

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Work Session: Eugene Water & Electric Board Riverfront Redevelopment Project Update

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Meeting Date: March 11, 2015  
Department: Planning & Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: A  
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#### **ISSUE STATEMENT**

Working in partnership with Eugene Water & Electric Board (EWEB) and the University of Oregon Foundation Team (Foundation Team), City staff has been making progress towards the redevelopment of the riverfront property and the creation of an active, accessible and inviting place on the Willamette River. At this work session, staff will provide an update and outline key next steps.

#### **BACKGROUND**

In October 2014, the EWEB Board selected the Foundation Team as the master developer of the surplus EWEB riverfront property. The EWEB Board also provided direction to the General Manager to enter into negotiations with the Foundation Team for a period of up to six months to develop an initial agreement for the sale and redevelopment of the property.

The significant multi-year public engagement regarding the redevelopment of the river, as depicted in the Riverfront Master Plan and codified through zoning, reflects the importance that the community places on this property. The EWEB property is Eugene's downtown riverfront; its redevelopment needs to positively impact the entire community. This signature redevelopment has the unparalleled potential to achieve the following objectives:

- Create a new downtown neighborhood;
- Provide an inviting place along the river for the entire community;
- Enhance connectivity along the riverfront path system;
- Strengthen the economic identity of the region with continued investment and enhancements in the downtown core area; and
- Build towards a regional river district concept, outlined in the Lane Livability Consortium.

#### **PROJECT STATUS**

After many years of planning, community engagement, and policy work, and with EWEB's selection of and pending negotiations with the Foundation Team, the redevelopment of the riverfront is poised to start in the near future. Because there are many challenges associated

with redevelopment of the property, the project partners will need to work collaboratively, diligently and efficiently to maximize the opportunities presented by the Foundation Team. There are a number of key next steps necessary to allow this project to move forward, including actions by the City, EWEB, and the Foundation Team working in partnership towards the implementation of the Riverfront Master Plan. These steps are listed below and will be discussed at the work session.

*Key Next Steps:*

Foundation Team and EWEB

**1. Property Appraisal**

EWEB and the Foundation Team have contracted with two independent appraisers to provide a valuation of the property. The appraisers are currently engaged in this work and are expected to complete them in early spring. EWEB and the Foundation Team intend to use the appraisals as the basis for establishing a purchase price.

**2. Memorandum of Agreement (MOA)**

After the property value has been established, the Foundation Team and EWEB are expected to enter into an MOA regarding the purchase price and timeline for ownership transfer. The MOA is expected to be finalized in early summer.

**3. Purchase and Sale Agreement (PSA)**

Based on the MOA, the Foundation Team and EWEB are expected to sign a final purchase and sale agreement later this year.

City of Eugene and Foundation Team

**1. Riverfront Park**

An inviting and accessible public park along the Willamette River is a critical component to creating a new riverfront neighborhood district. A park will serve as an anchor amenity for new private development and create an access point to the riverfront for the community as a whole. City staff has begun the process of determining the key environmental, engineering, and regulatory parameters for creating a park along the river that respects the natural setting, creates an amenity for future private development, and draws people from the entire community to experience and celebrate the Willamette River at this key site.

The February 2014 MOU between the City and EWEB set forth a general timeline for the future development and for funding park maintenance. The intent of the agreement is to have the park development occur concurrent with private development of the property, or within five years, whichever is sooner. Staff will be coordinating with the Foundation Team and proceeding with design of the park so that this timeline can be met.

**2. Park and Open Space Agreements**

The City has begun discussions with the Foundation Team to clarify and document agreements regarding the timing and connectivity of the public park with other private and public open space such as the envisioned “green infrastructure” areas of enhanced natural landscape that lead along the streets and pedestrian paths to the park.

### **3. Quiet Zone**

The Quiet Zone is a critical piece of the infrastructure improvements needed for the redevelopment of the EWEB property and for downtown and surrounding neighborhoods, particularly for future housing development. Council will discuss this item at the March 9, 2015, work session.

### **4. 8th and Hilyard Railroad Crossing**

The existing railroad crossing at 8<sup>th</sup> and Hilyard needs to be relocated to align with 8<sup>th</sup> Avenue to provide public access to the riverfront property. The relocation of this crossing is essentially a new crossing in terms of railroad regulations. The City will need to coordinate closely with the Federal Rail Administration to ensure all requirements are met and that the design includes needed upgrades for a potential Quiet Zone. The first step is to design the crossing based on engineering and safety requirements and consistency with the Riverfront Master Plan.

### **5. Willamette to Willamette**

City staff is currently scoping a project to develop a public realm plan along 8<sup>th</sup> Avenue from Willamette Street to the Willamette River to advance the long-held vision for connecting downtown to the river. The Willamette to Willamette project will coordinate with future development projects including City Hall, Whole Foods, the Shedd Institute for the Performing Arts, the Farmers' Market, Lane County property, the relocated railroad crossing at 8<sup>th</sup> and Hilyard, the riverfront park, and riverfront redevelopment.

### **6. Triple Bottom Line Analysis**

The Triple Bottom Line (TBL) approach is a framework for analysis and discussion that incorporates community values of environmental resource management, culture and social equity, and economics and prosperity. The TBL analysis is not specifically a decision-making framework; policy direction is still required to weigh and balance competing interests. The TBL approach can provide insight to assess and describe outcomes that may lack quantifiable market values, yet have value to the community. The analysis can help inform decisions regarding the use of public funds, so that public investments focus on elements that yield the greatest benefit to the community, where benefit is defined as both market and non-market values. Staff will develop a comprehensive TBL analysis that presents the costs and benefits associated with potential public investments in and near the riverfront property.

### **7. Development Agreement**

The redevelopment of the riverfront will require a public/private partnership documented through an agreement that includes assurances of the desired community outcomes. Staff will return to council in the near future with an analysis and consideration of potential investment opportunities that align with the community's vision and with the Riverfront Master Plan.

## **RELATED CITY POLICIES**

Redevelopment of the EWEB Riverfront property supports many goals for Eugene and downtown, as listed below. As this project moves into the implementation phase, the City's primary focus throughout will be guiding redevelopment of the property aligned with the

community's vision as expressed in these adopted plans and policies.

#### *Eugene Downtown Plan*

- Incorporate the Willamette River as an integral element to downtown planning and development.
- Collaborate with EWEB to encourage relocation of their utility facilities. Create a "people place" that is active, vibrant, accessible and multi-use.
- Facilitate dense development in the courthouse area and other sites between the core of downtown and the river.
- Stimulate multi-unit housing in the downtown core and on the edges of downtown for a variety of income levels and ownership opportunities.
- Downtown development shall support the urban qualities of density, vitality, livability and diversity to create a downtown, urban environment.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Facilitate dense development in the courthouse area and other sites between the core of the downtown and the river.
- Promote adjacent park and open space areas as a valuable complement to downtown's urban places. Improve connections between downtown and nearby nature areas.

#### *Envision Eugene Pillars*

- Promote compact urban development and efficient transportation options.
  - Integrate new development and redevelopment in the downtown, in key transit corridors and in core commercial areas.
  - Meet the 20-year multi-family housing need within the existing Urban Growth Boundary.
  - Make compact urban development easier in the downtown, on key transit corridors, and in core commercial areas.
- Provide housing affordable to all income levels.
- Provide ample economic opportunities for all community members.
- Protect, repair, and enhance neighborhood livability.
- Protect, restore, and enhance natural resources.

#### *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.

*Eugene Climate & Energy Action Plan*

- Increase density around the urban core and along high-capacity transit corridors
- Continue to expand and improve Eugene's bicycle and pedestrian infrastructure and connectivity to increase the percentage of trips made by bike and on foot.

*City Council Goal of Sustainable Development*

- Increased downtown development

**COUNCIL OPTIONS**

Information only. No options identified at this time.

**CITY MANAGER'S RECOMMENDATION**

Information only. No recommendation identified at this time.

**SUGGESTED MOTION**

No action required at this time.

**ATTACHMENTS**

None.

**FOR MORE INFORMATION**

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