

MINUTES

Eugene City Council Work Session and Urban Renewal Agency Meeting Eugene, Oregon 97401

October 11, 2023
12:00 p.m.

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

Mayor Vinis opened the October 11, 2023, meeting of the Eugene Urban Renewal Agency in a virtual format.

1. **WORK SESSION: Riverfront Parcel 3A**

Agency Director, Sarah Medary, introduced Development Programs Manager, Amanda D'Souza, Development Analyst, Dylan Huber-Heidorn, and Senior Planner, Jeff Gepper, who presented information on Riverfront Parcel 3A.

A. WORK SESSION and ACTION: Downtown Riverfront Development Atkins Dame Terms

Councilor Discussion:

- Councilor Semple – asked if the project will fail if any of the three suggestion motions fail; asked if the developer can just walk away if the motions do not pass; stated concerns over gentrification; believes that more commercial and retail sites in the Riverfront area would bring more housing; is concerned about the lack of grocery stores within safe walking distance; asked if the bus lines would service the area; asked how many square feet are being devoted to office space and if that space is included in the MUPTE; stated her confusion over how this would tie the Riverfront into the rest of the city; asked about other commercial projects in the Riverfront area.
- Councilor Groves – asked staff to discuss how adding any level of housing into the market will impact the housing market; asked if market-rate housing is important to support commercial development; asked if there is any work being done to analyze a crossing from the Riverfront development and Whole Foods.
- Councilor Evans – asked if site 6 will be commercial, retail or office space; asked if the decreased demand for office space is reflected in the updated maps; noted the shift to online shopping, which does not support increased commercial retail development.
- Councilor Zelenka – supports increased housing in downtown; asked why the suggestion motion increases to 275 instead of the 237 units proposed; would prefer that the motion reflect the actual number of units; commended Atkins Dame for their execution of this project.
- Councilor Keating – asked if the southern access parking is the property that was part of the land swap with the University of Oregon; asked if parcel 2 is

the only planned affordable housing; asked if there is a plan for mixed-income housing; asked staff to discuss any known plans for Lane Transit District to expand bus service in the Riverfront area; asked if the Riverfront is considered a top tier transportation route; asked if the term “or hotel” can be removed from the proposed language regarding Riverfront parcel 3A.

- Councilor Evans – stated Eugene needs more hotel spaces; noted that adding hotel space is critical for increasing tourism; stated that tourism helps support commercial development.
- Councilor Zelenka – noted that the language “or hotel” applies to only parcel 3A; stated the developer plans to build housing, not a hotel; believes that there is a need for more hotels in the area.
- Councilor Evans – would like there to be maximum flexibility in the development plan regardless of the parcel location.

MOTION: Councilor Groves, seconded by Councilor Keating, move to direct the Agency Director to revise the DDA to allow up to 275 housing units on Parcel 3A.

- Councilor Zelenka – asked for a friendly motion to change the allowed units to 237 and remove the “or hotel”.

MOTION TO AMEND: Councilor Zelenka, seconded by Councilor Keating, move to amend the motion to state “up to 240 housing units on parcel 3A” and remove “or hotel”.

- Councilor Semple – does not support removing “or hotel” from the language; asked if the developer can change the plans to increase the number of units proposed; is in favor of approving a higher number of housing units.
- Councilor Yeh – asked if staff recommend leaving “or hotel” in the terms.

VOTE ON MOTION TO AMEND: FAILED 2:6 (opposed by Councilors Clark, Evans, Groves, Leech, Semple, and Yeh.)

MOTION: Councilor Zelenka, seconded by Councilor Keating, move to amend the main motion to allow up to 240 housing units on parcel 3A.

VOTE: FAILED 2:6 (opposed by Councilors Clark, Evans, Groves, Leech, Semple, and Yeh.)

VOTE ON MAIN MOTION: PASSED 8:0

Mayor Vinis adjourned the Eugene Urban Renewal Agency meeting and called the October 11, 2023, work session of the Eugene City Council to order.

B. ACTION: An Ordinance Concerning the Skinner Butte Height Limitation Area and Downtown Riverfront Special Area Zone, Amending Figures 9.3155(3) and 9.6715(3) of the Eugene Code, 1971.

MOTION: Councilor Groves, seconded by Councilor Keating, move to adopt An Ordinance Concerning the Skinner Butte Height Limitation Area, Amending Figure 9.3155(3) and Figure 9.6715(3) of the Eugene Code, 1971.

Councilor Discussion:

- Councilor Semple – is concerned about the frequency at which Council is revisiting the height amendment; believes it would be more efficient to eliminate or raise the height limitation; asked if views of the butte from a distance are being considered.

VOTE: PASSED 6:2 (opposed by Councilors Keating and Semple)

C. WORK SESSION and POSSIBLE ACTION: MUPTE Application – Riverfront Parcel 3A

MOTION: Councilor Groves, seconded by Councilor Keating, move to adopt A Resolution Approving a Multiple-Unit Property Tax Exemption for Residential Property Located on Lot 1 of the Town Run Plat in Eugene, Oregon (Assessor's Map 17-03-31-11, Tax Lot 14200) (Applicant Eugene Riverfront District LLC).

Councilor Discussion:

- Councilor Semple – expressed concerns about how MUPTE fees are used; would like to see more affordable housing results from MUPTEs that have been passed; asked how the affordable housing fee will be used; stated concern about the impacts of tax breaks on the general fund.
- Councilor Keating – asked when the last time the MUPTE fee structure was adjusted; believes the MUPTE fee is not sufficient and should be adjusted to provide more incentives for developing mixed income housing.
- Councilor Clark – noted that the buy-out option was not in the original MUPTE plan; noted that only one MUPTE in Eugene has built affordable units; believes Council should revisit the MUPTE affordable housing buy-out option.
- Councilor Zelenka – noted that the MUPTE program was paused in 2013-2014 for modifications; believes that the fee provides more benefit for Council to direct middle housing projects; noted that affordable housing included in a MUPTE development is only guaranteed affordable for the life of the MUPTE, which is ten years; stated that projects completed with funds in the affordable housing trust fund could lock in affordable housing for 20-30 years.
- Councilor Groves – is in favor of the MUPTE fee option; stated that having a fund to direct funding to low-income housing providers is beneficial; noted that percentage stays with inflation.

VOTE ON MOTION: PASSED 7:1 (opposed by Councilor Zelenka)

2. WORK SESSION: Finance and Revenue Update

City Manager, Sarah Medary, gave a brief introduction regarding revenue and reduction and introduced Chief Financial Officer, Twylla Miller, who presented a finance and revenue update.

Councilor Discussion:

- Councilor Clark – acknowledged that there is a short-term budget issue; stated that the long-term issue is an imbalance by the quantity and value of property; stated the most critical goals are to increase the value of current property in the city and grow the amount of properties that are subject to property tax; believes that the long-term solution is to increase the amount of taxable properties.
- Councilor Keating – stated a desire to increase revenue streams to support vital services; stated he would like to explore heavy vehicle tax or a delivery service fee, a short-term rental service fee for out of state users, and a natural gas supply tax.
- Councilor Zelenka – stated that service fees and restaurant tax are controversial; stated concerns around creating taxes or fees that do not generate a lot of revenue; stated that a \$1 per garbage can fee has been explored previously.
- Councilor Semple – noted concerns over a prepared food tax and how that could impact Supplemental Nutrition Assistance Program (SNAP) recipients.
- Councilor Clark – would like to see the number of taxpayers increased, not the tax rate; is in favor of incentivizing annexation into the City for residents in the River Road and Santa Clara neighborhood.
- Councilor Keating – stated support for an increased animal license fee with low-income exemptions.

MOTION: Councilor Groves, seconded by Councilor Keating, moved to schedule a work session as soon as possible to discuss the potential of referring a capital bond to the voters that would support the construction of sports facilities in Eugene, such as a multi-purpose stadium, regional pickle ball courts, and sports fields at Golden Gardens, and direct the City manager to provide at the Council work session financial information, options, and other information she deems relevant regarding a potential bond measure.

Councilor Discussion:

- Councilor Groves – stated his intent is to bring this discussion to a public conversation due to a large amount of communication Council has received from the public.
- Councilor Zelenka – stated support for the Eugene Emeralds stadium; asked to clarify if bond proceeds can be used for a private facility for pickleball at Lane Community College; would rather see a conversation regarding the Eugene Emeralds stadium only; asked staff to clarify who would own the land and building proposed for the new pickleball facility.

MOTION and VOTE: Councilor Keating, seconded by Councilor Semple, move to extend the meeting by ten minutes. **VOTE: PASSED 8:0**

- Councilor Keating – is concerned about using City funds to support a pickleball facility; supports the motion to increase health and wellness.
- Councilor Yeh – is concerned that the City has been approached for financial support for two facilities without proper information or presentation; does not believe Council should dedicate funds to projects without a full understanding of the projects; supports having a discussion regarding the topic; asked staff to clarify the timing for a bond; asked if an additional work session regarding the bond is necessary.
- Councilor Semple – stated that the community has brought the topic of pickleball to Council previously; believes a pickleball facility could benefit the community; stated the motion is only to have a work session regarding the topics; stated that the discussion has an urgency due to the Eugene Emeralds timelines.
- Councilor Groves – stated the work session is meant to gather more information and understanding for what the community needs are for low-cost health and fitness activities.

VOTE ON MAIN MOTION: PASSED 8:0

Mayor Vinis adjourned the meeting at 1:41 p.m.

Respectfully submitted,



Katie LaSala
City Recorder

(Recorded by Sara McKinney)

Link to the webcast of this City Council meeting [here](#).