new City Hall.

Staff is actively working to vacate City Hall and relocate functions in temporary, longer-term, and permanent space until a City Hall solution is approved and built. This will address safety and cost concerns related to the existing building while the City develops a long-range plan for the site. A brief update will be provided at the work session.

Staff has also developed a proposed work plan for reaching final decisions on an achievable, simple and fiscally responsible multi-phased City Hall at the current site utilizing available existing resources for Phase 1. The proposed plan, summarized in Attachment A, includes input and analysis from several sources to help inform the decision-making process. Input from the local chapter of the American Institute of Architects (AIA) is intended to explore conceptual options both for a new building and for reuse of all or part of the existing building.

The plan also calls for hiring two architects who will help with planning of the AIA “brainstorming session” and then develop the ideas generated into more complete design concepts, one architect refining new building concepts for City Hall and the other refining reuse concepts for the existing building. This work will be done within the City’s fiscal constraints in order to ensure that the ideas will be achievable given the potential budget for the project.

A citizen advisory committee would be formed to review the design concepts, estimated costs, and assumptions underlying each option, the intent being to assure that both new and renovate options are being compared equally and impartially.

The advisory committee would conclude its work by making recommendations to staff about how to proceed with a long-term plan for City Hall that can be implemented in phases over time as funding is available. If the advisory committee completes its work by mid to late August, the AIA would like to display the developed design concepts, cost information, and advisory committee recommendations at its Eugene Celebration booth for public review and comment. This would be a fitting way to conclude the multiple public input opportunities conducted by the City and its consultants on issues related to City Hall over the past five years.

Attachment B includes potential funding sources for the project. The two sources that have currently been identified are the Facility Reserve and a portion of the Telecommunications Tax Fund, for a total of \$8.5 million. Additional one-time sources that may be utilized include energy incentives, grants, and dedicating sale of City assets (property). The City should continue to look for opportunities to set aside other miscellaneous one-time dollars identified over the next few years.

The City Manager intends to return to the council in the fall of 2011, with findings, a summary of public input received, options, and a recommendation for a phased approach to developing a new City Hall at the current site utilizing available resources, either with all new construction or a major renovation of the existing structure.

### **RELATED CITY POLICIES**

The City Hall planning process relates to the council goals of an effective, accountable municipal government, a safe community, and sustainable community growth and change.

### **COUNCIL OPTIONS**

The council is asked to provide feedback on the proposed plan including suggestions for the make-up of the City Hall Advisory Committee. It is not anticipated that the council will be asked to act on specific motions during this workshop. The council will be asked to take action at a future work session to select a City Hall development option.

### **CITY MANAGER'S RECOMMENDATION**

There are no specific recommendations for this agenda item.

### **SUGGESTED MOTIONS**

There are no suggested motions related to this agenda item.

**ATTACHMENTS**

- A. Proposed Plan for City Hall Decisions
- B. Potential City Hall Funding Sources

**FOR MORE INFORMATION**

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## Proposed Plan for City Hall Decisions

June 22, 2011

Task	Task Description	Completion Date	Est. Cost*
Council Work Session	Present work plan and costs for next steps on City Hall Planning for council approval at the June 22 work session. Include information on short-term and long-term relocation plans for current City Hall functions and other related space moves.	June 22, 2011	
Existing Info Review	Collect existing info from previous studies, charrettes, and planning efforts and give to AIA leadership and hired consultants for review and duplication.	June 24, 2011	
Hire Consultants	Select and hire two design teams to review and analyze option(s) for a new building and option(s) for reuse of the existing building; present findings to City Hall Advisory Committee and City staff.	June 29, 2011	\$50,000
AIA Brainstorming Event	Work with the AIA and hired consultants to organize a brainstorming event (charrette?) with AIA members to explore new and renovate construction options for City Hall. Develop parameters, criteria, and goals that focus on providing information that will help the consultants with their analyses and help staff develop recommendations to the City Council.	Mid-July, 2011	\$5,000
City Hall Advisory Committee	Select and schedule a citizen panel to review, comment on, and make recommendations on consultants' findings for new and renovate options for City Hall. Similar to a Department Advisory Committee.	August 19, 2011	
Eugene Celebration	AIA to display options and Advisory Committee's recommendations for City Hall so public can review and comment.	August 28, 2011	
Council Work Session	Present findings, public input, and recommendations to council for direction on phase 1 of new or remodeled City Hall.	Fall, 2011	

\*Internal staff costs and miscellaneous costs for printing, meeting support, etc. are estimated to not exceed \$10,000.

### Potential City Hall Funding Sources

**Facility Reserve:** The City has been saving money for several years towards replacement of City Hall. The estimated balance in the Facility Reserve in FY12 will be approximately \$6.5 million.

**Telecommunications Tax Funds:** The City's telecommunications tax could be used to pay for new City technology related projects and purchases, such as installing fiber to the site, purchasing and installing telecommunications equipment, and so on. An initial estimate of the amount that could be available for this project is \$2 million.

**General Capital Transfer:** The City could dedicate a portion of the capital transfer from the General Fund to the General Capital Projects Fund. This fund is for major maintenance of all general City buildings. Although City Hall represents a significant portion of the total square footage and deferred maintenance of City buildings, very little of the General Capital Transfer has been used for City Hall since the decision was made to stop investing in the building while a plan for renovation or replacement was developed. A portion of those funds could be dedicated, either for one year or for a period of several years, to assist with some of the renovation and/or construction costs for the new City Hall.

**Energy Incentives:** This project will most likely qualify for funding through the Business Energy Tax Credits program and EWEB energy incentives. The amount of such incentives will be firmed up as the project is developed, but an initial estimate is that between \$50,000 and \$100,000 might be available.

**Grants:** There may be funds available for the project from grants.

**Other Miscellaneous Funds:** The City should continue to look for opportunities to set funds aside for this project, including any one-time dollars that are identified over the next few years. An example would be dedication of a portion of the Marginal Beginning Working Capital, if available, or the sale of assets.