



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

July 20, 2020

7:30 p.m. EUGENE URBAN RENEWAL AGENCY PUBLIC HEARING

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 July 20, 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

7:30 p.m. EUGENE URBAN RENEWAL AGENCY PUBLIC HEARING

1. PUBLIC HEARING: Park Blocks and Farmers Market Projects and Funding

Adjourn.

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. 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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EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Public Hearing: Park Blocks and Farmers Market Projects and Funding

Meeting Date: July 20, 2020
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Will Dowdy
Contact Telephone Number: 541-682-5340

ISSUE STATEMENT

The public is invited to comment on whether the Park Blocks and Farmers Market projects should move forward, and if so, how they should be funded. Following the public hearing, the specific improvements to be constructed and whether Urban Renewal funds will be utilized will be considered by the Agency Board at a work session on July 27.

BACKGROUND

The City of Eugene is working to accommodate the current and future needs of the Lane County Farmers Market and Eugene's City Hall, while reimagining the existing Park Blocks and restoring the former northwest block (occupied today by the Butterfly Lot). The vision is to locate efficient and accessible government services, provide a permanent location for a year-round public Farmers Market, create a central gathering space for both the immediate neighborhood and broader community, strengthen 8th Avenue as downtown's connection to the river, and continue the momentum of downtown revitalization.

In June 2016, the City Council amended the Downtown Urban Renewal Plan to include the Park Blocks and Farmers Market as projects eligible for urban renewal funds, as well as a public process that must be followed before Urban Renewal funds can be used for the projects. In June 2017, the City Council, in partnership with the Lane County Board of Commissioners, announced the agreement for the City and Agency to each acquire half of the Butterfly Lot property as the future home of the City Hall and Farmers Market (north and south portions of the property, respectively). The City Council and Agency Board approved the purchase in June 2017 and the property was purchased in January 2019. In May 2019, Council gave further endorsement to the project by authorizing the design work for a City Hall on the north half of the Butterfly Lot site, and in October, the Agency Board authorized further design work for the Park Blocks and Farmers Market based on the Concept Design.

On June 22, 2020, the Agency Board reviewed the projects and passed a motion directing the Agency Director to schedule this public hearing, a subsequent work session for action (set for July 27), and starting a process to amend/remove the cap on funds eligible for the Farmers Market. (See the "Urban Renewal" section below for more information on the last part of the motion.)

July 20, 2020 Public Hearing – Item 1

Project Descriptions

The design for the Park Blocks and Farmers Market is the work of Cameron McCarthy Landscape Architecture and Planning and FFA Architecture and Interiors. Their design is built on an extensive public engagement process and Concept Design led by Cameron McCarthy. (See Attachment A for a description of the public engagement.)

The initial Concept Design was presented to City Council in October of 2019; the Schematic Design (current phase) was presented to the Agency Board on June 22, 2020. The City Hall project is on an independent timeline and is at the beginning of the Schematic Design phase; it will be presented to Council at a later date. Since the beginning of the City's State of Emergency due to the COVID-19 pandemic, staff has paused all design progress on the Park Blocks, Farmers Market and City Hall until we receive further direction from Council/Agency Board.

Park Blocks

Through Schematic Design, the team has continued to refine the Park Blocks design working closely with stakeholders such as the Eugene Saturday Market, performing arts groups and the Downtown Ambassadors. The design team led by Cameron McCarthy has maintained fidelity to the vision established with community engagement, while honing in on details of paving and utility layouts with the goal of creating a flexible space that can be used for regular large scale events like the Eugene Saturday Market as well as for other community events both large and small. Feedback from downtown operations staff has led to the publicly accessible restroom being moved to the southwest Park Block from its earlier planned location in the Farmers Market pavilion. See Attachment B for images. The estimated total cost of the Park Blocks project is \$10-11M. A minimal level of improvement could be implemented as an initial phase; for example, adding a standalone restroom facility would be an estimated \$200,000 after engineering, utility work and installation. In such a case, the other improvements could be constructed in a later phase.

Farmers Market Pavilion and Plaza

On February 24, staff shared a concept for the Farmers Market Pavilion design that takes inspiration from the greenhouses used by our farmers to shelter and cultivate crops year-round, and employs economical materials, including wood and transparent polycarbonate. The Schematic Design responds to community comments received at the open house held on February 4, 2020. While maintaining the simple shapes and light atmosphere within the Pavilion, the design team led by FFA has lowered the pavilion's profile and enhanced the connection to the adjacent properties on W. Park Street. Large sliding barndoor doors open the pavilion to the outdoor plaza, creating a large unified area for the Lane County Farmers Market to grow. Lighting within the plaza makes a festive atmosphere for regular market days and special evening events. See Attachment B for images. The estimated total cost of the Farmers Market project is \$9-10M. A reduced level of improvement could be implemented as an initial phase; for example, making plaza improvements to restore the northwest Park Block and provide an outdoor site for the Lane County Farmers Market would be an estimated \$4-5M. This would include demolishing the Butterfly Lot (costs split with the City Hall project), new utilities throughout the site, paving, landscaping,

July 20, 2020 Public Hearing – Item 1

lighting, and improvements to the abutting streets. In such a case, the pavilion could be a later phase.

Right of Way Improvements for both Farmers Market & Park Blocks

Throughout the project, a widely shared value has been connection: connection among the four Park Blocks, and connection to the buildings and businesses that surround them. This is primarily achieved in the treatment of the Rights of Way as curbless streets. These streets combine a holistic approach to safety with ease of movement among the Park Blocks, Farmers Market, City Hall and adjacent businesses. The Schematic Design has also incorporated the 8th Avenue bike lane that was designed during the Central Eugene In Motion process. The Schematic Design continues to retain on-street parking for access to local businesses that surround the Park Blocks. See Attachment B for images. The estimated total cost of the Right of Way Improvements is \$2-4M. The scope of the first phase of Right of Way improvements is contingent to the phasing of the Park Blocks and Farmers Market.

Financial Considerations

City Council reviewed a list of potential funding sources at a work session on February 24, which is included in Attachment D. The Agency Board included these projects in the 2016 Amendment to the Downtown Urban Renewal Plan that makes them eligible for Urban Renewal funds. See below for more information on Urban Renewal.

Urban Renewal

The 2016 Plan Amendment provides that the Farmers Market is eligible for \$4.5M and Park Blocks and Open Spaces is eligible for \$5.2M. The Agency used \$1.25M to purchase the southern portion of the Butterfly Lot. To utilize the remaining \$3.25M eligible for the Farmers Market project and any funds for Park Blocks, Agency deliberation (step#4 below) and budget action would be needed. To remove the cap on the use of tax increment funds for any individual project requires a plan amendment even though the overall spending limit of the district (i.e. maximum indebtedness) remains the same. The Agency Board started the process to amend the plan on June 22. (See Attachment E for a summary of the Plan amendment process.)

The public involvement process required by the 2016 Plan Amendment outlines four steps that give the Agency Board more information about the projects before action. The process steps are:

- 1) An opportunity for the community to share aspirations and vision for the projects.
- 2) A presentation by staff to the Agency Board summarizing the public engagement, sharing cost estimates and presenting funding mechanisms.
- 3) A public hearing on whether the projects should move forward and how they should be funded.
- 4) Agency Board deliberation about using Urban Renewal funds for the projects, and subsequent action.

The Concept Design process conducted last year fulfilled the requirements of step #1. Step #2 was begun at the Agency Board's work session on October 30, 2019, which summarized the public engagement, and at Council's work session on February 24, 2020, which included a list of funding options; and Step #2 was completed at the Agency Board's work session on June 22, 2020 with the presentation of the Schematic Design and cost estimates. This public hearing is Step #3. After the public hearing, the Agency Board will have the opportunity to deliberate and take action (#4) on July 27, 2020.

Proposed Next Steps

Agency Board action on the Park Blocks and Farmers Market projects and funding options, including the use of Urban Renewal funds, is tentatively scheduled for July 27. If approved the sequence of possible steps is:

- Staff will have the consultant team complete construction drawings for the Park Blocks and/or Farmers Market.
- Council/Agency Board will take action on budget authorization for construction funds. Construction of the improvements.

PREVIOUS COUNCIL / AGENCY BOARD DIRECTION

[June 13, 2016, Work Session](#)

City Council passed two motions and approved Ordinance 20564 to amend the Downtown Urban Renewal Plan to increase the spending limit and include the Park Blocks and Farmers Market as new projects.

MOTION TO AMEND AND VOTE: Councilor Syrett, seconded by Councilor Poling, moved to amend to raise the amount of the spending limit by an additional million dollars to be added to the LCC project. PASSED 5:3, Councilors Brown, Taylor and Zelenka opposed.

MOTION TO AMEND AND VOTE with friendly: Councilor Zelenka, seconded by Councilor Brown, moved to amend under section A, 2nd sentence beginning with the effective date of the 2016 amendment, the Agency will also be able to use tax increment funds in the plan area to help create an improved permanent Farmers' Market not to exceed \$4 million, as well as to improve any public parks, public plazas, restrooms, open spaces, streets, and sidewalks within the plan area not to exceed \$5.2 million. Subsection B [high speed fiber] and the end of the sentence add the language not to exceed \$3 million of tax increment funds. Under subsection C [Old LCC/1059 Willamette] after "the Agency may provide" insert up to \$6 million of tax increment funds as part of the redevelopment. PASSED 5:3, Councilors Taylor, Poling and Clark opposed.

[December 14, 2016, Work Session](#)

Following the Coordinated Downtown Development report by Cameron McCarthy, which explored location options for City Hall, the Lane County Courthouse and Farmers Market, City Council deliberated over the preferred option of the three scenarios described in the analysis. At this work session, Council directed the City Manager to negotiate the purchase of the Butterfly Lot and sale of the former City Hall site, for the purpose of implementing "Scenario C," a City Hall and Farmers Market on the site of the Butterfly Lot.

[June 26, 2017, City Council Work Session and Agency Board Meeting](#)

City Council authorized the City Manager to purchase the northern half of the Butterfly Lot from Lane County to be the site of the new City Hall. Immediately following this action, a meeting of the Urban Renewal Agency Board was convened, and the Board directed the Agency Director to purchase the southern half of the Butterfly Lot to be the site of an expanded Farmers Market.

MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Clark, moved to authorize the City Manager to enter into a purchase and sale agreement and an intergovernmental agreement with Lane County and the Urban Renewal Agency consistent with the terms of the property exchange deal sheet and contingent upon the Lane County Board of Commissioners accepting an identical property exchange deal sheet no later than close of business June 27, 2017. PASSED 7:0.

MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Clark, moved to authorize the Agency Director to enter into a purchase and sale agreement and an intergovernmental agreement with Lane County and the Eugene City Council consistent with the terms of the property exchange deal sheet and contingent upon the Lane County Board of Commissioners accepting an identical property exchange deal sheet no later than close of business June 27, 2017. PASSED 7:0.

[May 15, 2019, City Council Work Session](#)

City Council authorized the City Manager to take the necessary next steps to design City Hall for the northern half of the Butterfly Lot.

MOTION AND VOTE: Councilor Taylor, seconded by Councilor Semple, moved to direct the City Manager to take the necessary next steps to design City Hall on the Butterfly Lot in planning for the Town Square. PASSED 7:1, Councilor Clark opposed.

[October 30, 2019, Agency Board Work Session](#)

The Agency Board directed the Agency Director to advance the Park Blocks and Farmers Market design based on the proposed Concept Design and return for work sessions in early 2020.

MOTION AND VOTE: Councilor Taylor, seconded by Councilor Semple, moved to direct the Agency Director to advance the Town Square design based on the proposed Concept Design and return for work sessions in early 2020. PASSED 6:1, Councilor Taylor opposed.

[February 10, 2020 City Council Work Session](#)

City Council directed the City Manager to design City Hall without additional floors of leasable real estate; without underground parking; to achieve LEED Silver certification; and to a seismic standard above Life Safety, with the intent of City Hall being repairable after an earthquake.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to design City Hall without additional floors of leasable real estate. PASSED 5:4, Mayor Vinis broke the tie and voted in favor with Councilors Zelenka, Yeh, Syrett, and Pryor.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to design City Hall without underground parking. PASSED 7:1, Councilor Taylor opposed.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to design City Hall to achieve LEED Silver certification. PASSED 6:2, Councilors Clark and Evans opposed.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to design City Hall to a seismic standard above Life Safety, with the intent of City Hall being repairable after an earthquake. PASSED 6:2, Councilors Clark and Evans opposed.

February 24, 2020, Council Work Session

Staff spoke about the design and construction steps of the Town Square project, including the Park Blocks and Farmers Market projects. Additionally, staff discussed the potential scope, phasing and funding options for the project. Additional funding options are described in Attachment D, "Draft Potential Funding Sources for Town Square," which was sent to Council ahead of the February 24, 2020 work session.

June 22, 2020, Agency Board Work Session

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to "direct the Agency Director to schedule a Public Hearing on the Park Blocks and Farmers Market projects in order to solicit public feedback on whether the Park Blocks and Farmers Market projects should move forward, as well as the appropriate funding mechanisms for the projects. The Agency Director is further directed to schedule a meeting to allow the Agency Board to deliberate on the projects. The meeting should be scheduled after the public hearing but prior to July 30, 2020." Also moved to "direct the Agency Director to begin the process to amend the Downtown Urban Renewal Plan to amend or remove the cap on Agency funds that may be used on the Farmers Market project." PASSED 8:0.

ATTACHMENTS

- A. Public Process Results (public engagement summary excerpted from the Eugene Town Square Concept Design Final Report by Cameron McCarthy, 2019)
- B. Design Images for the Park Blocks and Farmers Market with associated Rights of Way
- C. Costs & Identified Funding Sources for Park Blocks and Farmers Market
- D. Draft Potential Funding Sources for Town Square (Feb. 24, 2020)
- E. Urban Renewal Plan Amendment Process

FOR MORE INFORMATION

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Staff E-Mail: wdowdy@eugene-or.gov



5 PUBLIC PROCESS RESULTS



Community members providing input on park elements at the Town Square Imagination Lab; May 2019
Image Credit: Cameron McCarthy



Town Square team member explaining design concepts at the Town Square Block Party, July 2019
Image Credit: Christopher Trotchie

“...this team has put in a ton of excellent work, has been very thoughtful, has approached community feedback in a fun, and comprehensive manner, and overall this project is inspiring.”

- community member via survey

The project team aimed to understand public opinion and desires about the future of Town Square through four avenues:

- Stakeholder work sessions for specific topics and user groups; the project team sought to collaborate with well-connected groups of stakeholders from across Eugene who were invested in the project outcome
- Public events and surveys at key design milestones
- Direct outreach to specific neighborhoods and demographic groups in Eugene
- General information about the project shared on the Eugene Town Square website and social media accounts

STAKEHOLDER WORK SESSIONS:

The design team embraced public involvement congruent with the goals for the future Park Blocks; to be fun, have that “Eugene” feel, to act as our civic stage, and be enjoyed for generations. Online surveys and in-person outreach connected the project team with a wide diversity of community members. The project engaged future users including performance artists, musicians, digital media experts, and dancers to imagine a new vision for the Park Blocks. This project required shared vision not only amongst the design team and client, but also the many stakeholders who currently do or would like to use the site. The team worked closely with these stakeholders to understand current needs, potential for future improvements, and critical concerns. These meetings guided the project program and ensured that all proposed designs were suitable not only for current users but also expanded future uses.

Through outreach to diverse communities, the project team learned that both art and history can

be expressed through multiple methods in creative ways. The opportunity to integrate culture into art and design is an exciting prospect for the next phase of design.

PUBLIC EVENTS AND SURVEYS:

Eugene Town Square represented the largest community process for a public space in Eugene. An estimated 10,000 people connected with the project in the following ways:



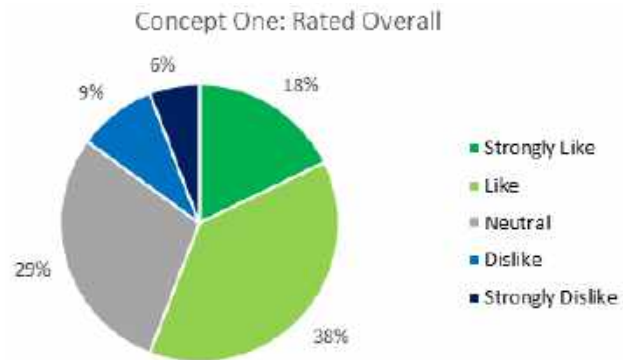
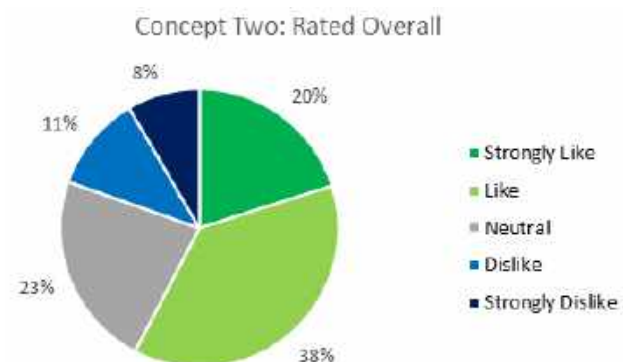
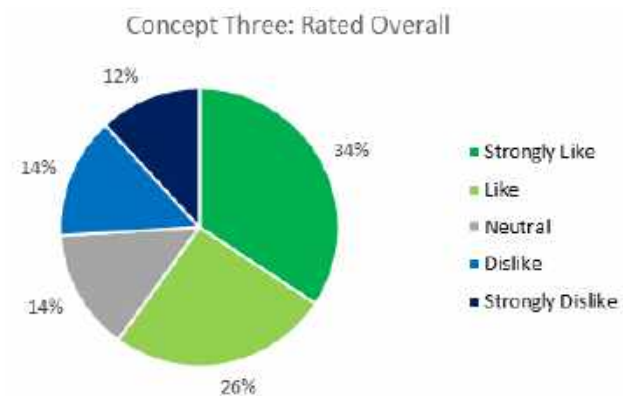
Cumulative public involvement numbers
Image Credit: Cameron McCarthy

The general public was first invited to learn more about the project and provide comments on May 22nd at Whirled Pies. The 200+ participants at the “Imagination Lab” were asked key questions about the overall look, feel, and function of a potential Town Square.

The first public survey gauged opinion on the overall character, function, and major program elements which should be part of the conceptual design of Town Square. These questions asked about the iconic elements that define Town Square now and, in the future, the basic amenities or day-to-day activities that should be present, and the ways that space can communicate Eugene's unique character to visitors. Results from the thirteen questions showed that Eugene residents want a space that celebrates the area's natural surroundings and is also active with events. Art, trees, and events were ranked most highly as defining features for the future project. Respondents showed a desire for more dining options nearby, restrooms and information within the park, increased cultural events, music and concerts, and seasonally focused programming.

The second public event, the Town Square "Block Party", was held on July 18th in the West Park Block. Attended by over 500 people, it featured several local performance groups, and a DJ, and included food trucks, yoga, and free shaved ice. Attendees were asked to rank preferences for specific design elements of three distinct design concepts.

The second public survey gauged opinion on the size, location, and style of several key program elements including performance space, an interactive fountain, and space-defining features such as parking, planting, storage and restrooms. Each of the three concepts uniquely approached the design of these elements and gauged how much physical change the public supported as part of the project. Survey results on the ten questions generally showed that the community was interested in a design concept that more dramatically transformed the current Town Square site. The community responded particularly positively to the inclusion of an updated fountain, reduction of road widths and parking to create a more pedestrian-friendly environment, and the addition of more trees. Survey respondents broadly agreed that preservation of as many existing trees as possible and retaining a permanent performance space on the Southeast Park Block was preferred. Restrooms and storage should be located at the Farmers Market Pavilion.



On September 12, the community gathered to enjoy performance, food, and review the conceptual design in the East Park Block. Over 200 people attended the September Shindig, and combined with the online survey, about 550 people weighed in on the final concept.

The final survey polled the public on whether the conceptual design met certain key project criteria gathered through the public involvement process. These included whether the Town Square was safe and welcoming, active, natural, and

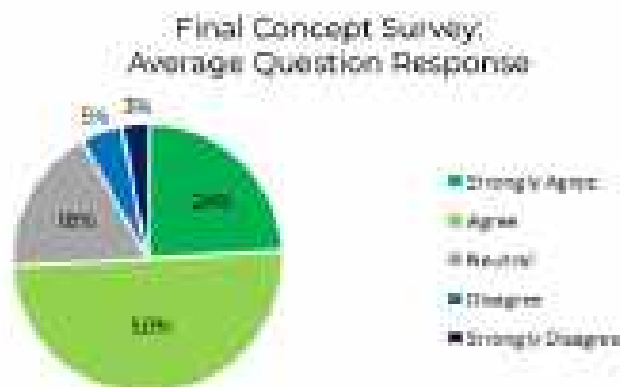


The three public events were designed to attract diverse communities through entertainment: food, drink, performances, and activities. Flash Mob and Xcape Dance Studios brought energy, creativity, and lots of people to the Block Party.
Image Credit: Christopher Trotchie



memorable. Each category of question included several sub-questions outlining whether specific design measures intended to achieve these goals successfully do so.

Average results for all fourteen of the survey questions showed that 74% of respondents agreed or strongly agreed that the conceptual design met the design objectives.



Survey responses indicating most participants feel positively about the conceptual design
Image Credit: Cogito Partners

A diversity of views was represented through the public meeting and survey responses. Aggregating the results of all three surveys, response totals included:

- 165 people under age 24
- 385 people of color
- 343 people with incomes under \$35K per year
- 275 people with disabilities
- 611 people in North, West and Northwest Eugene (97402, 97404, 97408)

(Note that some people filled out all 3 surveys so total individuals participating in the process is lower than total survey responses.)

The Public Involvement team's efforts to make public events entertaining and provide information in multiple formats contributed to this diverse response. The public meeting posters were distributed in Spanish, a translator was available at all major public events, and the project conducted three tours with Spanish speakers at the second event. The project gathered valuable information through individual and small group conversations with the accessibility community, including members of Lane Independent Living Alliance and Mobility International. An event hosted at the NAACP Mims house provided insights into how the design resonates for different communities of color and a diversity of cultures. A similar event was hosted in Spanish and included members of the Latinx community in Eugene.

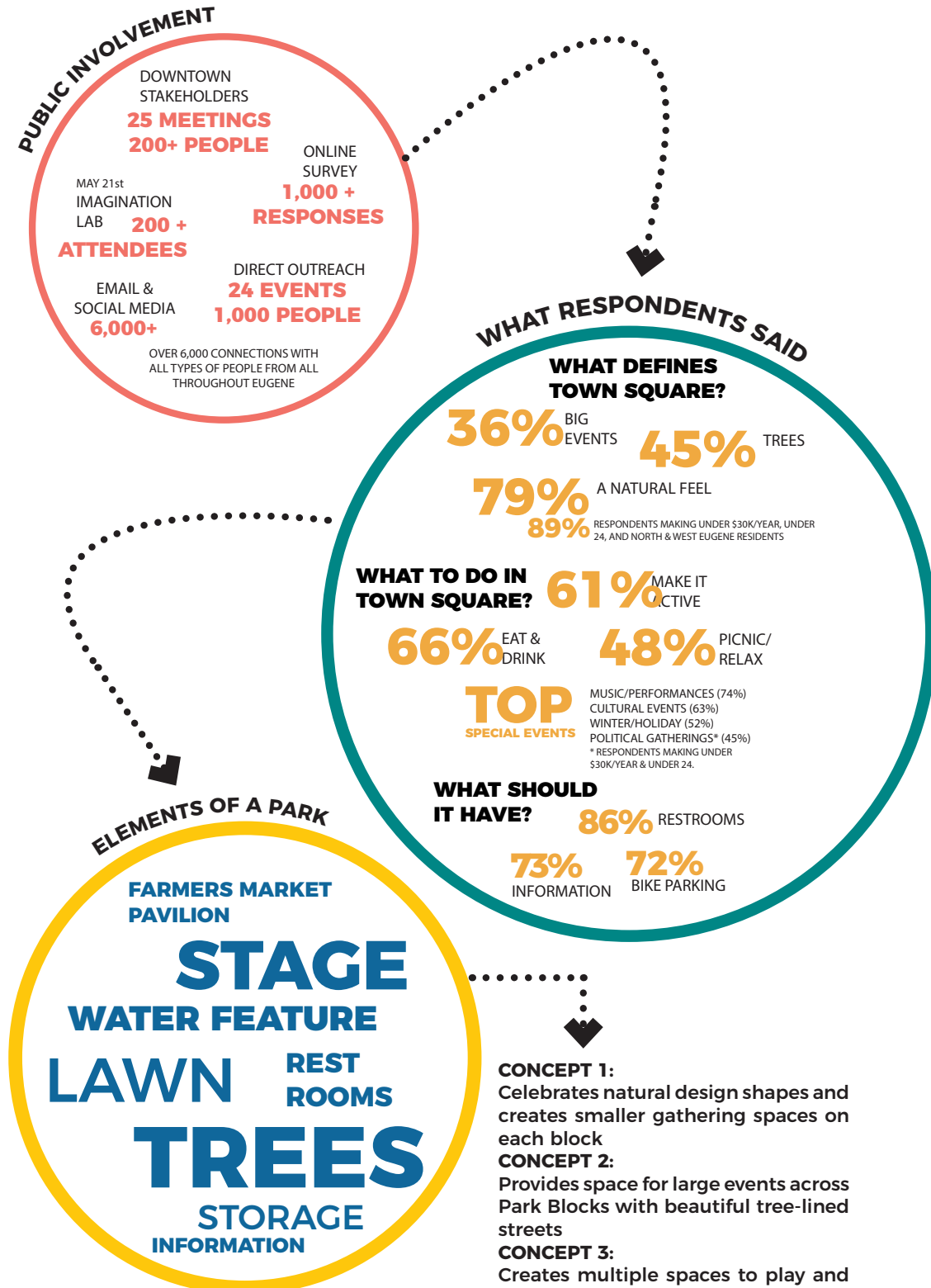
DIRECT OUTREACH:

The goal of direct outreach was to expand and diversify the number of individuals aware and interested in the Town Square project. Outreach locations included Eugene Saturday Market and Lane County Farmers Market, key current users of the Town Square site, as well as neighborhoods outside of downtown such as Sheldon, Bethel, and River Road. Youth was another key focus for outreach: the project team visited high school, middle school, and elementary school classrooms. See Appendix D for a list of venues visited over the course of the concept design process.



WHERE DID THESE IDEAS COME FROM?

The team worked closely with key downtown and project stakeholders, reviewed the survey and Public Event results, and met with lots of people in small groups to help shape the three design concepts you'll see.

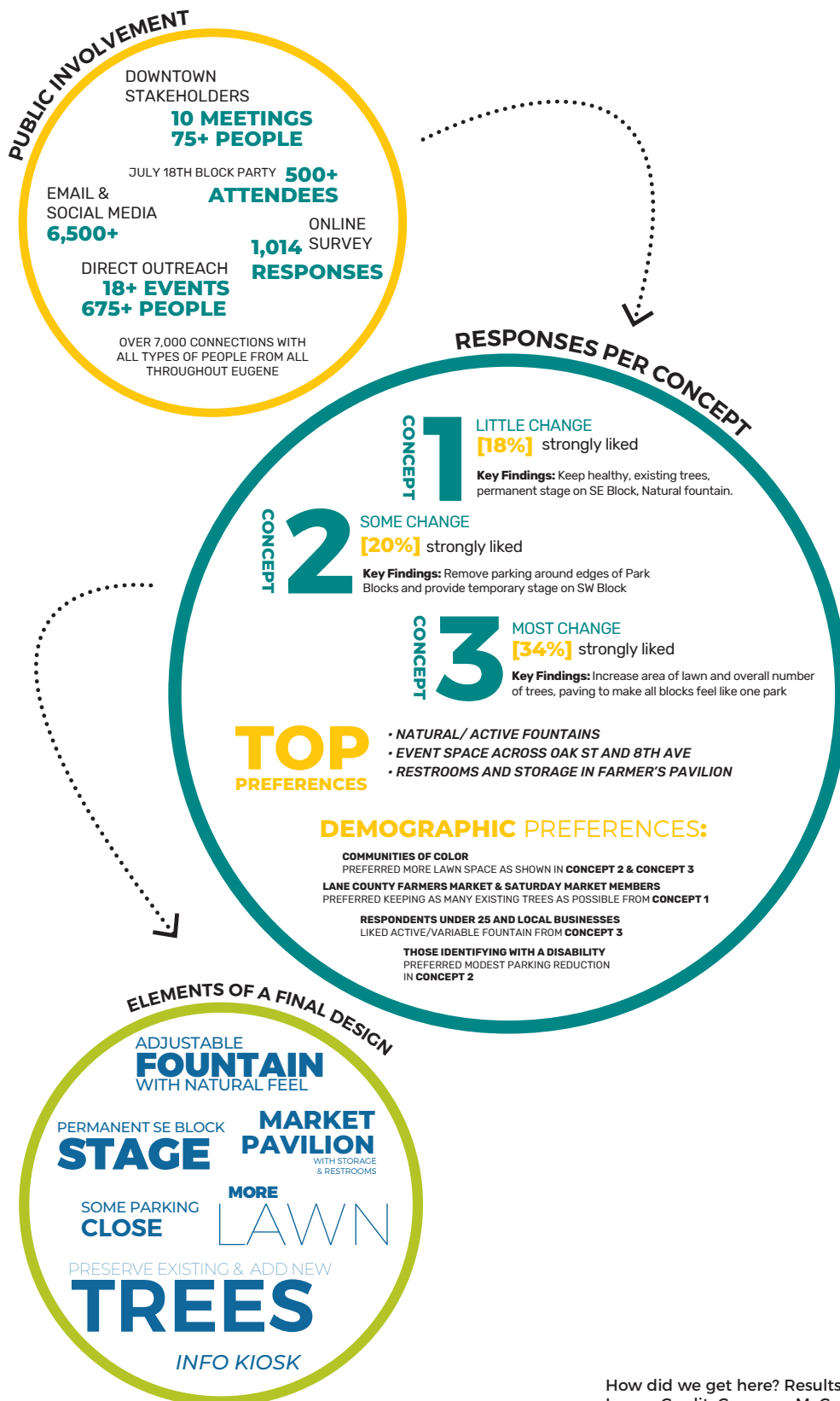


How did we get here? Results from Survey #1
Image Credit: Cameron McCarthy



HOW WAS ONE DESIGN CREATED?

The team worked closely with key downtown and project stakeholders, reviewed feedback from two surveys and public events and held in-person conversations with a wide diversity of people to shape the three concepts into a final draft.



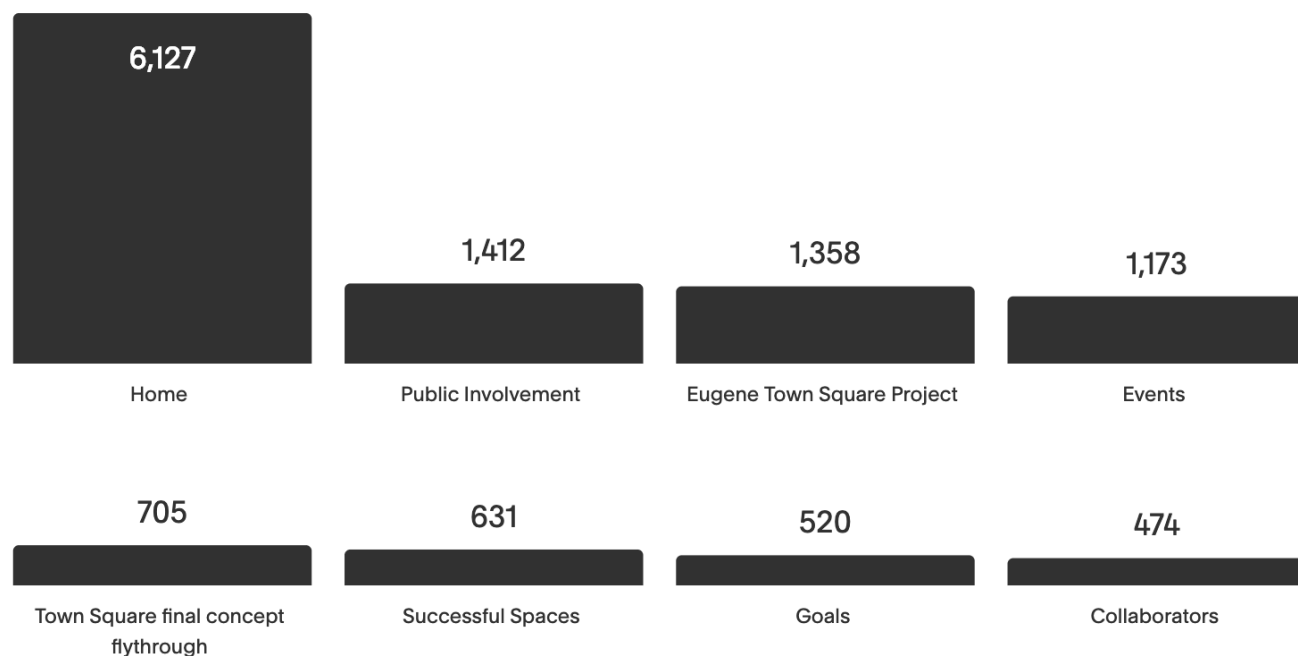
How did we get here? Results from Survey #2
Image Credit: Cameron McCarthy

EUGENE TOWN SQUARE FINAL REPORT

Popular Content

Fri, May 3 – Fri, Oct 25, 2019

May 3 – Oct 25, 2019



Traffic to the Eugene Town Square Website
Image credit: Cogito

WEB, EMAIL, AND SOCIAL MEDIA:

The website and Instagram played a critical role messaging the project as distinct from other public space improvements, and effectively engaged tech savvy generations, who are statistically less likely to show up to a public meeting. The website included information on the project background, team, schedule and contact information as well as inspirational imagery of comparable projects. The website's homepage and public involvement sections were updated periodically with information about public events, surveys, survey results, and public event summaries. The Instagram account acted as an unofficial promotional tool for current events in the Town Square and for participation opportunities to provide input on the design process. Combined with the successful public events, these tools change perceptions of the space as an unsafe, underutilized, outdated, park and encouraged community members to envision what the space could be.

The City of Eugene worked to increase the projects presence on social media using the official City of Eugene Facebook page. The page shared key project updates and survey opportunities to its 10,700 followers. The City of Eugene also used paid

advertisements on Facebook to broaden the Town Square posts to an even larger audience.

In addition to the social media presence, the project leveraged outreach resources from the City of Eugene to connect with the larger community. The City of Eugene sent out regular project updates and survey opportunities to a specific Town Square email list of close to 1,500 contacts. Important project information about upcoming events and surveys were also shared widely using existing city newsletters, including the Downtown, Parks and Open Space, and InMotion newsletters.

The team saw a consistent uptick in website visits and page views throughout the life of the project and notable increases in views at the time of a public event. The website provided a direct link to surveys and all supporting information that each user could study, revisit, and download. Website visitation and demographic data was collected throughout the public involvement process. The team utilized this to fill gaps in communication methods and conduct outreach specifically to communities not reached via digital platforms.



Community members, Ballet Folklorico and Michael Moloi brought dance, culture, stories from South Africa, family and friends to the September Shindig event. Image credit: Christopher Trotchie EUGENE TOWN SQUARE FINAL REPORT

Site Plan

Drawing by Cameron McCarthy



Farmers Market Pavilion for year round use



"Splash pad" fountain in the southwest block



Flexible stage in the southeast block for Saturday Market and public use



Upgraded utilities throughout to handle event needs



Improved accessibility for all throughout the site

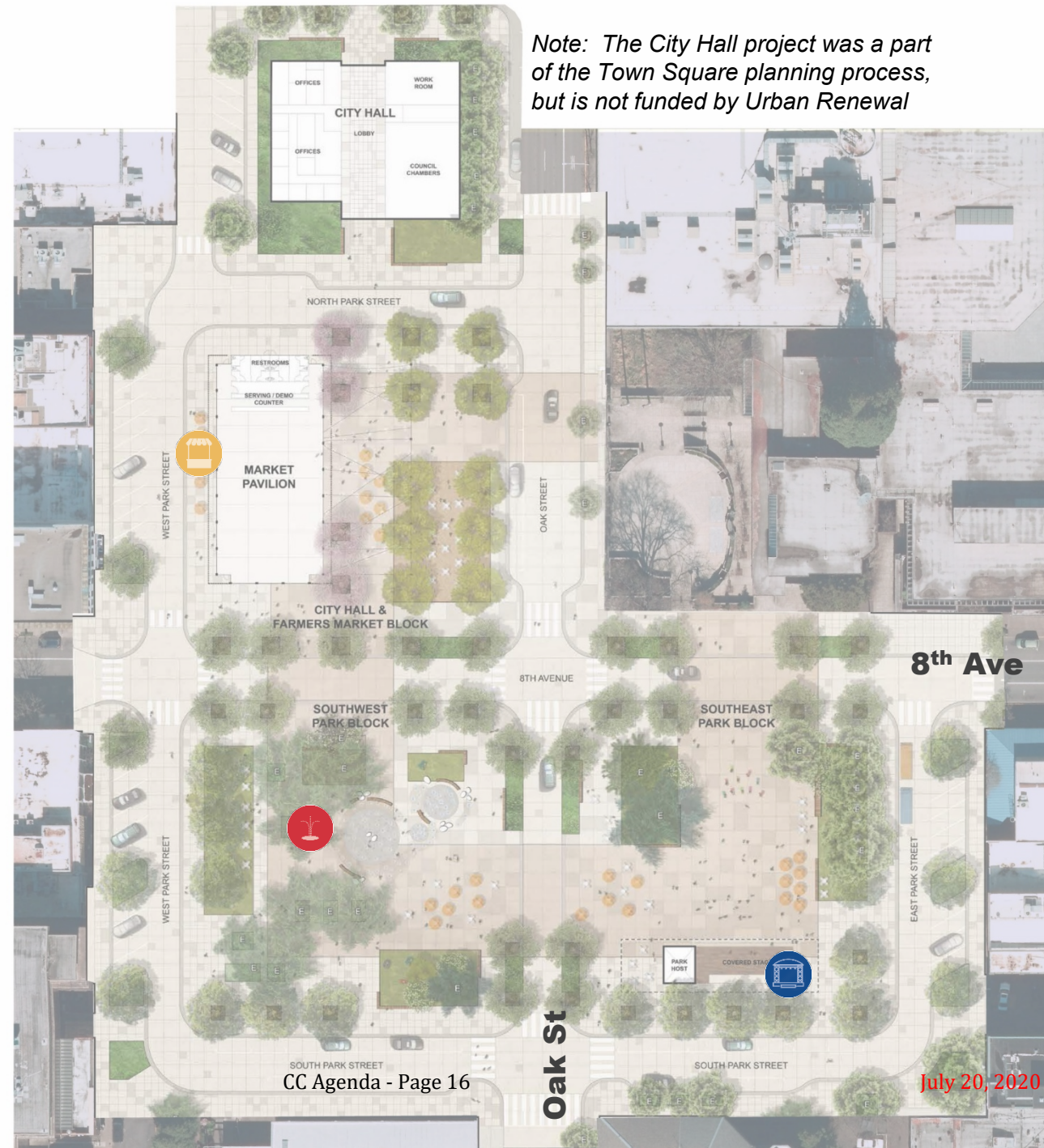


Curbless streets throughout to connect to surrounding businesses



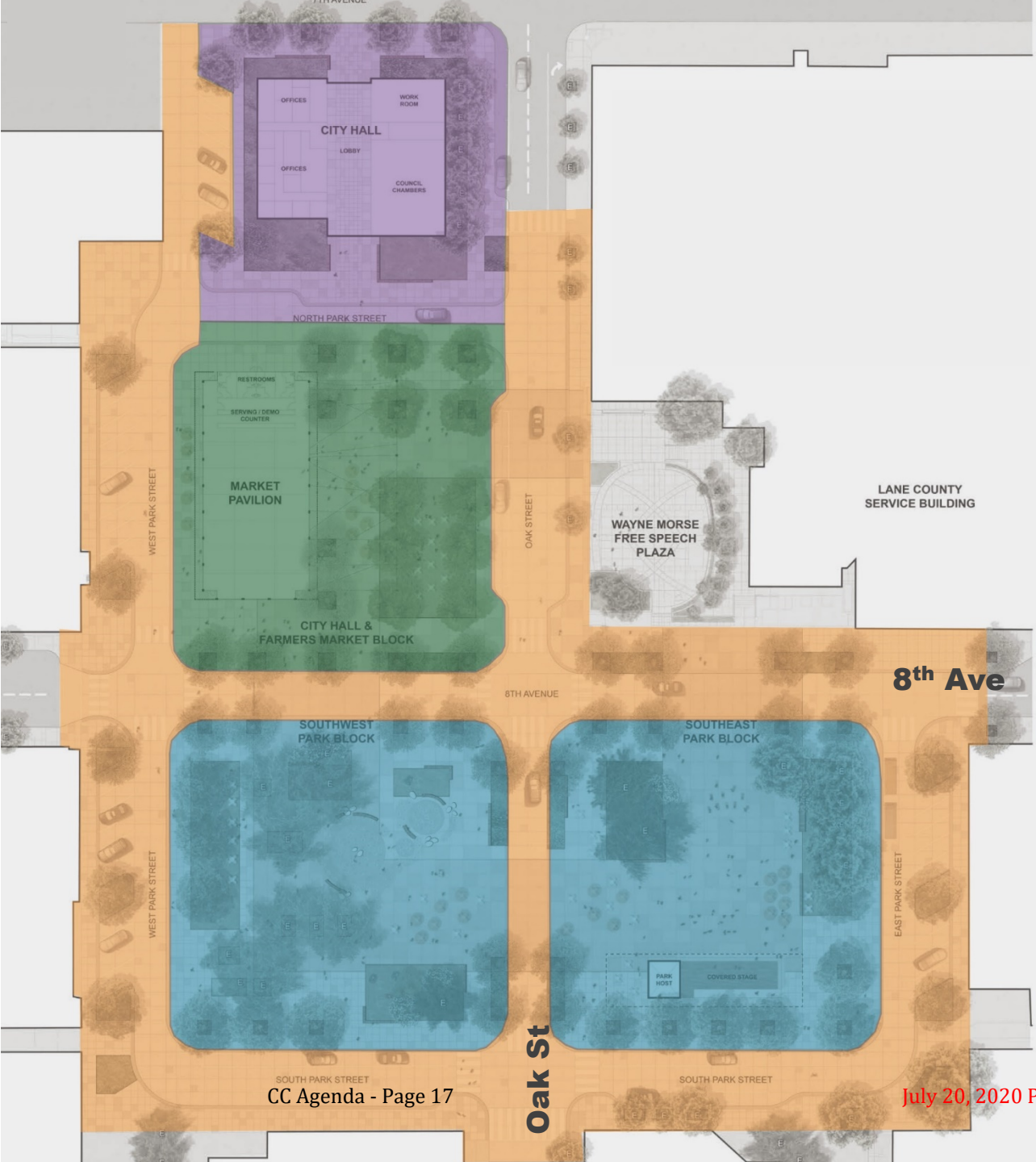
Quality materials for flexibility, durability and aesthetics

Note: The City Hall project was a part of the Town Square planning process, but is not funded by Urban Renewal



Project Key

-  Park Blocks
-  Farmers Market
-  Right of Way
-  Future City Hall site
(not eligible for Urban Renewal funds)



View of Park Blocks

Looking southwest from intersection of 8th & Oak

Drawing by Cameron McCarthy and OLIN



View of Park Blocks

Looking north from southwest corner

Drawing by Cameron McCarthy and OLIN



View of Farmers Market

Looking northwest from intersection of 8th & Oak

Drawing by FFA



View of Farmers Market

Looking northwest from intersection of 8th & Oak

Drawing by FFA



View of Farmers Market

Looking north from the center of the market

Drawing by FFA



View of Farmers Market

Looking north from the center of the market

Drawing by FFA



View inside Farmers Market Pavilion

Looking south

Drawing by FFA



Costs & Identified Funding Sources for Park Blocks & Farmers Market

Cost Estimate

The Schematic Design costs are identified below for Park Blocks, Farmers Market, and Right of Way. Right of Way includes the streets abutting both the Park Blocks and the Farmers Market project sites.

	SCHEMATIC DESIGN (APR. 2020)
PARK BLOCKS	\$10-11M
FARMERS MARKET	\$9-10M
RIGHT OF WAY	\$2-4M
TOTAL	\$21-25M

These cost estimates include direct costs for the construction, as well as contractor expenses, design consultants, permit fees, System Development Charges, escalation and contingencies. The escalation assumed a Q4 2020 construction start, which will need to be adjusted due to COVID-related delays.

Identified Funds

The four identified sources of funds for Park Blocks and Farmers Market are described below and include Downtown Urban Renewal funds, Lane County contribution, Park SDCs, and Pavement Preservation Program funds. Additional funding options are described in Attachment D, "Draft Potential Funding Sources for Town Square," which was sent to Council ahead of the February 24, 2020 work session.

Downtown Urban Renewal

The 2016 Plan amendment identified the Farmers Market and Park Blocks & Open Space as two projects eligible for Urban Renewal tax increment funds. For each project, the Plan amendment set out a maximum amount of tax increment financing that could be used for that purpose. At the time of the amendment, elements of each project had yet to occur (e.g. public engagement, design engineering for fiber, project negotiations for Farmers Market, project scoping for Park Blocks and 1059 Willamette redevelopment) so Council considered a range of opportunities within each project before selecting a cap for the amount of tax increment funds eligible for each project.

UR: Farmers Market

Improvements to benefit the Farmers Market are eligible for up to \$4M of tax increment funds from the 2016 Plan amendment plus \$0.5M from the 2010 Plan amendment. Using a matrix of estimated project levels, Council directed the City Manager to include in the Plan amendment the moderate level for Farmers Market. The moderate level was described to include open air pavilion on purchased land with demolition of the Butterfly Lot or a building with land and demolition provided at no cost. (This was prior to the Butterfly Lot negotiation with the

County.) In January 2019, the Agency purchased the southern half of the Butterfly Lot for \$1.25M (half of the total \$2.5M price for the entire lot). The remaining balance of eligible tax increment funds is \$3.25M. The Agency Board started the process to amend the Downtown Urban Renewal Plan to amend/remove the cap on tax increment funds that the Agency Board can authorize for the Farmers Market project.

UR: Park Blocks & Open Space

The Park Blocks, other downtown open spaces and the connecting streets and walkways are projects eligible for up to \$5.2M of tax increment funds. Using a matrix of estimated project levels, Council directed the City Manager to include in the Plan amendment below the lowest level for Park Blocks (which had been estimated at \$8.2M and described to include restrooms, lighting, seating, some landscaping and accessibility improvements; Willamette to Willamette 2-way traffic conversion; Broadway Plaza seating, lighting, opening walls; and Hult Center plaza accessibility improvements). The Right of Way improvements that are part of the Schematic Design includes the streets that abut both the Park Blocks and the Farmers Market project sites and is eligible for the Urban Renewal Park Blocks & Open Space funds.

Lane County Contribution

As part of the agreement for the City to sell the former City Hall Lot to Lane County and Lane County to sell the Butterfly Lot to the City and Agency, Lane County agreed to contribute \$940,000 to the Farmers Market project: \$500,000 in cash and the remaining \$440,000 in cash or in-kind services.

Park SDCs

The Park System Development Charges (SDCs) fund includes up to \$1.5M that can be used as a 97% match for family-friendly features in a downtown neighborhood park. Both the Park Blocks and the Farmers Market are eligible for these SDC funds.

Pavement Preservation Program

Public Works Engineering's Pavement Preservation Program (PPP) has funds dedicated to preserving the quality of roadway surfaces. Improvements to Oak Street and the segments of Park Street that surround the Park Blocks are eligible for up to \$225,000 in PPP funds, since the new, high-quality construction will ensure that the roadways remain in good condition for years to come.

Draft Potential Funding Sources for Town Square (Feb. 24, 2020)

The following list was sent to Council by Twylla Miller, Finance Director, prior to the February 24, 2020 work session and prior to the COVID-19 pandemic. The below list has not been updated with impacts from the pandemic.

Asset Sales

Current assets that could be sold are parking garages or surface parking lots. It is estimated that the Pearl Street parking garage could be sold for approximately \$2.5 million and that the City Hall surface lot could be sold for approximately \$1.0 million.

Challenges: Parking and mobility is critical to continuing the job and property value growth in downtown Eugene. The City of Eugene uses all six parking structures and a few surface lots to manage downtown economic activity, including growth in employee and housing needs. The sale of the parking property would have an impact to the Parking Fund with a loss of revenue and parking management resources.

Downtown Urban Renewal Funds:

The urban renewal plan could be amended to add additional projects (including City Hall) and increase the maximum indebtedness. The Urban Renewal district could then obtain bank financing to fund address the funding gap. The Downtown District is set to terminate after sufficient funds are accumulated to pay off allowable projects. For every additional \$10M borrowed the life of the district would need to be extended about 5 years.

Challenges: This would require a Type One amendment which would take six to nine months to complete after council action. The amendment would be processed through an ordinance that would be subject to referral. This action would also require concurrence from overlapping tax jurisdictions such as Eugene 4J.

Donations:

Community members could be asked to provide donations for portions of this project. The amount that could be raised is unknown, but it is likely not a significant funding source.

Challenges: The City Hall portion of the Town Square project would likely be more difficult to find donors for. The Farmers Market or Park Blocks may have a higher likelihood of achieving donations/naming rights.

Energy Incentives:

Energy incentives would be pursued regardless of funding strategy and would not be enough to substantively address the funding gap.

General Capital Transfer Allocations:

If the City dedicated \$500K per year from the \$3.4 million base general capital transfer for building preservation, approximately \$6-7 million could be raised through the issuance of 20-year full faith and credit bonds.

Challenges: This action would constrain the ability to adequately maintain/preserve GF buildings. Even with the addition of newer buildings, a large component of the GF facility inventory is significantly older with the average age of GF buildings over 30 years old. There is a risk to providing inadequate funding for building preservation as well as increased costs over time.

General Obligation Bonds:

The City could issue (with voter approval) \$15 million in G.O. Bonds with the cost to the typical home estimated at \$15-20 on average per year for 20 years.

Challenges: Eugene voters would need to approve the ballot measure for the bonds, so there is a risk that the measure would fail.

General Fund Reserves:

The General Fund Reserve for Revenue Shortfall could be used beginning in FY22. Up to \$1 million annually could be used, however by FY26 there would only be a 3.8% RRSF achieved (rather than the 8% target) if \$1 million per year was used for four years, using current forecast assumptions and projections. If \$500K were allocated beginning in FY22 a 4.9% RRSF would be achieved in FY26.

Challenges: Generally, it is not recommended to drop below a 5% RRSF. Having at least a 5% RRSF allows a prudent reserve level to respond to unexpected events such as a major employer closing in the city, the next recession, other federal actions such as the recent FCC action and other unfunded mandates. Without an adequate reserve, if an event happened, the City would immediately have to cut services and staff in response, rather than having adequate time to develop an appropriate strategy to manage the situation. Also, dropping to a lower reserve level could endanger the City's high bond rating (Aa1) as the rating agency (Moody's) would be concerned about the City's financial stability and management. A lower bond rating would translate into higher borrowing costs in the future for the City and taxpayers.

Grants: There may be funds available for the project from grants. To date, grant opportunities have not been identified.

Local Option Property Tax Levy:

Voters could be asked to authorize an annual property tax levy for up to 10 years for capital purposes. This would be counted towards the Measure 5 tax rate limit. The levy could be used to provide the debt service on bank financing of \$15M for the project. This would result in an annual levy of about \$2 million with the average cost to the median home of \$25-30 per year over the life of the levy.

Challenges: Eugene voters would need to approve the ballot measure for the levy, so there is a risk that the measure would fail. The City may have other levy renewals for libraries and parks on the ballot in the next few years, as well as levies by the County or 4J. Additionally, the levy would count toward

the Measure 5 tax rate limit. While there is still 61 cents under the cap before compression begins, this additional levy would use up about 10 cents of the remaining capacity.

Parking Funds:

To the extent that there are funds available for capital projects in the Parking Funds, those might be tapped to pay for a portion of the City Hall parking requirements; however, providing parking in the Riverfront redevelopment area will require significant contributions from Parking Funds in the next few years.

Challenges: The parking program already has a significant amount of existing infrastructure needs with the parking funds currently running with thin margins. If parking funds were prioritized for this purpose, other projects would need to be delayed.

Systems Development Charges:

SDCs, if available would add additional park area but would not be able to be utilized for the current funding gap.

Telecommunications Tax Funds:

The City's telecommunications tax could be used to pay for new City technology related projects and purchases, such as installing fiber to the site, purchasing and installing telecommunications equipment. There is already \$2 million in Telcom Funds set aside for the City Hall component of the project in the City Hall Fund. While there may be some additional funds available in the Telecom Fund there would need to be a telecom nexus for use of the funds.

Challenges: If appropriate project costs related to Town Square were identified for additional Telecom Funds, other Telecom projects and equipment purchases would likely need to be delayed, depending on the amount of additional Telecom Funds identified for this project.

Other Miscellaneous Funds:

The City could continue to look for opportunities to set funds aside for this project, including any one-time dollars that are identified over the next few years. An example would be dedication of a portion of the Marginal Beginning Working Capital, if available.

Urban Renewal Plan Amendment Process

The Type II amendment that the Agency Board started on June 22 to amend/remove the cap on tax increment that the Agency Board can authorize for the Farmers Market project would include the following steps:

- A. Notice given to taxing districts for comment (includes School District 4J, Lane ESD, Lane Community College, and Lane County);
- B. Planning Commission review;
- C. Council public hearing;
- D. Council work session to review comments; and
- E. Council meeting to act on ordinance.

Background Information

The 2016 Plan amendment identified the Farmers Market and Park Blocks & Open Space as two projects eligible for Urban Renewal tax increment funds. For each project, the Plan amendment set out a maximum amount of tax increment financing that could be used for that purpose. At the time of the amendment, elements of each project were yet to occur (e.g. public engagement, design engineering for fiber, project negotiations and scoping for Farmers Market, and project scoping for Park Blocks and 1059 Willamette redevelopment) so Council considered a range of opportunities within each project before selecting a cap for the amount of tax increment for each project.

Farmers Market. Improvements to benefit the Farmers Market are eligible for up to \$4M of tax increment funds from the 2016 Plan amendment plus \$0.5M from the 2010 Plan amendment. Using a matrix of estimated project levels, Council directed the City Manager to include in the Plan amendment the moderate level for Farmers Market. The moderate level was described to include a) open air pavilion on purchased land with demolition of the Butterfly Lot or b) a building with land and demolition provided at no cost. (This was prior to the Butterfly Lot negotiation with the County.) In January 2019, the Agency purchased the southern half of the Butterfly Lot for \$1.25M (half of the total \$2.5M price for the entire lot). The remaining balance of eligible tax increment funds is \$3.25M.

Park Blocks & Open Space. The Park Blocks, other downtown open spaces and the connecting streets and walkways are eligible projects for up to \$5.2M of tax increment funds. Using a matrix of estimated project levels, Council directed the City Manager to include in the Plan amendment below the lowest level for Park Blocks (which had been estimated at \$8.2M and that was described to include restrooms, lighting, seating, some landscaping and accessibility improvements; Willamette to Willamette 2-way traffic conversion; Broadway Plaza seating, lighting, opening walls; and Hult Center plaza accessibility improvements).

Other Downtown Urban Renewal funds (not for the Park Blocks or Farmers Market). The 2016 Plan also included the Downtown Fiber project (up to \$3M of tax increment funds) and 1059 Willamette (the former Lane Community College Center building; up to \$6M of tax increment funds). While the Plan made these projects eligible for amounts listed here, Council approved an increase to the spending limit that is less than the sum of the individual projects. (See table below). City Council is scheduled to discuss the 1059 Willamette redevelopment on July 15.

Project Delivery and Administration. The plan identifies funds for project delivery administration, which includes scoping costs, project management, and administrative functions.

2016 Maximum Tax Increment Spending Allowed by Project	
High-Speed Fiber	\$ 3.0M
Farmers Market	\$ 4.0M*
Park Blocks & Open Space	\$ 5.2M
Old LCC Building (1059 Willamette)	\$ 6.0M**
Project Delivery and Administration	\$ 4.2M***
Sum of Project Maximums	\$22.4M
2016 Spending Limit Increase	\$19.4M

*The Farmers Market had \$500,000 dedicated in the 2010 Plan amendment for a total of \$4.5M.

**The Report that accompanies the Plan Amendment used \$3M for 1059 Willamette.

***No cap was put on project delivery and administration in the 2016 Plan amendment, but this was the estimated amount that would be needed to deliver the projects.