



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

April 22, 2020

12:00 p.m. CITY COUNCIL WORK SESSION

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, this meeting will be held remotely using virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>.

**Meeting of April 22, 2020;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Emily Semple, President
Mike Clark
Chris Pryor
Betty Taylor

Jennifer Yeh, Vice President
Greg Evans
Claire Syrett
Alan Zelenka

12:00 p.m. CITY COUNCIL WORK SESSION

- 1. WORK SESSION: COVID-19 Update**
- 2. WORK SESSION: Bethel Community and Economic Prosperity**
- 3. WORK SESSION and ACTION: Broadway and Hilyard Property Disposition Deal Points**

For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

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or visit us online at www.eugene-or.gov.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Bethel Community and Economic Prosperity

Meeting Date: April 22, 2020
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Anne Fifield
Contact Telephone Number: 541-682-5451

ISSUE STATEMENT

In April 2019, City Council asked staff to provide information about tools available to the City to enhance community and economic development in the Bethel neighborhood. At this council work session, staff will present information on a potential framework to advance community and economic prosperity.

BACKGROUND

The Bethel area is Eugene's largest neighborhood, by geography. In 2014, City staff led an effort to identify economic development-related actions in the Bethel neighborhood. The Bethel Economic Development Task Team's efforts produced the 2015 *Building a Better Bethel*, a five-year plan that identified actions the City and others could implement over the subsequent five years (**Attachment A**). Since the completion of the *Building a Better Bethel* plan, the City is addressing some of the identified actions, including the expansion of the Urban Growth Boundary to include the Clear Lake Road area and the expansion of recreational facilities with the ongoing planning around Golden Gardens park.

The Active Bethel Citizens (ABC) neighborhood group has recently identified priorities for the Bethel neighborhood. In March 2020, the ABC neighborhood group shared these priorities with City staff. ABC has grouped those priorities into five categories:

- **Infrastructure**-bike paths, sidewalks, more bus stops, and other improvements to enhance pedestrian/bicycle access and safety.
- **Recreation**-additional park space, a community center, natural area development, and trails connecting to and within natural areas.
- **Environment**-improving air quality, reducing and monitoring air emissions.
- **Amenities**-commercial development including food service, retail, and entertainment.
- **Funding Compensation**-to address the costs associated with homelessness in the neighborhood.

The ABC neighborhood group's priorities are focused on enhancing the livability of Bethel—improving non-automobile mobility, enhanced parks and open space, and more commercial activity to serve neighbors.

April 20, 2020, Work Session – Item 2

TOOLS TO SUPPORT COMMUNITY AND ECONOMIC PROSPERITY

The City has programs and policies that can be used to enhance community and economic development in the Bethel neighborhood. In this work session, staff will describe the tools available to advance community and economic prosperity. **Attachment B** shows an approximate timeline for a potential planning and implementation strategy to advance community and economic prosperity in Bethel.

Neighborhood Plan

A neighborhood plan is the result of a concentrated planning effort, where a neighborhood's residents identify broad goals and specific objectives. The City's Planning Division is currently working in the River Road/Santa Clara neighborhood to complete a neighborhood plan. The University area neighborhoods have been identified by Council as the next area of focus. The process combines staff expertise with neighborhood input, so that the neighborhood's goals are developed within the context of the City's broader infrastructure plans and legal realities. The planning work can lead to changes in the zoning, which can be an important step to changing development patterns, which in turn can bring about new commercial, housing, and mixed-use development.

The Bethel-Danebo Refinement Plan was adopted by Council in 1982.

Tax Increment Financing/Urban Renewal

In Oregon, "Urban Renewal" is enabled by ORS 457 and used to help cities and counties implement plans to revitalize specified areas within their jurisdiction. An Urban Renewal area (URA) has a Plan that documents planned investments and infrastructure improvements—such as parks, streets, and parking garages—that stimulate private investment and attract new businesses, jobs, and residents. The infrastructure improvements are financed with revenue generated from "tax increment financing" (TIF). The investments are made to improve public space and to catalyze further private investment. TIF is a tool to focus funds in a particular area. The City's two urban renewal districts (Downtown and Riverfront) do not include the Bethel area.

Multi-Unit Property Tax Exemption (MUPTE)

MUPTE is a tool to encourage multi-family residential development in a defined area to encourage transit-oriented development. MUPTE reduces the operating costs of new multi-unit development, thereby reducing risk for the developer. It has been an effective tool in downtown Eugene, supporting Broadway Place, High Street Terrace, the Tate, and others. The MUPTE boundary does not currently include the Bethel neighborhood.

Business Loans

The City of Eugene offers the Business Growth loan program, to help businesses grow, evolve, or stabilize by providing flexible financing options. This fund was established through the federal Community Development Block Grant program to create jobs while stimulating private sector investment. Since 1983, the City of Eugene has loaned more than \$22 million to more than 250 Eugene businesses, creating more than 2,000 new jobs and leveraging an additional \$81 million in private investment.

Affordable Housing

The Eugene area has an under-supply of housing and new construction of housing for low-income households will help to fill this gap. New affordable housing complexes can be located near areas of planned commercial development, and that new housing can help increase demand for services, thereby attracting new commercial development. The City of Eugene can incentivize affordable housing using a variety of programs:

- The land banking program can be used to acquire land in strategic locations, to provide a site for new housing.
- The Low-Income Rental Housing Property Tax Exemption (LIRHPTE) provides a property-tax exemption for low-income rental properties.
- The HOME Investment Partnership Program (HOME) provides funds for the development of housing to serve very low- and low-income households. HOME funds can be used for acquisition of existing residential and non-residential building for conversion to affordable housing, or for new construction.
- The Affordable Housing Trust Fund is a new locally generated funding source for affordable housing. City Council established a Construction Excise Tax in 2019 which will contribute to the Affordable Housing Trust Fund.
- The City offers a limited amount of waivers for System Development Charges (SDCs) for affordable housing.

Enterprise Zone

An Enterprise Zone is a tool that aims to stimulate new investments that create jobs. Eligible new investments in the Zone can be exempted from property taxes for a period of three years and potentially up to five years. The West Eugene Enterprise Zone covers a portion of the Bethel neighborhood. It is a tool that encourages employment in manufacturing, processing, distribution, and operations that serve other businesses. Housing, retail, and most office uses are explicitly ineligible.

Opportunity Zone

Opportunity Zones are an incentive program resulting from the 2017 Tax Cuts and Jobs Act, enacted by the U.S. Congress. These zones are intended to encourage investments in low-income communities towards real estate development and business through Opportunity Funds. Opportunity Funds encourage investment in them by allowing investors to reduce their tax burden from capital gains. Much of the Bethel neighborhood is in an Opportunity Zone.

City Taxing Authority

In addition to the above programs, the City of Eugene is able to use its taxing authority to fund improvements using local improvement districts, general obligation bonds, and General Fund revenue.

PREVIOUS COUNCIL DIRECTION

On [April 15, 2019](#), Council asked staff to return with information on the process and resource requirements to establish an Urban Renewal District and the potential of other tools to encourage community and economic development in the Bethel area.

On [April 26, 2017](#), Council directed the City Manager to refocus the City's planning efforts on developing special area zones or refinement plans for the River Road/Santa Clara area, Bethel, and University neighborhoods.

COUNCIL OPTIONS

Option 1. Direct City Manager to develop a comprehensive planning, implementation, and funding strategy to achieve economic and community prosperity in Bethel. The strategy shall include:

- continued neighborhood engagement and capacity building;
- a neighborhood planning process;
- further evaluation of the use of Urban Renewal and other tools, including MUPTE and affordable housing development, to implement the neighborhood plan.

Option 2. Direct City Manager to bring back additional information for further discussion.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Option 1.

SUGGESTED MOTION

Move to direct City Manager to develop a comprehensive planning, implementation, and funding strategy to achieve community and economic prosperity in Bethel. The strategy shall include (1) continued neighborhood engagement and capacity building; (2) a neighborhood planning process; (3) the evaluation of the use of Urban Renewal and other tools, including MUPTE and affordable housing development, to implement the neighborhood plan.

ATTACHMENTS

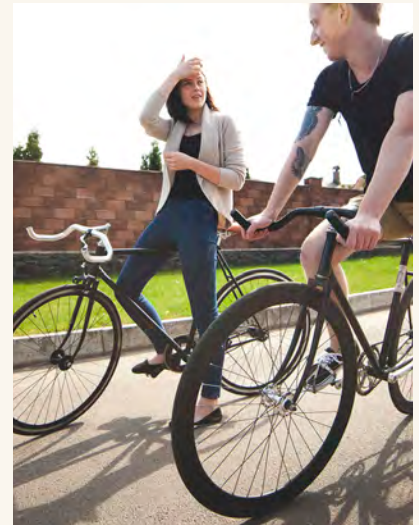
- A. Building a Better Bethel
- B. Approximate Timeline for Planning and Implementation Strategy

FOR MORE INFORMATION

Staff Contact: Anne Fifield
Telephone: 541-682-5451
Staff E-Mail: afifield@eugene-or.gov

EUGENE, OREGON

BUILDING A BETTER BETHEL



BUILDING A BETTER BETHEL

Bethel Economic Development Task Team Report

Welcome to the Bethel Economic Development Task Team Report-*Building a Better Bethel*.

Bethel is a great place to live, work, raise a family, open a business, and enjoy your favorite activities. Our community boasts excellent schools, vibrant businesses, inviting open spaces and recreation facilities as well as engaged and diverse neighborhoods and residents. We also know there are opportunities to make Bethel even better - supporting the creation of new jobs and educational opportunities, building better transportation connections, easing the path for redevelopment in key areas, and strengthening business connections.

It is an exciting time for the Bethel area and that's why it is an important time for us to take a deeper look at how we can build on our assets to encourage even greater vitality in our community. The goal of the Bethel Economic Development Task Team is to recognize what it will take to turn our many opportunities into thriving realities.

The Task Team group included community and business leaders who are passionate about making a difference in the place where they live, work, play, and call home. We sincerely appreciate the time and thoughtfulness they provided to this task. Eugene is a community with a vibrant history and a promising future, and we believe Building a Better Bethel provides the critical next steps in realizing that future vision. The goal isn't to score a touchdown in one big play - Building a Better Bethel is about realistic -doable-steps in the right direction. Steps that build on our successes, develop trust, and show progress. As we move forward, these actions will engage community members, inspire new ideas, and ultimately realize the potential of our community.

We are inviting you to join our team in this work, because it will take all of us. Identify how you can participate, how you can assist, how you can lend your hand in *Building a Better Bethel*.

Building a Better Bethel directly aligns with our city-wide goals to promote a safe community, encourage sustainable development and ensure accessible and thriving culture and recreation.

Building a Better Bethel also supports the Pillars of Envision Eugene, our community vision of how our city will grow over the next 20 years, and advances our regional economic prosperity goals.

Envision Eugene Pillars

- Provide Ample Economic Opportunities for all Community Members
- Provide Housing Affordable to All Income Levels
- Protecting and Enhancing Neighborhoods

www.envisioneugene.org

Regional Prosperity Economic Development Plan

- Grow Local Opportunities
- Provide Basic Business Needs
- Identify as a Place to Thrive

www.eugene-or.gov/prosperityplan



Councilor
Greg Evans
Ward 6



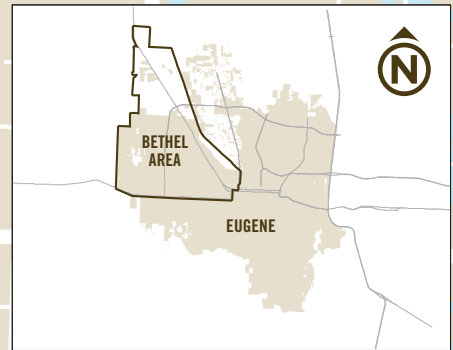
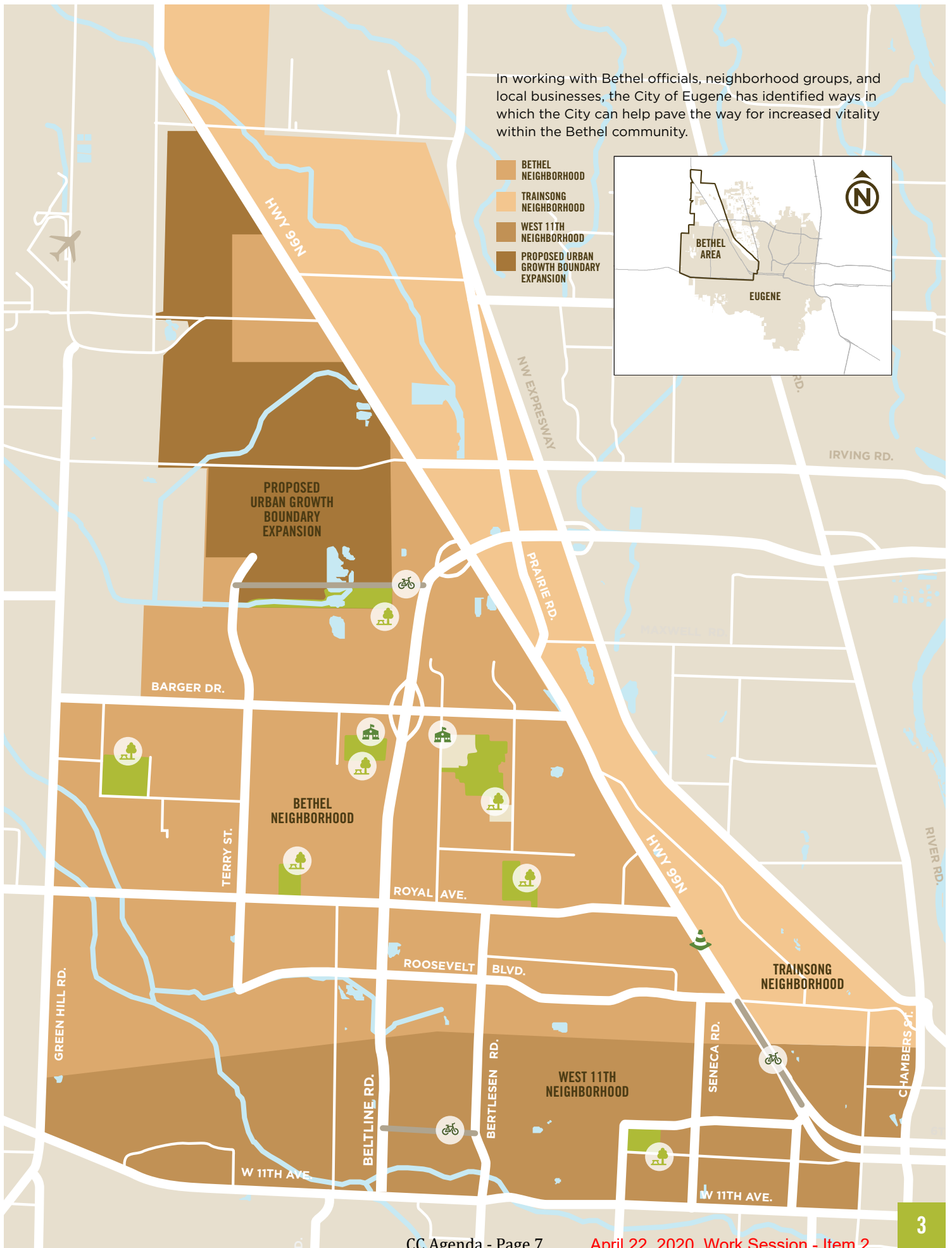
Councilor
Claire Syrett
Ward 7



Councilor
Chris Pryor
Ward 8

In working with Bethel officials, neighborhood groups, and local businesses, the City of Eugene has identified ways in which the City can help pave the way for increased vitality within the Bethel community.

- BETHEL NEIGHBORHOOD
- TRAINSONG NEIGHBORHOOD
- WEST 11TH NEIGHBORHOOD
- PROPOSED URBAN GROWTH BOUNDARY EXPANSION



INTRODUCTION

Vision

The Bethel Economic Development Task Team (Task Team) project's vision is to support Bethel businesses, residents, and schools in their efforts to create an area that has 'everything right here', by identifying economic development related actions that can build a better Bethel.

Study Area

The project study area encompasses the economic areas which serve the Bethel Area; the eastern boundary is the Highway 99 Corridor, the southern boundary is the West 11th business corridor, the western boundary is Green Hill Road, and the northern boundary includes Clear Lake Road to accommodate the proposed Urban Growth Boundary (UGB) expansion.

Project Purpose

The purpose of this project was to identify actions that the City and its partners can implement within the next five years to build community assets and advance the vision of 'everything right here'. With the adoption of Envision Eugene and the Regional Economic Prosperity Plan, as well as the forthcoming update to the Transportation System Plan, the opportunity to direct public and private investments to support this vision is at hand.

As defined, Bethel is an area that will support the growth of jobs, housing, recreational opportunities, and multi-modal transit options for West Eugene. The expansion of the UGB as recommended within Envision Eugene supports the Regional Prosperity Plan's strategy of strengthening targeted industries and growing local opportunities, such as the food industry, which has been identified as a key industry in Bethel.

Task Team Timeline

The Task Team met four times throughout the fall of 2014. Below is a summary of the meetings.

1 Meeting One-October 8

Introduction to the project and purpose, role of members as representatives for community, overview of Bethel conditions, discussion of Envision Eugene and Regional Prosperity Plan, and initial identification of redevelopment sites.

2 Meeting Two-October 22

Identified criteria for evaluating redevelopment sites, discussed assessment process, provided overview of the Economic Development Tools available in area and discussed which ones are most appropriate to use in Bethel, overview of the Food Industry sector, and discussed future needs.

3 Meeting Three-November 19

In-depth review of redevelopment financial modeling for high priority sites, land use zoning and development code discussion that highlighted recent revisions, discussed final deliverables and visual presentation, and completed a visioning exercise.

4 Meeting Four-December 10

Staff presented draft outlines for technical report, map, and website information, discussed language emphasizing community leadership in implementing the actions, reviewed and approved the Action Items, and discussed next steps involving the Task Team and City Council.



Approach

The Bethel Economic Development Task Team was a fast-paced, strategic effort to bring together key community stakeholders and utilize their expertise to identify action items that will advance the community vision. The model utilized for this project is a blend of a 'Blue Ribbon Task Team' approach and the development model utilized for Eugene's successful downtown redevelopment efforts: Team, Strategy, and Toolbox.

Team

City Councilor Greg Evans, with the support of City of Eugene (COE) and University of Oregon's (UO) Community Planning Workshop (CPW) staff, assembled a Task Team to participate in targeted meetings and discuss economic development opportunities in the Bethel area. The team consisted of public and private partners, including: Eugene City Councilors Claire Syrett and Chris Pryor, Lane County Commissioner Pat Farr, community members, local businesses leaders, and real estate developers. Through focused meetings, the Team identified crucial action items for economic development in Bethel and will act as champions of the Strategy.

Strategy

The Strategy provides the next steps that create the 'everything right here' vision for Bethel. The Strategy serves as a short-term (1-5 years) road map that outlines action items and includes responsible parties, milestones, and alignment with existing policy. This report serves as the Task Team's deliverable to the City Council.

Toolbox

The Toolbox includes all the possible economic development and redevelopment tools including funding and incentives that can be utilized to support the Strategy. The toolbox is a crucial component of the project, as financial assistance is critical to support the variety of desired projects, businesses, and outcomes. The Toolbox identifies funding, resources, and incentives to carry out land redevelopment and business development efforts.

Deliverables

There are three main elements of the Task Team's work. The first is this Task Team Report, which serves as the plan for future actions. The second is the Building a Better Bethel Map, which visually highlights the strengths and planned investments in the area. The third product is the www.betterbethel.com website serving as a living asset describing current and future projects in the Bethel area and providing a number of resources including:

- Meeting Agendas and Minutes
- Better Bethel Map and Task Team Report
- Redevelopment Site Analysis
- Development Tools Technical Memos
- Links to current planning projects for community involvement
- Links to maps and resource documents

TEAM: ADVANCING A VISION

The Bethel Area is Eugene's largest neighborhood with over 12,000 households and already contains many vital elements that contribute to a strong, vibrant community. One of the primary points that came up within Task Team discussions was the perception of Bethel as a less desirable area of the Eugene community. Despite the significant community-building progress that has occurred within Bethel, these successes have not been communicated outside the Bethel neighborhood, and have done little to combat the misperception. Additionally, this perception is reinforced by factors such as the underutilization and underdevelopment of property along Highway 99, an important travel corridor for Eugene residents travelling through the Bethel area.

The economy, while recovering around the state and region, has been slow to pick-up in the Bethel area. While the retail-service industry has grown in Eugene overall, the Bethel area has not seen that same growth, despite housing a significant portion of Eugene residents. Additionally, despite a growing food sector (restaurants, food businesses, produce markets, etc) in the Eugene area, Bethel remains in short supply of these new elements.

Despite these challenges, there are a number of opportunities the Task Team identified that will play a positive role in the coming years. Residents are committed to improving the area's vitality and committed to making changes to improve their livelihoods. Bethel School District is one of the strongest districts in the state, leading the area in graduate rates and test scores. In 2014, Willamette High School was named a 2014 Green Ribbon School, one of only 52 in the U.S. The Active Bethel Citizens group strives to make grassroots changes for the community, and the City of Eugene's Petersen Barn is an activity hub for residents of all ages. Community events such as "We are Bethel" demonstrate the strong sense of identity found among Bethel residents. There are a number of recreation facilities and parks in the Bethel Area, with future improvements of the Golden Gardens Park and a new west Eugene YMCA proposed for the area. Engaging this energy is key to making long-term successful changes and improving the livelihoods of Bethel residents.



VISIONING

Team members were asked for three words for their vision for Bethel

Fine Dining **Transportation** Flowers **Vibrant** Convenient
Partnerships Expanding Activity **Opportunities** **Exciting** Clean
Everything Right Here Dynamic **Comfortable** Manufacturing Real Small Steps
Healthy Food Accessible **Connected** Incorporated **Places to Gather**
Celebrate Diversity Community **Community Pride** **Kids on Bikes** Equity
Infrastructure Refinement **Welcoming** Strong Employment

WHAT'S MISSING IN BETHEL?

Based on vision words, Team was asked 'What is missing in Bethel?'

Basic amenities nearby • Infrastructure refinement • Sense of connection
Building up Bethel residents so all their needs are met in the community
Strong employment base • Activity and recreational opportunities
Natural area destinations • Entertainment • Excitement

BETHEL TASK TEAM

Greg Evans
Claire Syrett
Chris Pryor
Larry Newby
Joanne Gross
Colt Gill
Sarah Case
Keith Miller
Scott Bales
Debi Farr
Pat Farr
Corey Dingman, MAI
Dennis Boeger, PE
Clayton Walker, CCIM
Alan Turanski
Leigh Anne Hogue

Resident and City Councilor-Ward 6
Resident and City Councilor-Ward 7
Resident and City Councilor-Ward 8
Resident and Retired Real Estate Professional
Resident and Co-chair Active Bethel Citizens
Superintendent, Bethel School District
Development Officer, Lane County
Resident
Resident Business Owner: Royal Refuse and McKenzie Recycling
Resident and Member, Bethel School Board
Resident and Lane County Board of Commissioner-District 4
Partner, Duncan and Brown Real Estate Analysts
Resident and Owner, Boeger & Associates, LLC
Principle Broker, C.W. Walker and Associates
Resident Business Owner: President, Glory Bee Foods
Director, Economic Development, Eugene Chamber of Commerce

STRATEGY: ACTION PLAN

The Task Team identified 12 key action items as vital to promoting economic development in the Bethel area. The action items are organized into two time frames; short term tasks for completion within the next 3 years and medium term tasks for completion within the next 5 years. Icons and color coding indicate whether the action item is a Targeted Public Investment, such as transportation improvements; or an action that will Support Private Investments, such as expanding the UGB for increased employment in the area. In recognition of the community-wide level of involvement needed to complete the tasks, the responsible parties are identified.

Task #	Task	City of Eugene (COE)	Eugene City Council	Lane County Government
Short Term (up to 3 years)				
1	 Develop criteria and process for fast track permitting	X		
2	 Enact Zone Changes and Code Amendments	X	X	
3	 Create Bethel Business Alliance			
4	 Review Enterprise Zone Criteria and Expand to match UGB	X	X	X
5	  Expand UGB - Clear Lake Road	X	X	X
6	 Create and implement a Targeted Business Assistance Strategy including 'Gold Zone'	X		X
7	 Engage in rebranding of Bethel area to align with positive trajectory			
Medium Term (up to 5 years)				
8	 Create support position to aid in permitting process	X		
9	  Complete site predevelopment to attract business expansion, prioritizing key industries	X		X
10	 Expand workforce development partnerships		X	
11	 Expand recreation facilities to increase sports based activities and tourism.		X	
12	  Help retain and grow the food sector industry in West Eugene	X		X

SUPPORTING PRIVATE INVESTMENTS



Ease of Entry



Targeted Business Assistance



Bethel Business Alliance



UGB

TARGETED PUBLIC INVESTMENTS



Transportation



Schools and Workforce



Parks and Recreation



Property Redevelopment

Lane Council of Governments (LCOG)	Bethel School District	Eugene Planning Commission	Eugene Chamber of Commerce	South Willamette Economic Development Coalition	Private Businesses	Bethel Community	Eugene Cascades & Coast Sports Commission	Lead Party
			X					COE Planning and Development Department
	X			X	X			COE Planning Division, COE Planning Commission
X		X	X	X	X	X		Clayton Walker, Colt Gill, Chamber of Commerce
		X	X					COE Community Development Division
X	X	X				X		COE Planning Division, COE Planning Commission
X			X					Community Development Division; Include LCOG and LCC
	X			X	X			Councilor Evans, Bethel Business Alliance, Bethel Community
			X					COE Planning and Development Department
				X				COE Community Development Division
X						X		Colt Gill, Brian Kelly (LCC), coordinate with Bethel Business Alliance
				X			X	Councilor Evans, Sports Commission, Art Farley (Eugene Parks)
		X	X	X				Lane County Economic Development Program, Community Development Division

Near-Term Actions *(within next 3 years)*



DEVELOP CRITERIA AND PROCESS FOR FAST-TRACK PERMITTING

The City of Eugene to improve the process flow and increase efficiency within the development permit review process. Currently, this is the Building and Permit Services priority project entitled the 'PIC Plan'.



ENACT ZONE CHANGES AND CODE AMENDMENTS

On-going efforts to adjust the land use code for more flexibility within zoning designations to help with site redevelopment. Recent examples include the revisions of the I-2, I-3, E-1, and E-2 zones for broader use.



CREATE BETHEL BUSINESS ALLIANCE

Establishment a group of local business leaders who will advocate on behalf of the Bethel community.



RENEW, REVIEW, AND EXPAND THE ENTERPRISE ZONE.

This is currently within the work program of the City's Planning and Development Department, with the Task Team recommendation to evaluate the eligibility criteria and expand to match the new UGB boundary.





EXPAND UGB AT CLEAR LAKE ROAD

The Eugene City Council is in the process of reviewing a proposed expansion of the Urban Growth Boundary to include 650 more acres designated for employment use. This expansion has been proposed to accommodate future employment growth projected by Envision Eugene.



TARGETED BUSINESS ASSISTANCE STRATEGY

The City's Community Development Division is creating a targeted business assistance strategy that includes a variety of business loans and incentive opportunities to engage Bethel businesses, ideally collaborating with the Bethel Business Alliance.



REBRAND BTHEL AREA TO ALIGN WITH POSITIVE TRAJECTORY

Shifting the perception of Bethel is key to attracting residents and businesses to the area. This will include highlighting Bethel as a “great place to live and to do business,” by promoting the exceptional schools, recreation amenities, quality housing, and strong community character.



Medium-Term Actions *(3-5 years)*



CREATE SUPPORT POSITION TO AID IN PERMITTING PROCESS

The City of Eugene is committed to creating a dedicated staff position to guide businesses through the development permitting process.



COMPLETE SITE PREDEVELOPMENT TO ATTRACT BUSINESS EXPANSION

Development of “shovel-ready” sites to quickly accommodate new industries and businesses. Predevelopment would focus on preparing sites for targeted industries outlined within the Regional Prosperity Plan.



EXPAND REGIONAL WORKFORCE DEVELOPMENT PARTNERSHIPS

The expansion of existing work force development programs with area educational institutions is critical for a thriving economy that retains existing businesses as they grow and attracts new businesses. Task Team members will develop and maintain partnerships to offer training opportunities aligned with targeted industries.



EXPAND REC. FACILITIES TO INCREASE SPORTING ACTIVITIES AND TOURISM

Bethel's parks and recreation facilities can support community activities and regional sport tourism boosting local businesses. Future developments include the Golden Garden's Master Plan, the west Eugene YMCA, and the Eugene Parks and Recreation System Plan Update.



HELP RETAIN AND GROW THE FOOD SECTOR INDUSTRY IN WEST EUGENE

Given the land quality, parcel size, zoning, proximity to major transportation routes, and existing food industry, the area is prime for pursuing further development of the food industry.



TOOLBOX

Redevelopment Site Analysis

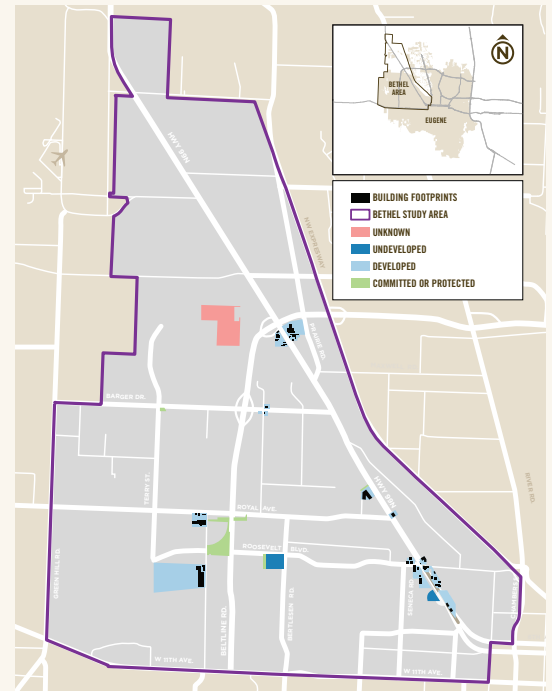
A core undertaking of the Task Team was to identify and evaluate potential sites for redevelopment as part of the larger resource set. The primary focus for these efforts was identifying parcels with the greatest redevelopment potential along transportation corridors, with a secondary focus on areas outside these corridors but which hold strong real estate opportunities.

The process to identify potential sites included a number of steps. First, during Task Team Meeting 1, the group identified candidate sites. Second, these sites were plotted by UO CPW and UO Infographics Lab teams, then run through an initial site assessment to evaluate the redevelopment suitability for each site. Third, a subgroup of real estate professionals provided additional sites and comments on the initial candidate sites. Fourth, all of the sites were overlaid with the existing State of Oregon Brownfields sites to determine where City Brownfields funding could be utilized. Fifth, the top priority sites were run through a redevelopment pro-forma tool that was designed by a subgroup of the Envision Eugene Technical Resource Group, which included public and private members representing policy, real estate, development, and land conservation.

The outcome of this process was presented to the Task Team at Meeting 3, where candidate sites market redevelopment potential were evaluated. In every instance, the type of project that is currently financially feasible was single-story retail/commercial developments. All other types of project (mixed use, housing, non-strip retail, etc) require large amounts public financial assistance to be financially viable.

Scenarios were run utilizing the impacts of MUPTE: Multiple Unit Property Tax Exemption (lower operating costs), City of Eugene Affordable Housing programs (lower capital requirements), and potential market improvements (increased cash flow) showing that depending on the site and type of development at least one or all of these incentives or conditions would be required for a successful project.

Due to the sensitivity of assessing non-vacant sites for redevelopment, there were only a handful of these sites included in the initial assessment. The Task Team noted this and recommended re-examining this as there may be reasons, such as existing brownfields, impacting the marketability of vacant sites. All scenarios and maps can be found on the project website.





Development Tools

The Task Team evaluated the variety of existing policy and financial tools that are available for business development and property redevelopment activities in west Eugene. These include incentives, grants, and loans from the City of Eugene, Lane County, or through the Lane Council of Governments (LCOG). During the Team's second meeting, the group evaluated the feasibility of the various incentives and identified the highest priority tools to recommend. The completed Development Tool Memos are hosted on the project website.

The Task Team was supportive of the following actions/recommendations related to tools and incentives:

- The continued use of City of Eugene Affordable Housing program funds for new housing units and renovation of existing units within the Bethel Area is key to provide housing, create quality development, and support retail businesses.
- The MUPTE property tax incentive is a critical element for the success of any market-rate multi-family housing development, including the housing component of mixed-use projects.
- One of the greatest tools the City can provide is to improve internal process to better support new redevelopment projects, as is outlined with the 'Strategy' section of this report.
- Continued support for Lane County Economic Development financial and marketing assistance to food related businesses has a positive impact on jobs within the Area.
- Proposed expansion of the Urban Growth Boundary (UGB) for Industrial Lands is critical to meeting the needs of new businesses and the expansion of existing businesses.
- Engagement with the Bethel Business Community on use of existing business loan and grant packages, including 'micro-loans' is critical.
- Use of System Development Charge (SDC) financing should continue as a means to lower the initial cost of projects.
- Evaluate the criteria of the existing West Eugene Enterprise Zone for greater flexibility and use, as well as expand it to cover the proposed UGB expansion.
- Capitalize on the previous federal Brownfields Grants to apply for and acquire additional funding for site clean-up as a stimulus for increased private investment.
- Advocating for the Better Bethel community redevelopment vision to show support, increase interest, and attract investment.

The Task Team's endorsement of these tools and actions does not automatically make them happen, but they show support for investment in the community, which in turn helps to direct work planning, approve decisions, and expand the scope of existing programs.



Working together, we can all build an even better Bethel.

Supporting Bethel area residents, businesses, and schools to create a place that has 'everything right here'.

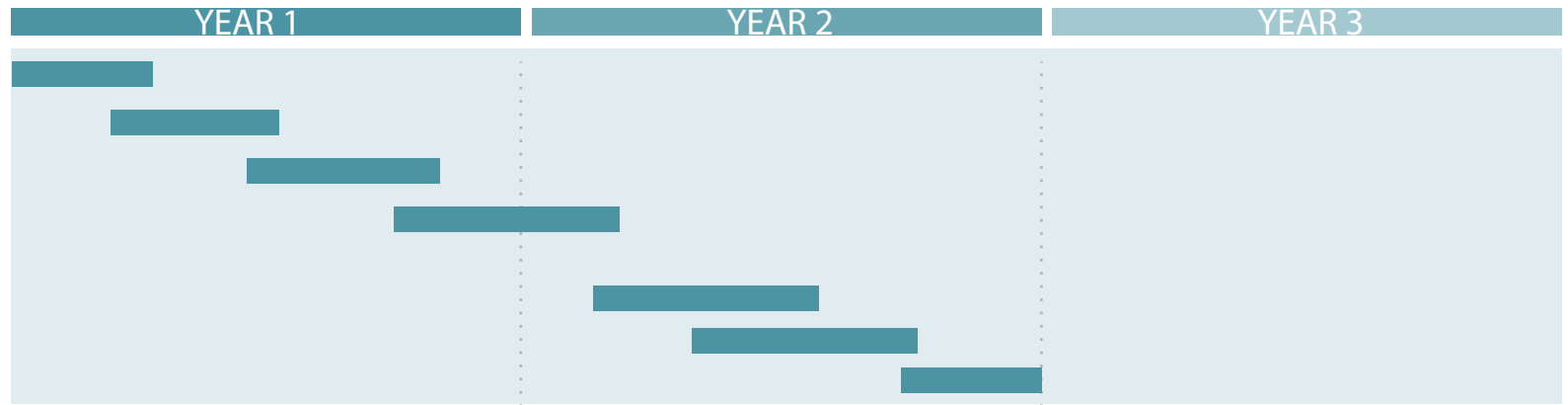


June2015



Approximate Timeline for Planning and Implementation Strategy

Neighborhood Plan



Urban Renewal Plan



Other Tools



EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session and Action: Broadway and Hilyard Property Disposition Deal Points

Meeting Date: April 22, 2020
Department: Planning & Development
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Amanda D'Souza
Contact Telephone Number: 541-682-5540

ISSUE STATEMENT

The purpose of this work session is for Council to take action on deal points for the disposition of property located at the northeast corner of Broadway and Hilyard (see map in Attachment A and the proposed terms in Attachment B). Council previously directed staff to negotiate terms with the owner of the adjacent 66 Motel, Tom Connor.

BACKGROUND

The Broadway and Hilyard site is made up of two parcels totaling 0.27 acres, immediately adjacent to the 66 Motel to the north and east, and across from Café Yumm to the south. The site is zoned C-2 (Community Commercial) and is currently vacant and undeveloped. The site is a remnant from property the City purchased in 2007 and used as part of the Courthouse District transportation infrastructure improvements.

The purpose of the disposition of this property is to encourage redevelopment for a use, or mix of uses, compatible with a high quality, pedestrian friendly, downtown urban environment, in alignment with the Downtown Plan, Envision Eugene, and current implementation efforts such as the Willamette to Willamette Initiative. The Broadway and Hilyard site is located on a key corner and major corridor leading to the future riverfront redevelopment and the entrance to downtown. The site is severely constrained due to its small size and location. For example, no ingress or egress is allowed from the site itself.

At the February 13, 2017, meeting, council approved using a Request for Proposals (RFP) process and objectives for disposition of the Broadway and Hilyard property. The City received two proposals. At the July 10, 2017 work session, Council directed staff to negotiate deal points with Mr. Connor for sale of the property (see Attachment C for the proposal).

Since Council's direction, Mr. Connor has explored the possibility of purchasing the land under and adjacent to his motel to the east in order to do a larger-scale redevelopment. (He currently has a long-term lease on the motel land.) Due to complications with the land's ownership (a trust with many members), he was unsuccessful in his attempts.

Operating as Budgetel Inns of Oregon, Inc., Mr. Connor proposes purchasing the City-owned property for \$90,000. Once purchased, Mr. Connor agrees to make improvements to the site to secure and beautify the property. Mr. Connor has also agreed to grant an easement on the motel walls to the 20x21 EUG Mural Project. Cultural Services staff has an interest in creating a large-scale mural to commemorate the World Athletic Championships. The 20x21 EUG Mural Project Committee will coordinate recruitment of an artist and will consult on mural design. The feasibility of providing a direct connection between the two properties by removing a portion of the motel walls and establishing other active uses on the property as identified in Mr. Connor's proposal will be investigated as part of the motel renovation.

Mr. Connor has demonstrated experience in downtown Eugene redevelopment. He led development of the Eugene Planing Mill District, recruiting REI and other local commercial and retail businesses and developed both the 5th and Pearl Building and Station Square, which are occupied by various office and retail tenants. Mr. Connor is currently redeveloping the Best Western Greentree, across from Matthew Knight Arena, on Franklin Boulevard.

Next Steps

If Council approves the terms, the City will enter into a Purchase and Sale Agreement with Budgetel Inns of Oregon, Inc. Cultural Services staff will convene the 20x21 EUG Mural Project Committee to plan the mural for the motel wall.

PREVIOUS COUNCIL DIRECTION

[Eugene City Council Meeting: February 13, 2017](#)

Council approved use of a Request for Proposal process for disposition of the Broadway and Hilyard property.

[Eugene City Council Meeting: July 10, 2017](#)

Council directed staff to negotiate deal points with Tom Connor for the sale of the City-owned property at Broadway and Hilyard and to bring deal points back to council for action.

COUNCIL OPTIONS

The Council may choose to:

- A. Authorize the City Manager to sell the property to Tom Connor, consistent with the terms included in Attachment B;
- B. Amend the terms included in Attachment B, and authorize the City Manager to sell the property to Budgetel Inns of Oregon, Inc.; or
- C. Not approve sale of the property as this time.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approval of the sale of the property to Budgetel Inns of Oregon, Inc. consistent with the terms included in Attachment B.

SUGGESTED MOTION

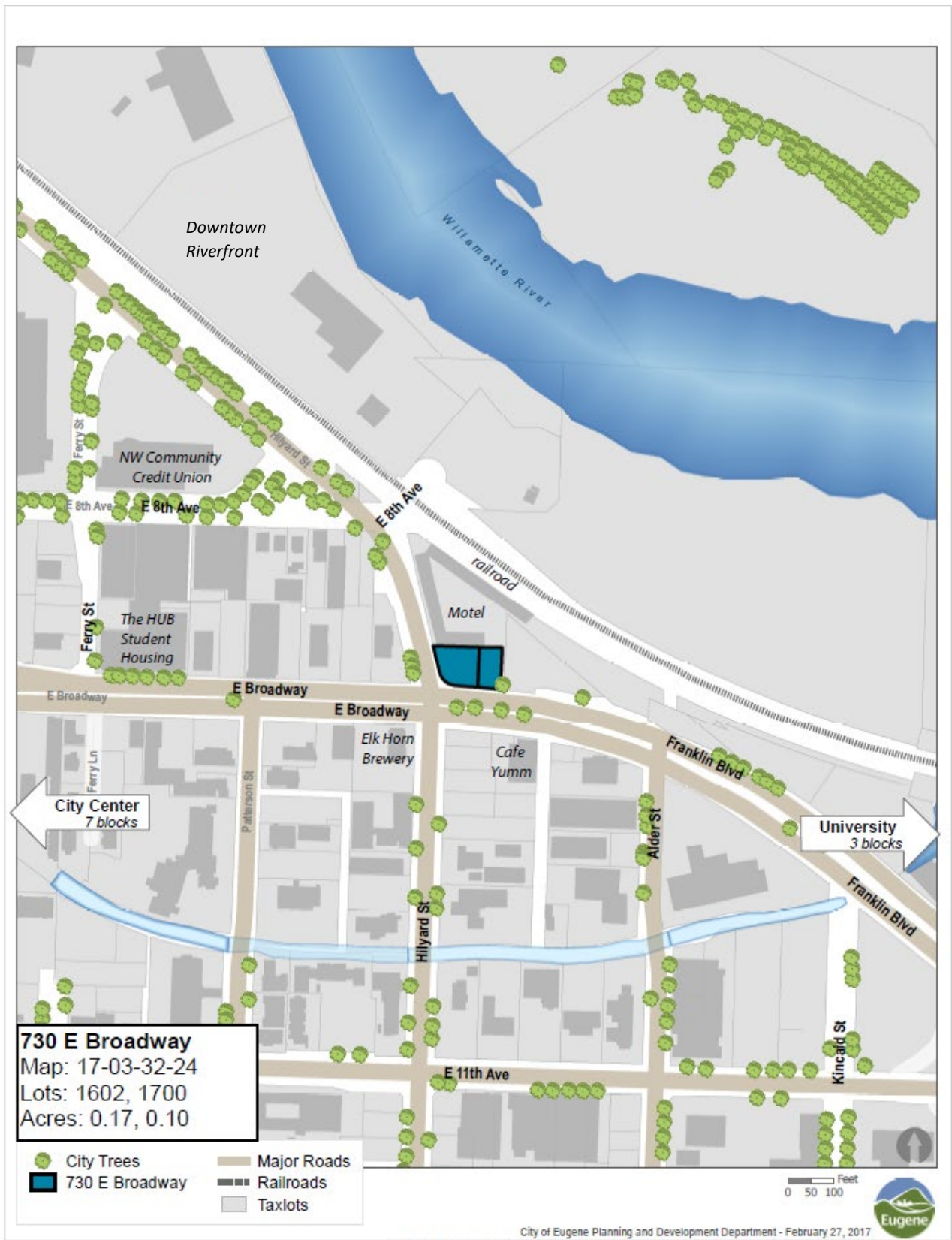
Move to authorize the City Manager to sell the parcel identified in Attachment A to Budgetel Inns of Oregon, Inc. consistent with the terms included in Attachment B.

ATTACHMENTS

- A. Map of Broadway and Hilyard Property
- B. Outline of Terms for Sale of Property
- C. Selected Proposal from 2017
- D. Existing Wall for Future Mural

FOR MORE INFORMATION

Staff Contact: Amanda D'Souza
Telephone: 541-682-5540
Staff E-Mail: adsouza@eugene-or.gov



Attachment B – Outline of Terms for Sale of Broadway & Hilyard Property

Buyer: Budgetel Inns of Oregon or assignee

Seller: City of Eugene

Property: Land (approximately 0.19 acre) located at Broadway and Hilyard Street (tax lots 01602 and 01700, Assessor's map 17-03-32-24)

Purchase Price: \$90,000, cash at closing

Purchase and Sale Agreement: Following City Council's approval of terms, Buyer and Seller shall enter into a formal Purchase and Sale Agreement.

Earnest Money Deposit: \$9,000 paid upon execution of a Purchase and Sale Agreement, and non-refundable after the Due Diligence Period. Earnest Money Deposit will be credited toward the purchase price at closing.

Due Diligence Period: Upon execution of a Purchase and Sale Agreement, Buyer will have a period of 90 days in which to review property information and to conduct on-site testing to determine condition of the property.

Environmental Condition: During the Due Diligence Period, Buyer will be able to perform environmental investigation to satisfy itself of the environmental condition of the property, the results of which will be provided to the Seller for review. Based on the information provided in the environmental assessment, Buyer may either move forward with the purchase of the site or rescind the offer to purchase the site.

Project Description: Buyer agrees to secure the property, implement landscaping improvements and provide access to the adjacent motel walls for creation of a mural no later than June of 2021.

Buyer intends to rebrand and renovate the adjacent motel to provide a more attractive, active use on the entire corner. The feasibility of providing a direct connection between the two properties by removing a portion of the motel walls and establishing other active uses on the Property will be investigated as part of the motel renovation.

Design Review: Buyer shall submit project drawings of any planned improvements on the Property to City staff for review and feedback during concept design as well as prior to applying for development or building permits. Buyer will consider City input in good faith and incorporate at their discretion.

Closing Date: The closing of the sale shall occur no later than 6 months following the execution of the Purchase and Sale Agreement or reasonable mutually agreed extension. Commensurate with closing, Buyer shall enter into an Art Easement with the City for the purpose of installing, maintaining, operating and exhibiting a mural on the adjacent motel walls.

Condition of Property at Closing: Buyer is purchasing the Property as is in its current condition. Buyer's expectations concerning the Property are to be based solely on the basis of Buyer's own inspection and investigation of the Property.

Condition of Title: Seller shall deliver the Property to Buyer with clear title free of any and all encumbrances and exceptions except those as may have been approved by Buyer in its sole discretion.

April 28, 2017

Community Development Division
Attn: Amanda D'Souza
Business Development Analyst
99 West 10th Avenue
Eugene, OR 97401

Proposal for Broadway and Hilyard to enhance the locatioin and to embrace the Willamette to Willamette Initiative

A. EXPERIENCE AND FINANCIAL CAPACITY

Buyer and negotiator for Budgetel Inns of Orgeon

1. Tom Connor JR.
1655 Franklin Blvd.
Eugene, OR 97403
541 554-3952
tomconnorjr@springcapitalgroup.com

2. Representative of the Connor Family

3. Projects that meet the criteria include:

Eugene Planing Mill District: purchase the property, recruited REI, worked with the City to re-zone the area from manufacturing to commercial and retail. On a local basis tenants included Genesis Juice, Crux Gym and numerous other local businesses.

5 TH Street Area: 5th and High-developed Station Square, which at the time was a huge enhancement of the area. Station Square attracted Steelhead Brewery, one of the first brewery's in Eugene. The building is currently occupied by various office and retail tenants.

5th and Pearl Building: This building has gone through many changes since purchase. Previously the building was accessed through interior hallways. It was remodeled to provide street access and entrances, which provide urban look and feel. It is a mixed use of retail on the ground level and office space on the second level.

Happy to discuss other projects with the Community Development Division if desired.

4. Happy to provide financial information at the next step of the project.

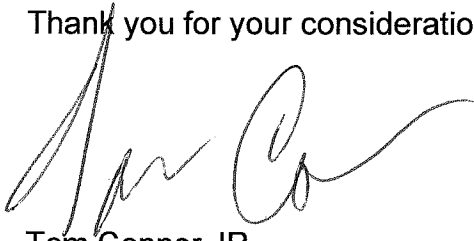
B. VISION

1. The respondent's vision for 703 E. Broadway is to upgrade The 66 Motel with a name change, rebranding and remodeling. This would include enhancement of the corner by providing services to the local community as well as guests to the area. We are prepared to begin immediately upon finalizing the concept and develop the project.

C. PURCHASE OFFER

1. 90,000⁰⁰
2. Would like to discuss with the Community development Division any programs available for this site.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "Tom Connor JR", written in a cursive style.

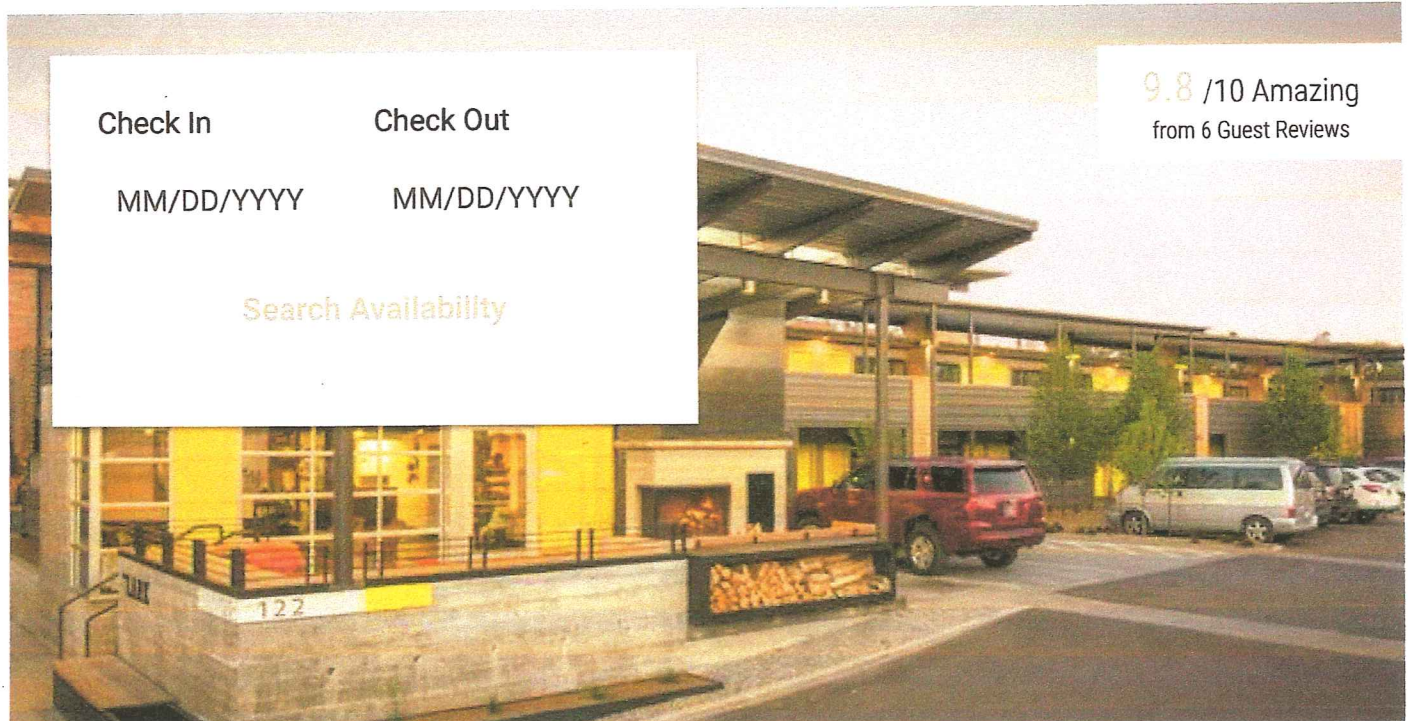
Tom Connor JR

[Expand Map](#)

The LARK Bozeman

6 Reviews

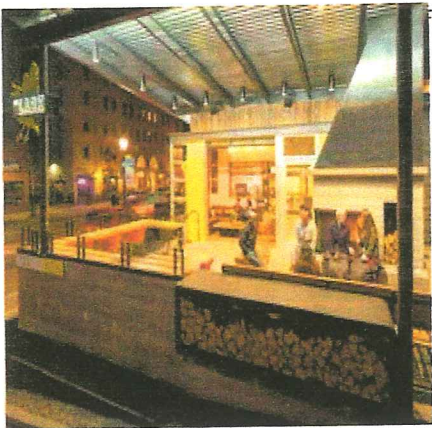
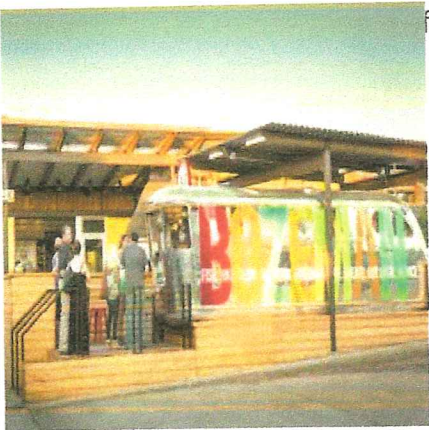
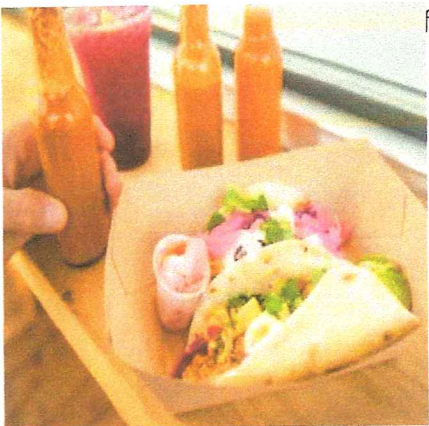
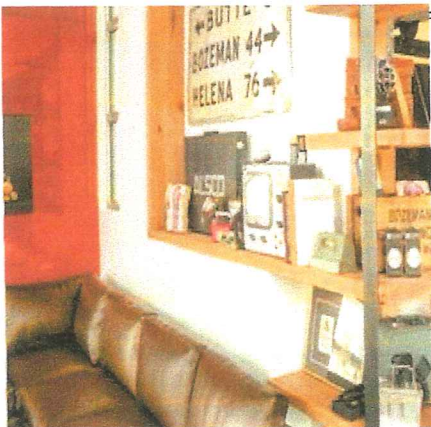
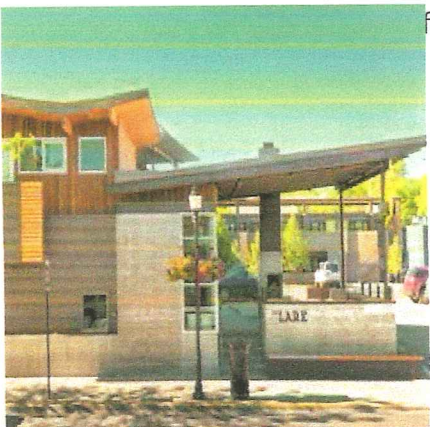
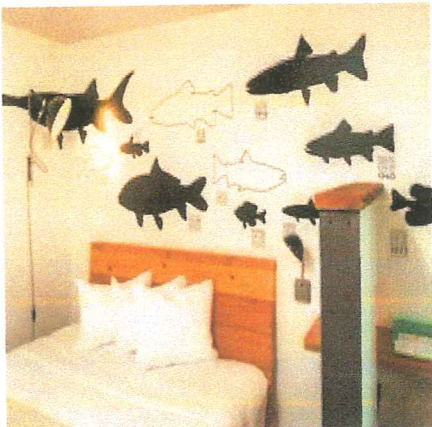
122 W Main St, Bozeman, MT 59715 US

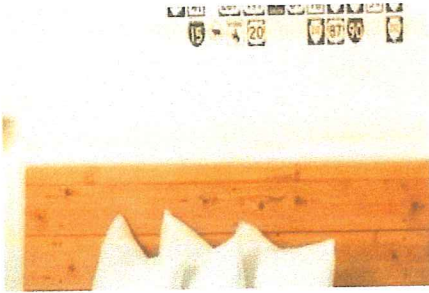
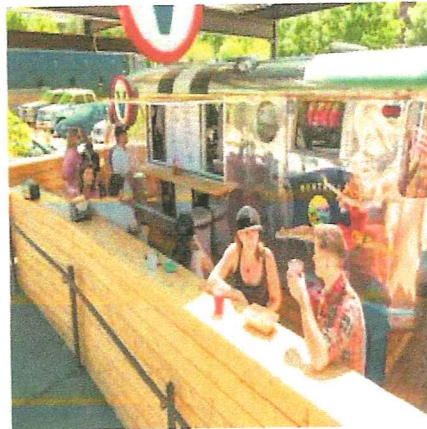
Reservations: [844-230-3817](tel:844-230-3817) (tel:844-230-3817)[Rooms & Rates](#)[Hotel Description](#)[Hotel Amenities](#)[17 Photos](#)[6 Guest Reviews](#)

USD

Hotel Photos







Note: It is the responsibility of the hotel chain and/or the individual property to ensure the accuracy of the photos displayed. Reservation Counter is not responsible for any inaccuracies in the photos.

Tom Connor – Supplemental Information

- How the site factors into future access to the riverfront

Currently, the development site acts as gap between the Franklin Corridor and the Downtown Riverfront, interrupting the urban framework. We envision the future of this corner as an integral connector between these districts. The proposed development embraces the opportunity to create a vibrant, outdoor, pedestrian-oriented connection between Broadway and Hilyard. While precise uses are not yet final, the development envisions an outdoor social hub – with a variety of vendors and pedestrian-scale elements such as covered and open seating, landscaped open spaces, and a communal hearth – that will bring people into the space and amplify activity at this critical transition point on the way to the riverfront. The proposed uses will be bright, fun, and lively – an infusion of energy that will be the meeting place for neighborhood residents, commuters, and visitors using the pedestrian pathways that connect downtown, the University, and the Willamette River. It will also add new life and amenities for the remodeled motel, which will be designed to tie-in with the character and energy of the site design. Although the site is relatively small in size, the adjacent properties will provide much needed space for additional support functions, allowing the openness of the corner to remain. Supporting program elements such as storage and delivery areas will be tucked away behind the existing walls, allowing better access to maintain and service the site while maximizing usable and public space. As a hub of activity and a place for the community to connect, this site will be an important and accessible gateway to the riverfront.

- How development of site aligns/supports vision and goals of City plans and policies

The proposed development takes a constructive and additive approach to improving the neighborhood area. The site will be a catalyst for an infusion of activity on the corner as well as the rehabilitation of the 66 Motel. New activities and functions, along with a new look for the surrounding Motel property, are strategically aligned with City goals. The vision for the site also helps further stimulate development activity through rebranding and tailoring the Motel to a demographic that includes more cultural and international tourists. With convenient access to the river, downtown, and the University district, these visitors will add vibrancy and diversity to the neighborhood and help stimulate existing businesses. Potential uses like a food cart pod will provide much needed access to more affordable food options for local residents as well as opportunities for small business start-ups. Local as well as regional success for these types of developments suggest that this project is well-supported, familiar, and resilient – creating economic conditions that foster solid growth in and around the development. This development type is also proven to encourage alternative transportation and walkable neighborhoods, furthering the mission to meet “environmental, economic, and social needs without compromising the ability of future generations to meet their own needs.” (COE Council Sustainable Development goal)

- Clearer vision for future use of the property and how it relates to plans for the adjacent property. What type of “services” does he envision providing on the site?

As outlined above, the vision is centered around a the idea of social/micro retail, food culture, and reimagining the Motel as a unique and modern place to stay – a place visitors will come to start their Eugene adventures and return to for a unique hospitality experience. Creating a social hub and a new look for the entire corner, the vision is grounded in the idea that this place will be a destination and this project will enhance a significant part of the neighborhood, continuing to encourage development along the Franklin Corridor. In the long range, the site is the “keystone” for future large-scale redevelopment plans. If negotiations to purchase the properties to the east of the Motel are successful, the long-range

Tom Connor – Supplemental Information

vision to create a mixed-use project may be feasible. This new development can respond to the scale and need for added density and access to goods and services while still maintaining the pedestrian scale and walkability of the original vision. As the key connector between the properties fronting Hilyard and Broadway on each side, the site is critical to the continuity of the urban framework supporting future access and connectivity to the riverfront.

- How site ownership may impact future plans for redevelopment of the motel

Site ownership is important for redevelopment because it creates a welcoming entry to the motel and adds the much-needed vibrancy fundamental to the rebrand vision. The new vision for the Motel is to make it an open, fun, gathering place. While the Motel currently turns its back to the street, the site offers the opportunity to open a new face to the street and increase the impact of the rebranding. Ownership of this site will provide the visibility and additional development area needed to catalyze the transition and improve the neighborhood on a scale otherwise not possible without it. In the context of a longer-term vision to redevelop the entire site as well as property to the east, this site is even more critical to the viability of the development and to creating a street edge that supports the vision for the Downtown urban framework.

- More information about control of the adjacent site? (e.g. information about the ground lease)

The adjacent Motel site is under long term (50+ years) lease.

- More sense of timeline for redevelopment of the site

The current timeline for redevelopment assumes the remodel and site development will be complete and fully operational in advance of the 2021 World Track Championships. If the City accepts this proposal, the site will be cleaned-up immediately. The site work, connection between Motel property and development site, and supporting infrastructure will target completion in Fall 2018. The motel rebrand and remodel would occur in phases, targeting completion in Fall 2019. If the adjacent property is also acquired, this will open opportunities to complete a more ambitious vision by 2021.

W2W INITIATIVE

66 MOTEL

DEVELOPMENT SITE

RAILROAD

VACANT

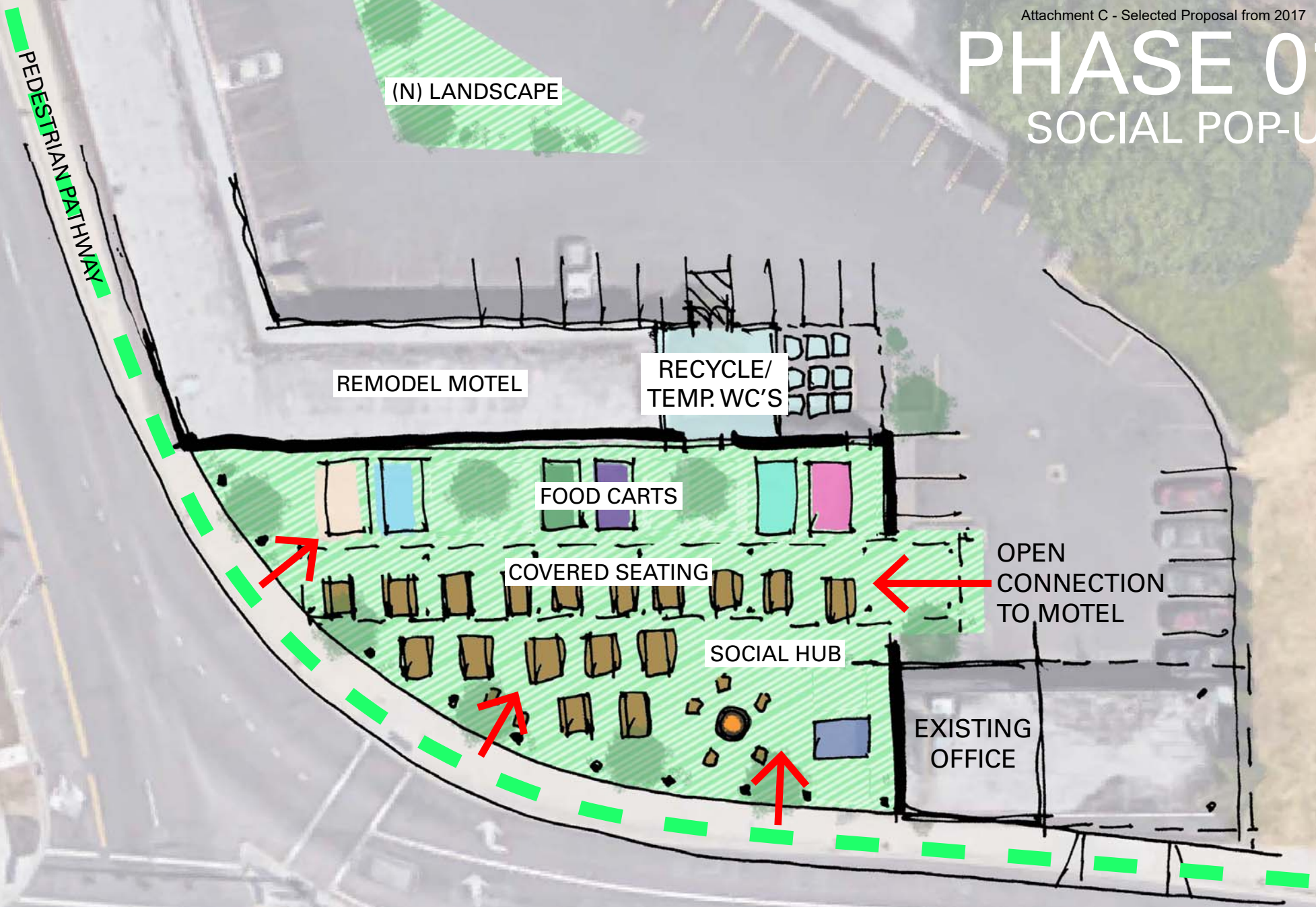
TO DOWNTOWN
←

TO UNIVERSITY
→

BROADWAY & HILYARD

PHASE 01

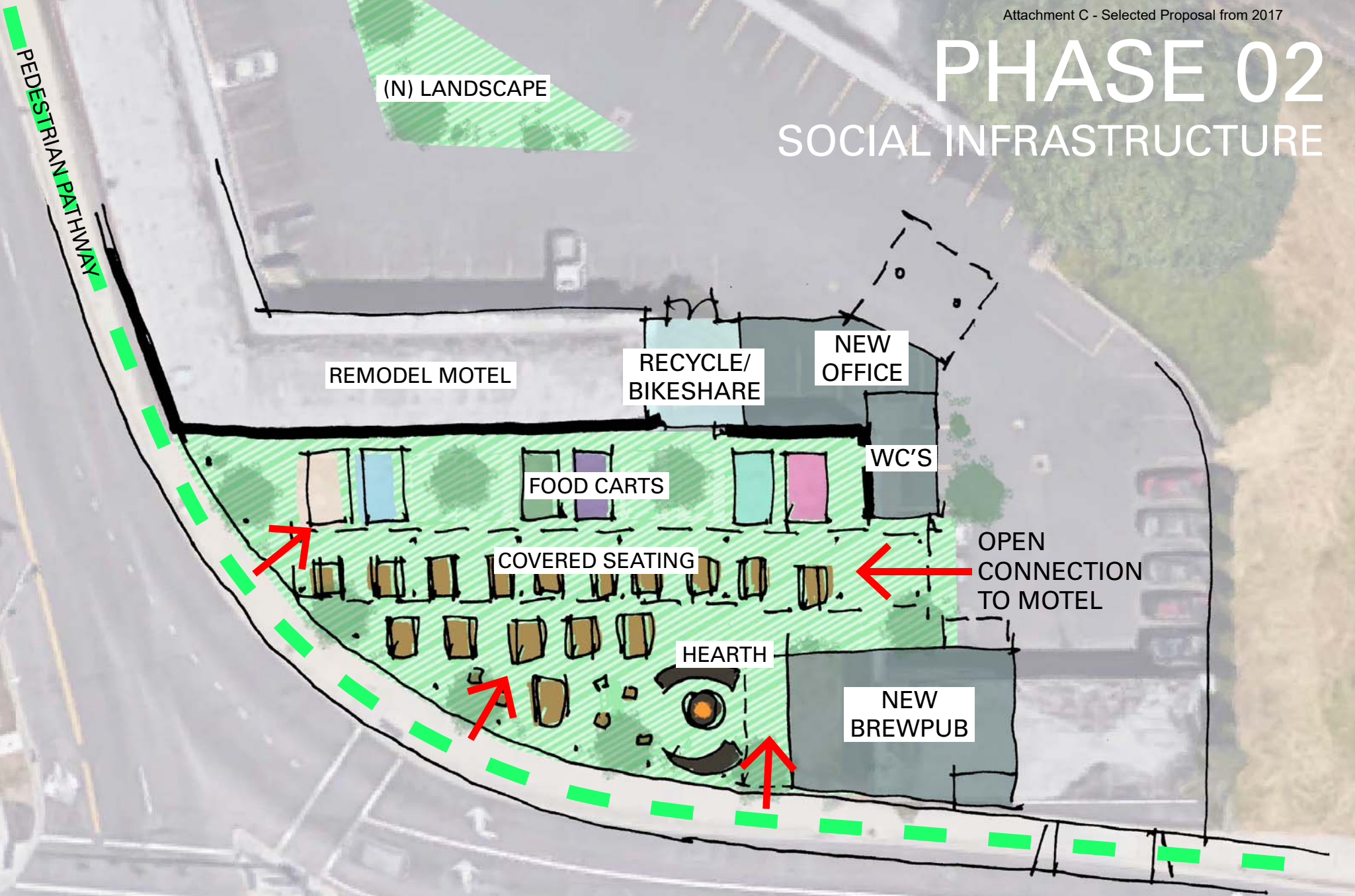
SOCIAL POP-UP



BROADWAY & HILYARD

PHASE 02

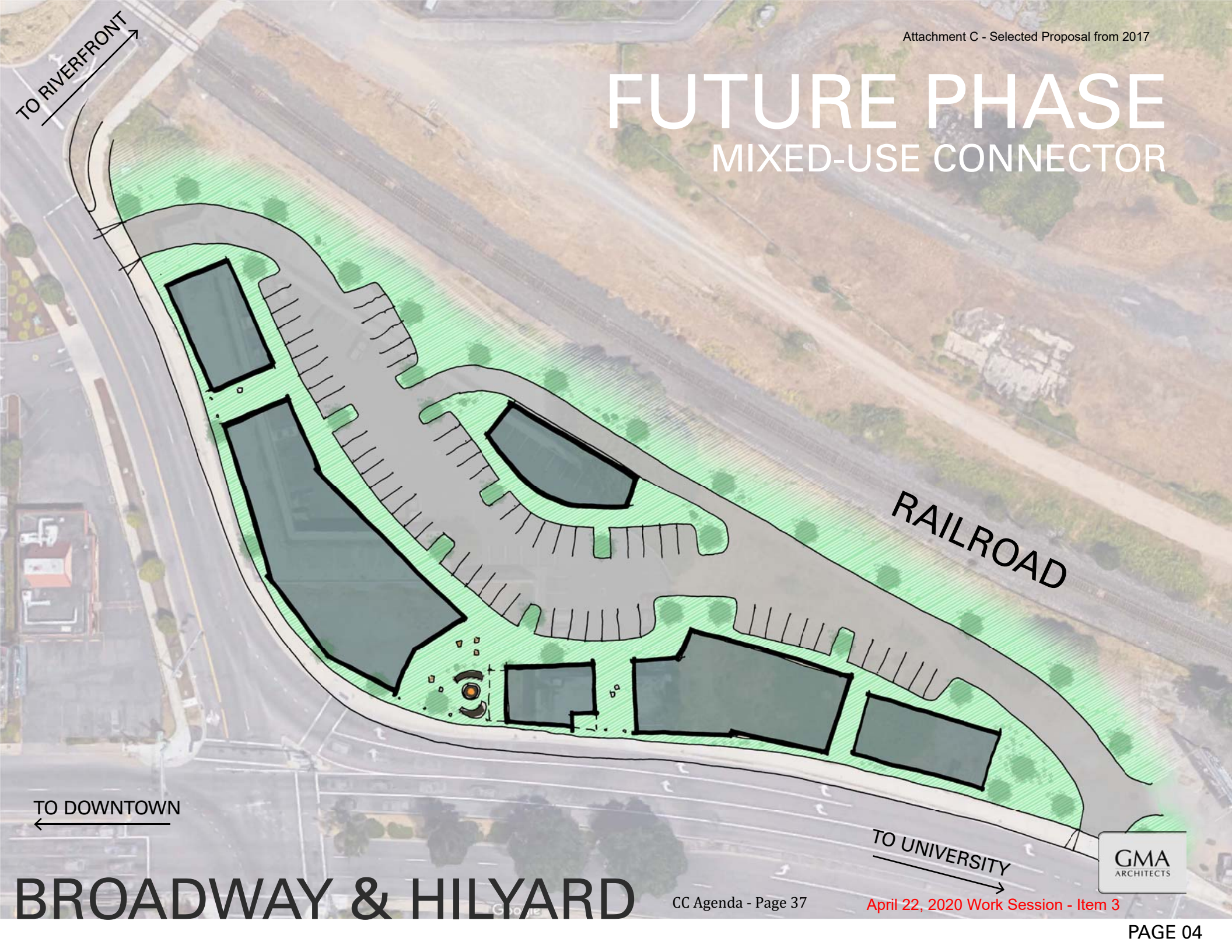
SOCIAL INFRASTRUCTURE



BROADWAY & HILYARD

FUTURE PHASE

MIXED-USE CONNECTOR



TO RIVERFRONT

RAILROAD

TO DOWNTOWN

TO UNIVERSITY

BROADWAY & HILYARD





BROADWAY & HILYARD



BROADWAY & HILYARD

Attachment D – Existing Wall for Future Mural

