

MINUTES

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

April 9, 2025
12:00 p.m.

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

Mayor Knudson opened the April 9, 2025, Eugene City Council Work Session in a virtual format.

1. **WORK SESSION: Presentation of Referendum Petition 2025-1 to Council**

City Manager, Sarah Medary, introduced City Recorder, Katie LaSala, who joined the City Manager in presenting the Referendum Petition 2025-1 and options for further action..

Councilor Discussion:

- Mayor Knudson – stated a desire for Council to work together toward shared outcomes and help to build understanding about pressures the community is facing.
- Councilor Yeh – noted her discussions with community members about the issues at hand and the work that needs to be done; noted the importance of working together as a community; clarified when another work session could be held to have further discussion regarding the subject; asked if there would be a public comment period before the next work session on this topic.
- Councilor Groves – noted a desire for more information on the subject before making a decision; wants to respect the elections process and the work of the petitioners; does not want to see a significant reduction in City services; noted that listening to the community is an important part of leadership.
- Councilor Evans – stated interest in another work session on the subject; requested a retreat for a broader conversation on budget priorities and their ranking and other options for closing the funding gap; stated his interest in cutting the budget in the least harmful way to basic City services like Police, Fire and Public Works.
- Councilor Clark – asked what the budget proposal plan and timeline; asked if the amended budget option would include the additional \$8 million in reductions; asked if the budget committee will have further discussions after the proposed budget is provided; asked if there will be an opportunity for Council to make alternative proposals for cuts; asked if it possible to schedule a retreat prior to the presentation of the proposed budget on April 30, 2025; asked when a retreat would be possible to schedule.

- Councilor Kashinsky – noted the importance of respecting the process the petitioners completed; would be uncomfortable with repealing or replacing the ordinance; believes that the public should have the opportunity to vote; asked to clarify if two version of the budget will be provided: one that assumes the fire service fee passes and one without the funds from the fire service fee; asked if there would be a supplemental budget provided to restore some services if the fire service fee passed; asked for information regarding the impacts of a November election versus an emergency election.
- Councilor Keating – believes further discussion is part of the process; would like to explore options in another work session, that help to move the community forward without derailing the work done by Council or the petitioners; is in support of a follow-up work session on April 21; wants to move forward and recognizes the challenges the community will face with both heavy service cuts or a divisive ballot item; would like to hear from the community at the next public comment period regarding this subject.
- Councilor Leech – believes the ordinance as written is the best option to sustain critical services; is concerned that the timing of the vote will make it difficult to maintain or restore any services that are cut; would be in favor of looking at possible changes or alternative options to the ordinance as written that would make the community more supportive of it; is concerned that this subject may create conflicts with other upcoming bond and levy renewals; would like another work session to discuss other viable alternatives.
- Councilor Clark – noted he previously moved for a May 2025 election on this matter; asked staff to outline any limitations on the subject due to election and public meetings laws; asked to clarify if public meetings law applies to in-person, email, text or otherwise; asked to clarify that any further communications on the matter must be done in a public meeting.
- Councilor Zelenka – noted concern over staff and services that will need to be cut to balance the budget before the fire service fee can be voted on; stated that the cuts will be hard to recover from; is willing to have further discussions on the subject.

MOTION: Councilor Evans, seconded by Councilor Clark, moved to direct the City Manager to schedule a work session on April 21, 2025 for further discussion of Council's options.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, Groves

OPPOSED: None

Mayor Knudson closed the April 9, 2025 Eugene City Council Work Session and opened the April 9, 2025 Meeting of the Eugene Urban Renewal Agency.

2. WORK SESSION: North Butterfly Lot Redevelopment

Agency Director, Sarah Medary, introduced Downtown Manager, Eric Brown who presented the agency with information on the proposed disposition process and criteria for the redevelopment of the property known as the North Butterfly Lot, located on the southwest corner of Oak Street and East 7th Avenue.

Agency Discussion:

- Councilor Keating – stated his support for the recommendation; provided information about an upcoming event downtown; stated the recommendation embraces the pro-housing values of the Board for investments in Downtown Eugene.
- Councilor Yeh – asked what questions are planned for the community interest meeting; asked how information gathered at the meeting will be used; asked how the City will determine if the responses are a fair representation of the community; asked if the information from the sessions will be brought back to the Board for the request for qualifications (RFQ) process; asked how community feedback will impact the process; asked how the criteria for minority-owned business would be determined; asked how the community benefit is determined; asked if the project would be a rental or owner-occupied space; is in favor of the proposed process for this property.
- Councilor Groves – noted excitement for development of this property; asked how construction cost and material supply will be impacted by recent natural disasters; asked if there is any assistance the City can provide for storing and securing materials and supplies for the project developer; noted that space for staging and storing materials is a significant issue for projects in the downtown area.
- Councilor Leech – is supportive of this project and excited to see the end result; asked what kind of project would be developed on this property without a multi-unit property tax exemption (MUPTE); noted this project is a part of the long-term planning for future tax revenue; noted all aspects of this project meet the long-term goals for the Downtown District.
- Councilor Zelenka – noted that one of the large apartment buildings on Franklin was built without a MUPTE; asked how to prevent developers from pulling out of the project after selection; asked if the Urban Renewal District will retain the land ownership; asked if there are claw back provisions; asked how the Urban Renewal District can ensure the selected project gets completed; noted that a property on Agate and Franklin stalled years ago and has not moved forward; is in support of the proposed process for this project.
- Councilor Clark – asked staff to confirm that interest rates are the biggest difference between projects built in the past versus current proposed projects; asked if the Urban Renewal District will be receptive to creative financing assistance for developers; noted that gathering private investors for this type of project is very difficult; asked if the District's funds are sufficient for a project of this size; asked how receptive the District is to being a partner in financial support of the project;

noted the risk is higher than the reward for investors to develop in downtown;
asked if the housing would be market rate.

- Councilor Yeh – asked if there is a pre-defined funding amount for this project; asked to clarify if the level of funding can be determined when the proposals are received; would prefer to support a more impressive project for this space; does not believe more retail space would be ideal for the location.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to approve the use of an RFQ process and criteria for disposition of the North Butterfly Lot in Attachment A.

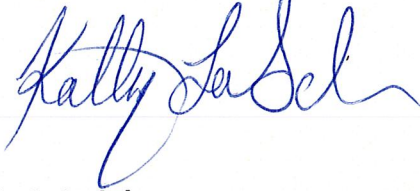
VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, Groves

OPPOSED: None

Councilor Mayor Knudson adjourned the meeting at 1:50p.m.

Respectfully submitted,



Katie LaSala
City Recorder

(Recorded by Sara McKinney)

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