MINUTES

Eugene City Council Work Session Eugene, Oregon 97401

June 13, 2022 5:30 p.m.

Councilors Present:Claire Syrett, Matt Keating, Jennifer Yeh, Mike Clark, Randy Groves,
Emily Semple, Alan Zelenka, and Greg Evans

Mayor Vinis opened the June 13, 2022, work session of the Eugene City Council in a hybrid format at 101 W 10th Avenue, Eugene OR 97401.

1. Work Session: Urban Renewal Districts

Community Development Director, Will Dowdy, Economic Development Planner, Anne Fifield, and Planning and Development Director, Denny Braud presented information regarding the Urban Renewal Districts.

Council Discussion:

- Mayor Vinis stated appreciation for the presentation and being reminded of the Downtown Plan.
- Councilor Zelenka noted his preference to make Urban Renewal as effective as
 possible; asked staff to explain the Urban Renewal District sunset process and its
 impact on tax income for said district; asked if the amount of taxes will get capped and
 returned to districts; asked for clarity about the Downtown Action Plan, referencing the
 plan in 2004, and asked why staff are sticking to the outdated plan; asked if there is a
 legal requirement to stick to the old plan; asked if the plan must be consistent with the
 nine elements outlined.
- Councilor Groves asked if staff capacity will allow to the City to handle a new downtown action plan; asked if the Downtown Urban Renewal District footprint should remain the same or expand to include 5th Street, Riverfront area and midtown; asked about existing building that can be used for a new City Hall within the Urban Renewal district; asked if Urban Renewal funds can be applied toward debt services to an internal debt service bond; regarding the Climate Action Plan, asked if Urban Renewal funding can be used to supply grants for solar upgrades in the existing downtown.
- Councilor Keating noted on page 45 of the Downtown Action Plan outlines a dozen opportunity areas beyond the urban renewal area; asked why the Urban Renewal District has not been adjusted since the 1968; asked what challenges the Urban Renewal District boundaries may present Council for a boundary expansion; asked about the timeline and legal process if Council chose to expand the Urban Renewal District; asked if a public/private partnership for an event center would meet the action plan for renewal dollars if Council approves the proposed motion.
- Councilor Syrett noted she was ambivalent about this topic; asked who would choose the projects that would go into the draft plan if the motion is approved; asked why it is difficult to determine when the limit will be hit; noted she is proud of the projects that

have been added; stated she feels that the Urban Renewal District is being forced as a permanent fixture; noted a need for a pharmacy downtown and the completion of the park block improvements; asked about new urban renewal districts for Highway 99 and the 4 corners area but said she is uneasy if the current district will continue to go on forever.

- Councilor Clark noted that state and local laws have had a direct impact on
 pharmacies closing recently; asked whether adding land to existing Downtown Renewal
 District would result in a new tax increment base, higher than the existing one; asked to
 clarify the cost to buy and add on to a building in the Riverfront District, noting the
 estimate was \$25 million and would take seven years to pay back; asked to clarify if a
 previous vote by Council stated that the Downtown Renewal District would definitely
 be ended and not carried out indefinitely; asked staff to bring back an analysis from the
 school district about how they will respond to a net loss of \$150,000 a year if Council
 chooses to not move forward with the district.
- Councilor Semple stated she is very interested in a new downtown action plan, cost and benefits, noting that urban renewal funds do not have to be used; suggested sidewalks use transportation or park block funding; asked if City Hall is a project that could use Urban Renewal funding; asked how the fund would increase if a new city hall is built, since city hall would not pay taxes; noted she agrees that downtown needs a pharmacy; noted she does not like urban renewal plans; asked what projects would not get done under urban renewal; stated a preference to put funding into the General Fund rather than an urban renewal fund for more general use without being locked into specific plans.
- Councilor Yeh noted that she thinks that urban renewal can be a good plan; noted the importance of recognizing when/if a downtown renewal plan should end; said she is interested in how a plan could be used in other areas; noted that Bethel is an area that needs more attention; asked if other areas would be considered in that planning;
- Councilor Evans noted previous work with staff regarding urban renewal in Bethel, and asked to clarify the timeline that would assist with projects; asked staff to discuss an urban renewal district in the 1960s that funded State Street Park in Bethel and how it worked; asked if Council has the ability to do project-specific urban renewal districts; asked staff what it would take to expand the district and if a metro plan amendment would be required to include the fairgrounds and a convention center project in the Urban Renewal District.
- Mayor Vinis asked staff about the other possible capital projects discussed when the farmer's market plan was decided; noted a challenge for Urban Renewal District expansion onto 6th and 7th avenues is whether it would generate enough income; noted her interest in looking at other areas for creating districts; asked staff to clarify the timelines for the Urban Renewal District.
- Councilor Zelenka noted that the incremental assessed value in urban renewal, once the base is set, is slow in growing; noted new districts take a long time to grow; stated that the Lane Events Center is almost the same size as the Downtown Urban District which can only increase by about two more blocks, so it is not possible to add the Lane Event Center to the Urban Renewal District; said expansion of new district would have an impact on the General Fund and could impede General Fund programs; asked staff if the downtown project list gets updated to show items completed, not done, or deleted;

asked staff about projects that might go into the new list and how that list would be developed; asked if Council has the final say on what is on the list of projects.

- Councilor Keating asked how the public, neighborhood associations, and stakeholders will participate in the development of plans; asked if there is a more timely way to revisit the plans; noted that urban renewal cannot cover operating costs; noted he would support some projects mentioned in this work session such as a pharmacy downtown, a Eugene events center, city hall, housing, mental health centers and the downtown loos; asked if loos could be covered by urban renewal dollars.
- Councilor Syrett expressed appreciation for the clarifications made during this work session by staff; clarified that the Downtown plan overlaps with other plans; recognized that funds going toward the Urban Renewal District are funds that would normally go to the General Fund, which could be used for operating costs; noted that downtown does need constant attention but it does not have to be funded by urban renewal.
- Councilor Evans noted past urban renewal plans were used to destroy Black, Indigenous, and People of Color homes and neighborhoods; asked how the urban renewal effort can avoid creating the same unintended consequences.
- Councilor Clark urged Council to keep in mind the quality and type of projects that happen with an Urban Renewal District; noted there is a substantial population that would push to end the Urban Renewal District; stated that it is important to keep this in mind when deciding what projects to add to the list.

MOTION and VOTE: Councilor Syrett, seconded by Councilor Keating, moved to direct City Manager to create a Downtown Action Plan that is consistent with the Eugene Downtown Plan to identify opportunities, needs and inform future funding discussions. **PASSED: 8:0**

Mayor Vinis adjourned the meeting at 6:52 p.m.

Respectfully submitted,

Katie LaSala City Recorder

(Recorded by Sara McKinney) Webcast of meeting available <u>here</u>.