



Eugene City Council

125 E. 8th Ave., 2nd Floor
Eugene, OR 97401-2793
541-682-5010 • 541-682-5414 Fax
www.eugene-or.gov

AMENDED AGENDA EUGENE CITY COUNCIL

April 15, 2019

**5:30 p.m. CITY COUNCIL WORK SESSION AND MEETING OF THE
EUGENE URBAN RENEWAL AGENCY
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**Meeting of April 15, 2019;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Betty Taylor, President
Mike Clark
Chris Pryor
Jennifer Yeh

Emily Semple, Vice President
Greg Evans
Claire Syrett
Alan Zelenka

Note: This agenda has been amended to reflect the addition of Item 1.

**5:30 p.m. CITY COUNCIL WORK SESSION AND MEETING OF THE
EUGENE URBAN RENEWAL AGENCY
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

- 1. WORK SESSION AND POSSIBLE ACTION: Riverfront Park and Plaza Funding**
- 2. WORK SESSION: Highway 99/Bethel Urban Renewal District**

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.

For more information, contact the Council Coordinator at 541-682-5010
or visit us online at www.eugene-or.gov.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Highway 99/Bethel Urban Renewal District

Meeting Date: April 15, 2019
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Anne Fifield
Contact Telephone Number: 541-682-5451

ISSUE STATEMENT

Councilor Evans polled for a council work session on a Highway 99/Bethel Urban Renewal District in order to address questions about how the creation of a Tax Increment Financing district could enhance economic and community development in the area. At this council work session, staff will present information on how Urban Renewal districts can be used to achieve economic development goals, the potential for an Urban Renewal district to generate revenue for reinvestment in the area, and the steps to establish an Urban Renewal district. This work session is for informational purposes only.

BACKGROUND

The Bethel area is Eugene's largest neighborhood with over 12,000 households. 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 led to the 2015 *Building a Better Bethel*, a five-year plan that identified actions that the City and others could implement over the subsequent five years (Attachment A).

The Task Team found that there has been significant community-building progress within Bethel. The Task Team, however, determined that Bethel is often misperceived as a less desirable area, and that misperception is reinforced by the under-utilization and under-development of property along Highway 99. Additionally, the Task Force found that Bethel is under-served by food businesses, such as restaurants and produce markets.

Since the completion of the *Building a Better Bethel* plan, the City has addressed some of the identified actions. The Planning Division is working to bring the Clear Lake Road area into the Urban Growth Boundary. The Community Development Division is working to retain and grow the food sector industry, primarily by supporting the Food and Beverage Sector Strategist in partnership with Lane Workforce Partnership, Lane County, Eugene Water & Electric Board, the City of Springfield and the private sector. The City has also worked to expand workforce development partnerships, in coordination with Lane Workforce Partnership and Lane ESD. The City has used its Brownfields Assessment grant from the federal Environmental Protection Agency for site predevelopment in the Bethel neighborhood. These actions, identified in the *Building a Better Bethel* plan, benefit the Bethel area.

How Urban Renewal Works in Oregon

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 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 is a tool to focus funds in a particular area. The investments are made to improve public space and to catalyze further private investment.

TIF is the primary funding tool used within URAs. Tax increment revenue is generated within an URA after the property taxes within that area are 'frozen' (often called the *frozen base*). Any new taxes generated within that area through increased assessed value becomes the *increment* (see Attachment B for a graphic representation). The other taxing jurisdictions in the URA continue to collect property tax income from the frozen base but the URA collects revenue from assessed value above the frozen base. The URA then can issue bonds to pay for identified public improvements and/or investments in private projects that are in the public interest. The tax increment is used to pay debt service on the bonds.

A URA Plan lays out the expected cost of infrastructure improvements and expected TIF. When a new URA is formed, the Plan sets the 'maximum indebtedness,' which is the total value of debt that a URA can issue. The maximum indebtedness is based on the TIF revenue capacity of the URA and the planned projects to receive TIF funding.

When an Urban Renewal area is established, taxing jurisdictions that overlap the URA forgo some of the tax revenue they would otherwise collect from that area. Overlapping jurisdictions regain that revenue stream once the URA expires. To the extent that the URA increases assessed value over what would otherwise have occurred without Urban Renewal investment, the taxing districts should see an increase in tax revenues in the long-term.

What a TIF Can Be Used For

To be eligible for tax increment funds, projects must be included in the UR plan. The projects, however, can be broad or specific. For example, a plan can include a streetscape improvement project. The agency may identify a particular size and level of amenity at a particular location, or alternatively it may retain flexibility in the plan and simply allow for that type of project to be built with UR funds in the district.

The UR agency must determine the scope and types of projects that are included in the UR plan. Oregon statutes (ORS 457.170) govern the types of projects that may be funded with tax increment funds:

- Plan and implement neighborhood development programs;
- Rehabilitation or conservation work;
- Repair and rehabilitation of buildings and improvements;
- Acquisition, sale, and lease of real property;
- Clearance or rehabilitation of property acquired by the URA;

- Construction or reconstruction of streets, utilities, and site improvements;
- Relocation of individuals living in the URA; and
- Carry out work which a housing authority is authorized to perform (under ORS 456.055 to 456.235).

Some UR agencies use tax increment funds to pay all or some system development charges, building permit fees, or local improvement district assessments. These costs are part of 'site improvements,' which are allowed under state statute.

Steps to Create an Urban Renewal Area

A community looking to create an URA should first identify the goals and objectives for the subject neighborhood. Understanding the goals and objectives can help clarify if TIF is an appropriate tool. A preliminary feasibility study can help determine if the defined area can generate adequate tax increment revenue to cover the cost of the investments.

If the community determines that TIF is an appropriate tool, it can begin the technical process to create an URA. Some of the key steps include the following:

- Define the need for an Urban Renewal area. Oregon statute requires that an Urban Renewal plan includes reasons for the selection of the geographic area. For a city the size of Eugene, state statute limits the amount of acreage that may be in an Urban Renewal area to less than 15 percent of the whole city and assessed value to less than 15 percent of the whole city.
- Set a boundary from where tax increment will be generated. The geographic boundary establishes the 'frozen base' for the tax increment revenue.
- Establish the planned projects, estimated costs and the maximum indebtedness.
- Adopt the plan according to process prescribed in ORS 457.

Staff have prepared preliminary estimates of assessed value for property along Highway 99 and present the analysis to Council at the work session.

Oregon statutes required public involvement at all stages of development of an Urban Renewal plan. It also requires that the Urban Renewal agency 'consult and confer' with affected taxing districts. In Bethel, the primary affected taxing districts include the Bethel School District and Lane County. The Urban Renewal agency, however, has final authority to establish a new URA.

Creating a new Urban Renewal area is technical and complicated. A jurisdiction should expect the process to take approximately 18 months, substantial staff time and consultants.

Other Tools

Urban Renewal and TIF is one of the tools available to local governments in Oregon that can be deployed to improve public infrastructure and encourage private investment in the area. Like any toolbox, some tools are better suited for particular tasks. The City of Eugene currently has the following investment tools available with the potential to apply to the Bethel Area.

Multi-unit property tax exemption is a tool to encourage residential development in a defined neighborhood. 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.

Enterprise Zones are 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.

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.

In addition to incentive 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.

Planning History in Bethel

The City has planned for and implemented a variety of efforts focused on the Bethel neighborhood. The City of Eugene also has planning documents that identify city-wide goals and policies and planned city-wide infrastructure improvements. Some of these documents include planned infrastructure improvements in the Bethel area. Below is a brief description of Bethel-specific plans. Please see Attachment C for more information and maps that describe the plans that affect the Bethel neighborhood.

PREVIOUS COUNCIL DIRECTION

There has been no previous direction from council on this topic.

COUNCIL OPTIONS

This work session is for informational purposes only. No action from council is asked for at this time.

CITY MANAGER'S RECOMMENDATION

City Manager has no recommendation at this time.

ATTACHMENTS

- A. Building a Better Bethel
- B. Visualizing Tax Increment Financing
- C. Summary of Planning Documents – Bethel Neighborhood

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



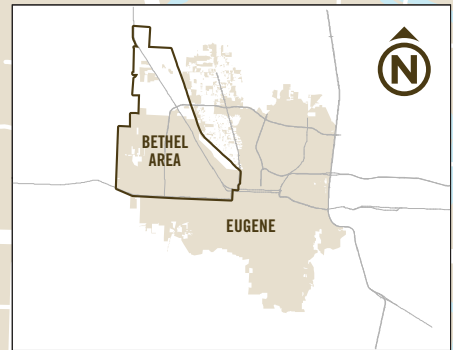
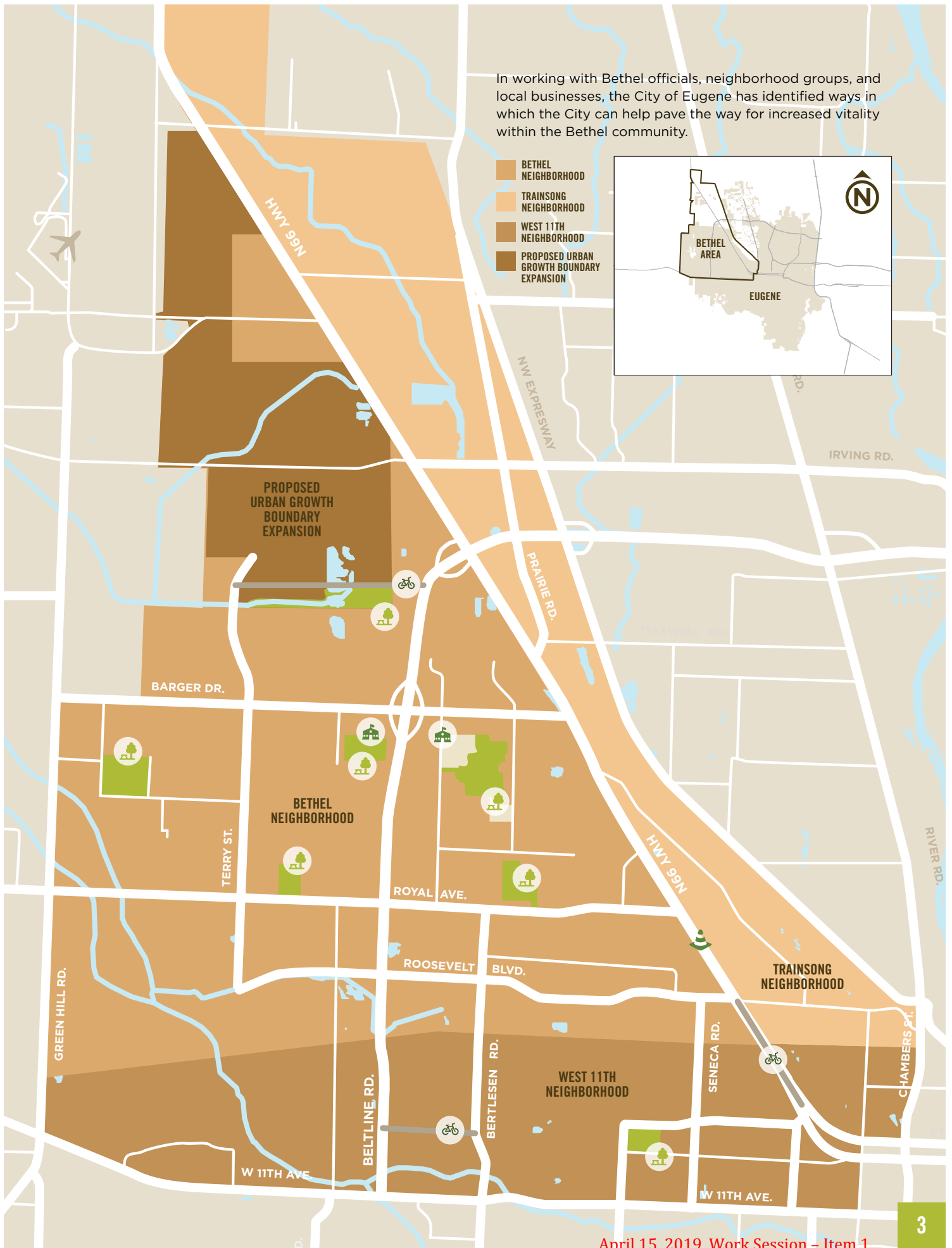
Councilor
Claire Syrett
Ward 7



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	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	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 BETHEL 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

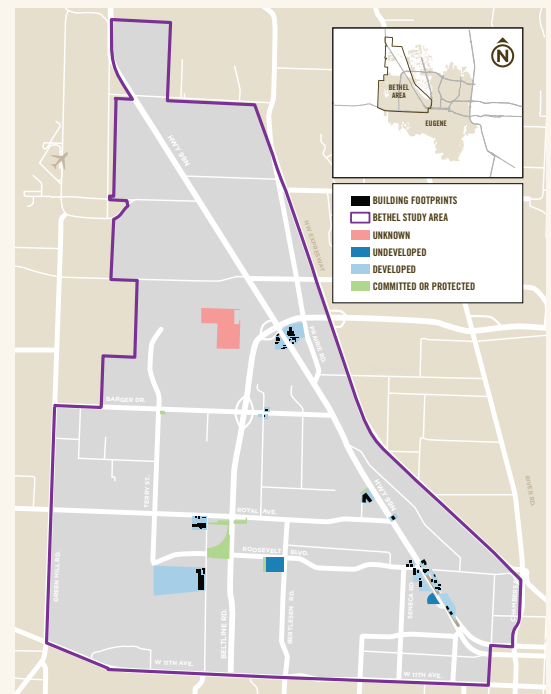
A core undertaking of the Task Team was to identify and evaluate potential sites for redevelopment as part of the larger resource set. The primary focus for these efforts was identifying parcels with the greatest redevelopment potential along transportation corridors, with a secondary focus on areas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

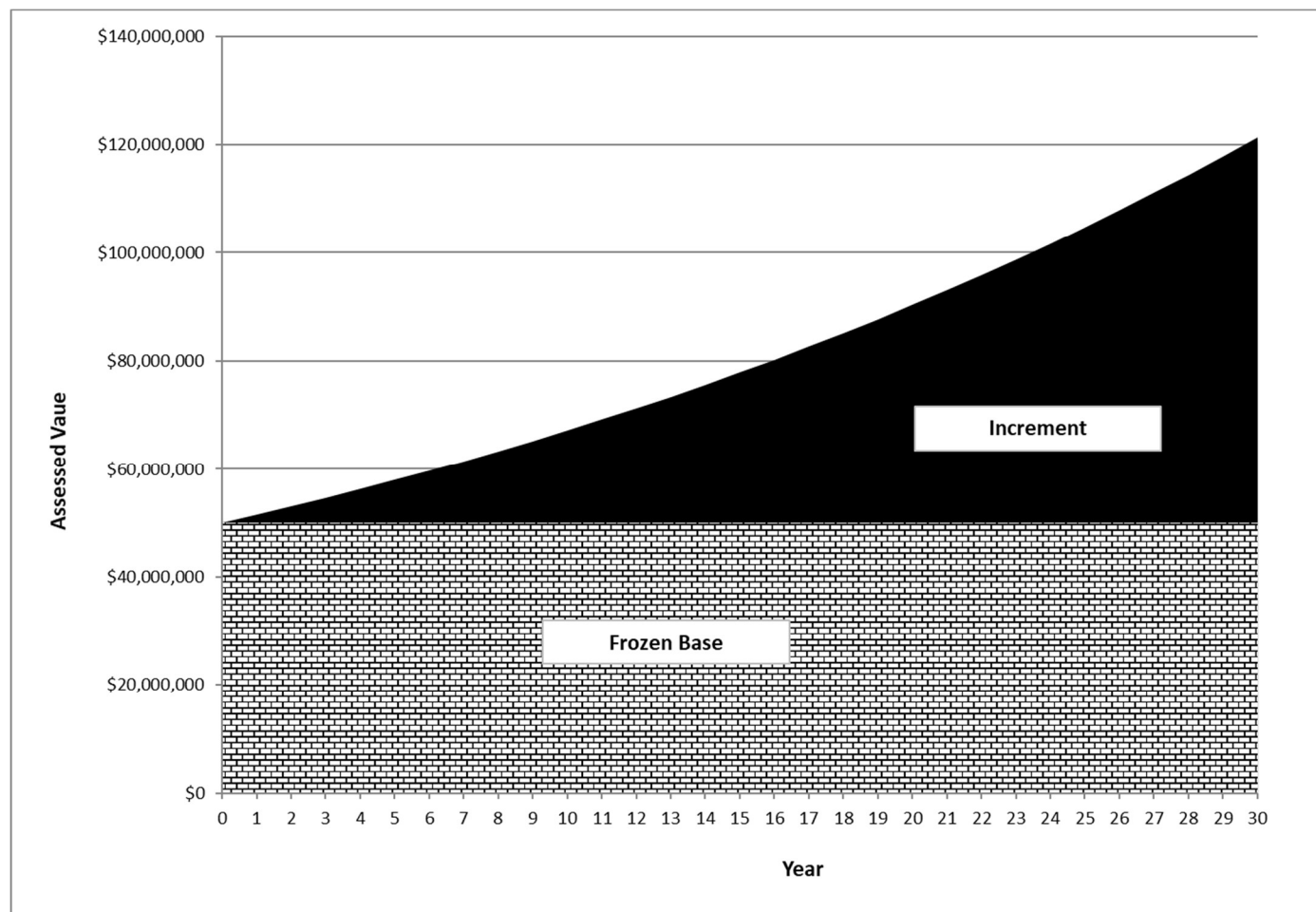


Working together, we can all build an even better Bethel.

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



Visualizing Tax Increment Financing





Summary of Planning Documents Bethel Neighborhood

March 2019

Bethel has been included in a variety of area-specific and city-wide planning processes. This section summarizes planning documents that affect Bethel. The document first describes area-specific plans, then city-wide plans that include Bethel.

For the purposes of this summary document, the Active Bethel Citizens (ABC) neighborhood boundary will serve as the Bethel neighborhood boundary. This is bounded by the following streets, graphically shown in Figure 1:

- North of the railroad tracks,
- East of Green Hill Road,
- South of Clear Lake, and
- West of Highway 99N.

Area-Specific Planning Documents for Bethel

The City of Eugene develops plans to assist with neighborhood improvement, economic development, and specific neighborhood concerns such as transit access. These documents include policy guidance, economic development tools, and planned infrastructure improvements. In this section we briefly describe the planning document, its purpose and its impacts to the Bethel neighborhood.

Danebo Neighborhood Development Program—1970

In 1969 the City of Eugene's Urban Renewal Agency undertook a project in the Bethel neighborhood called the Danebo Neighborhood Development Program. This program utilized one-time federal Housing and Urban Development funding to revitalize the neighborhood by installing basic infrastructure and by eliminating blighted living conditions. The project area is roughly a nine-square block area north of Barger Drive, between Ohio and Minnesota Streets, shown in Figure 2.

The following objectives are outlined in the Neighborhood Development Program.

- Rehabilitation of properties not to be acquired.
- Install public facilities: streets, curbs, sidewalks, sewer, lights and park.
- Acquisition, clearance, sale, lease or retention of properties for rehabilitation or redevelopment by private or public under provisions of Urban Renewal plan.
- Acquisition and clearance of properties in proposed park site.
- Development of low- moderate income housing.

The Bethel Refinement Plan—1975 and 1982

The Bethel Refinement Plan was created in 1975 and updated in 1982. This is the active planning document specific to the Bethel Area. This plan was developed by the City in partnership with the Active Bethel Citizens and the Bethel Triangle Neighbors planning teams. It addresses land use, the urban services area and urban growth boundary along with transportation. The plan also includes neighborhood goals from the residents of Bethel.

The plan's land use section focuses on general land use and nodal development in three specified areas (the Barger-Beltline development node, Royal-Danebo development node, and West Bethel-Danebo development node) and Bethel-Triangle neighborhood development.

The plan's urban services section identifies policies and proposals for sanitary sewer, parks, schools, fire protection, and electric power and water. The 1982 Metro Plan identifies an urban growth boundary which includes additional land in the Bethel-Danebo plan area. The Refinement plan seeks to define how services will expand to these new lands while improving urban services to the developed Bethel-Danebo neighborhood areas.

The plan's transportation section identifies the neighborhood goal as "to provide a safe, pleasant, efficient circulation system for foot, bicycles, automobile, and mass transit traffic."

Bethel Refinement Plan Phase 2—1977 and 1979

The Bethel Refinement Plan Phase 2 was completed in two parts, the first in 1977 and the second in 1979. It serves as the Phase 2 document for the original 1975 Bethel Refinement Plan. Phase 2 is still an active planning document, specifically focusing on the West Eugene Industrial Study. This study concentrates on physical improvements to diversify the economy in this part of West Eugene. The Plan's two major projects are the Roosevelt Extension and Drainage Facility which provide improved drainage heading west and eliminate the mix of industrial development and its impacts with residentially zoned land. Both studies were adopted by City Council.

Build a Better Bethel—2015

This plan focuses on the economic vitality of the Bethel area. Completed in 2015, its goal is to create an area that has 'everything right here', by identifying 12 economic development-related action items that can build a better Bethel in the short term (up to 3 years) and medium term (up to 5 years).

The planning process found that the Bethel area already contains many vital elements that contribute to a strong, vibrant community. One of the primary points that came up for plan's Task Team 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 in and through the Bethel area. The plan found that, overall, the Bethel area has not seen the same growth as Eugene as a whole, despite housing a large number of Eugene's citizens.

To develop this document, a Task Team identified the following nine ideas to describe "What is missing in Bethel?" as a way to focus efforts.

1. Basic amenities nearby;
2. Infrastructure refinement;
3. Sense of connection;
4. Building up Bethel residents so all their needs are met in the community;
5. Strong employment base;
6. Activity and recreational opportunities;
7. Natural area destinations;
8. Entertainment; and
9. Excitement.

The Plan focuses on improving Bethel and promoting economic development using 12 key action

items in the Bethel area, separated into short term (up to three years) and medium term (up to five years) sections, with an variety of identified responsible parties.

Short Term

- Develop criteria and process for fast track permitting
- Enact zone changes and code amendments
- Create Bethel Business Alliance
- Review Enterprise Zone criteria and expand to match UGB
- Expand UGB- Clear Lake Road
- Create and implement a targeted business assistance strategy including 'Gold Zone'
- Engage in rebranding of Bethel area to align with positive trajectory

Medium Term

- Create support position to aid in permitting process
- Complete site predevelopment to attract business expansion, prioritizing key industries
- Expand work force development partnerships
- Expand recreation facilities to increase sports-based activities and tourism
- Help retain and grow the food sector industry in West Eugene

Clear Lake Development Strategy - In process

The Clear Lake Development strategy serves to guide the use of 924 acres of land after incorporation into the urban growth boundary in 2018. This incorporated area is north of the neighborhood boundary, but will have an immense impact on the economy, quality of life and attraction to the Bethel neighborhood. The land was designated for additional jobs, parks, and schools after a robust community outreach process. The community envisions the Clear Lake area primarily as a green employment center offering large sites for low-impact manufacturing, light industrial uses, offices, commercial services, and health & technology uses which are estimated to add up to 3,000 jobs. Also anticipated is a new Bethel School District elementary school and enhancements to Golden Gardens Park, a large community park adjacent to the existing Bethel neighborhood. Expansion of city infrastructure will provide roads, stormwater, and sewer services to these developments as they annex into the city. An area-wide green infrastructure system is planned to manage storm water, protect wetland and floodplain resources, and mitigate impacts to natural resources and the environment. A comprehensive analysis of areas outside the current UGB revealed few areas that fit the needed criteria for such sites. The land is broken down by acreage for the following-

- Bethel School District: 134 acres,
- Green Space: 222 acres, and
- Private Land for development: 568 acres.

City-wide Planning Documents

The City of Eugene has planning documents that identify city-wide goals and policies and planned city-wide infrastructure improvements. Some of these documents include planned infrastructure improvements in the Bethel area. Figure 3 is a map that visually shows the location of planned improvements in Bethel. In this section we briefly describe the planning documents, their purpose, and how they impact the Bethel area.

Pedestrian Bicycle Master Plan (PBMP)-2012

The Pedestrian Bicycle Master Plan identifies goals, objectives, policies, and activities that contribute to the walkability, bikeability, and connectivity in Eugene. This plan serves as an interim update to the larger Transportation System Plan specifically for biking and walking projects.

The PBMP identifies projects, an estimated project cost (if applicable), and time frame (either in a 20-year time frame or future). Within or adjacent to the Bethel area there are 44 improvement projects planned. When projects are linear, a length in miles is estimated. The Bethel area has an estimated 23.64 miles of bike and sidewalk infrastructure improvements planned in the PBMP.

Metro Plan-2015

The Metro Plan is the partner to Envision Eugene, serving as the primary source of information for land use planning until Envision Eugene is fully updated. The Metro Plan focuses on growth management principles and policy frameworks and identifies the specific elements that serve to guide our planning work at a regional scale. The policies in the Metro Plan are broad and likely apply to Bethel as projects become more defined. Overall, the Metro Plan seeks to improve the housing stock in terms of quality, location, and affordability, maintain natural elements and farmland, improve transportation (which has been addressed in Envision Eugene), preserve historic elements, encourage economic development, and encourage dense, environmentally friendly design. The specific elements within the Metro Plan are as follows-

1. Residential Land Use and Housing Element
2. Economic Element
3. Environmental Resources Element
4. Willamette River Greenway, River Corridors, and Waterways Element
5. Environmental Design Element
6. Transportation Element
7. Public Facilities and Services Element
8. Parks and Recreation Facilities Element
9. Historic Preservation Element
10. Energy Element
11. Citizen Involvement Element

Envision Eugene-2017

The Envision Eugene Comprehensive Plan is a formally adopted, legally binding land use plan that was adopted by City Council in July 2017. Policies in the Envision Eugene Comprehensive Plan direct the City as it considers future legislative actions. The Envision Eugene Comprehensive Plan will ultimately contain a set of chapters that address a full range of specific aspects of land use planning. The pillars of Envision Eugene are as follows:

1. Provide ample economic opportunities for all community members

2. Provide housing affordable to all income levels
3. Plan for climate change and energy resiliency
4. Promote compact urban development and efficient transportation options
5. Protect, repair and enhance neighborhood livability
6. Protect, restore and enhance natural resources
7. Provide for adaptable, flexible, and collaborative implementation

The initial review of Envision Eugene created the chapters that address Economic Development, Transportation, Administration and Implementation, and the Urban Growth Boundary. Transportation policies are carried over from the 2035 TSP.

Transportation System Plan-2017

The Transportation System Plan (TSP) is a 20-year transportation planning document which carries forward many of the PBMP projects that have yet to be funded. The TSP identifies projects, an estimated project cost (if applicable), and time frame (either in a 20-year time frame or future).

The TSP identifies 61 projects that occur within or adjacent to the Bethel neighborhood that would potentially be completed in the 20-year horizon of the plan. The projects are classified as:

- Roadway, Multimodal, Transit, and Rail projects (identified by main corridor, but also including complete street upgrades of existing streets);
- Pedestrian and Bicycle projects (including access ways, neighborhood greenways, protected bike lanes, on-street bike lanes, shared use path, sidewalk path, grade separated path or sidewalk, and sidewalks);
- Beyond 20-years projects;
- Study projects; and
- Upon-development projects.

Of these 61 projects, 19 are classified to occur as development occurs in the Bethel area, meaning as properties develop or redevelop these projects would be completed to serve new development. The timing of these projects is uncertain.

Eugene Parks and Recreation System Plan-2018

The guiding goals of the System Plan are to:

- care for and make the most of what the community has by finding secure funding for maintenance, renovating, and expanding existing community centers and pools, reinvesting in parks in disrepair, reenergizing downtown open spaces;
- serve the entire community with large regional centers and in areas that are underserved;
- create more connections to trails, water sources, neighborhoods; and,
- build better partnerships by leveraging public dollars and private partnerships and partnering with service providers to bring needed assets to neighborhoods and enhance the value of parks and recreation assets.

The Eugene Parks and Recreation System Plan divides the city into six geographically based parks-planning districts. The System Plan identifies the existing resources in each of the planning districts, any issues and needs, and specific projects identified for that area. The Bethel neighborhood is one of the six planning districts.

As an overview, the Bethel parks planning district currently has 1,722 acres of parks, recreation and open space (including partner-owned lands), with 859 of those acres owned by the City of Eugene, second highest city-wide only to the Southeast planning district in the Plan. Approximately 64% of these acres are natural areas, 8% are developed, and the remaining 27% are for future development. The acreage of land reserved for future development is the city's highest at 229 acres, and is the second highest percentage of city commitment (27%) only behind the River Road/Santa Clara planning district (34%). Additionally, Bethel has one of the highest concentrations of the city's courts, sports fields, and skate parks.

The identified issues and needs paired with the existing facilities and their condition to develop a list of 43 identified projects ranging from \$15,000 to \$25 million. Each project receives an estimated capital cost and a priority ranking.

Moving Ahead-2018

Moving Ahead serves as a multi-corridor alternatives analysis for bus rapid transit improvements. One of the corridors studied is the Highway 99 Corridor, the easternmost major roadway in the Bethel neighborhood boundary.

The analysis proposes three alternatives: a No-Build Alternative, an Enhanced Corridor Alternative, and an EmX Alternative, each bringing benefits and impacts to the surrounding land uses. The plan organizes the alternatives by operations and capital investments. Operations refers to improvements required for a more frequent level of bus service. Capital investments refers to the investments needed for these transit improvements and additional bicycle and pedestrian improvements outside of the TSP. The analysis also looks at the impacts of each alternative.

The No-Build Alternative lists capital investments as the bicycle and pedestrian projects identified for Highway 99 in the 2035 TSP. The Enhanced Corridor Alternative identifies improvements to better serve transit needs on the Highway 99 corridor in addition to the previously listed TSP projects and nine new enhanced crossings, two upgraded crossings, reconstructed and new sidewalks, and a pedestrian bridge connecting Bethel to the Trainsong neighborhood. The EmX alternative identifies the highest level of capital investments to best serve the transit, bike, and pedestrian needs of the corridor.

Compared to the No-Build Alternative, the Enhanced Corridor and EmX Alternatives significantly decrease transit travel time (by 10 and 12 minutes, respectively) and would increase ridership more than any other corridor (by 111,000 and 267,000 annual trips, respectively). Both build alternatives would provide more frequent transit service. The No-Build Alternative avoids impacts (including property acquisitions, on-street parking impacts, and potential tree removal) and costs, but does not provide the same level of benefits compared to the Enhanced Corridor and EmX Alternatives.

Figure 1. Geographic boundary of the ABC neighborhood

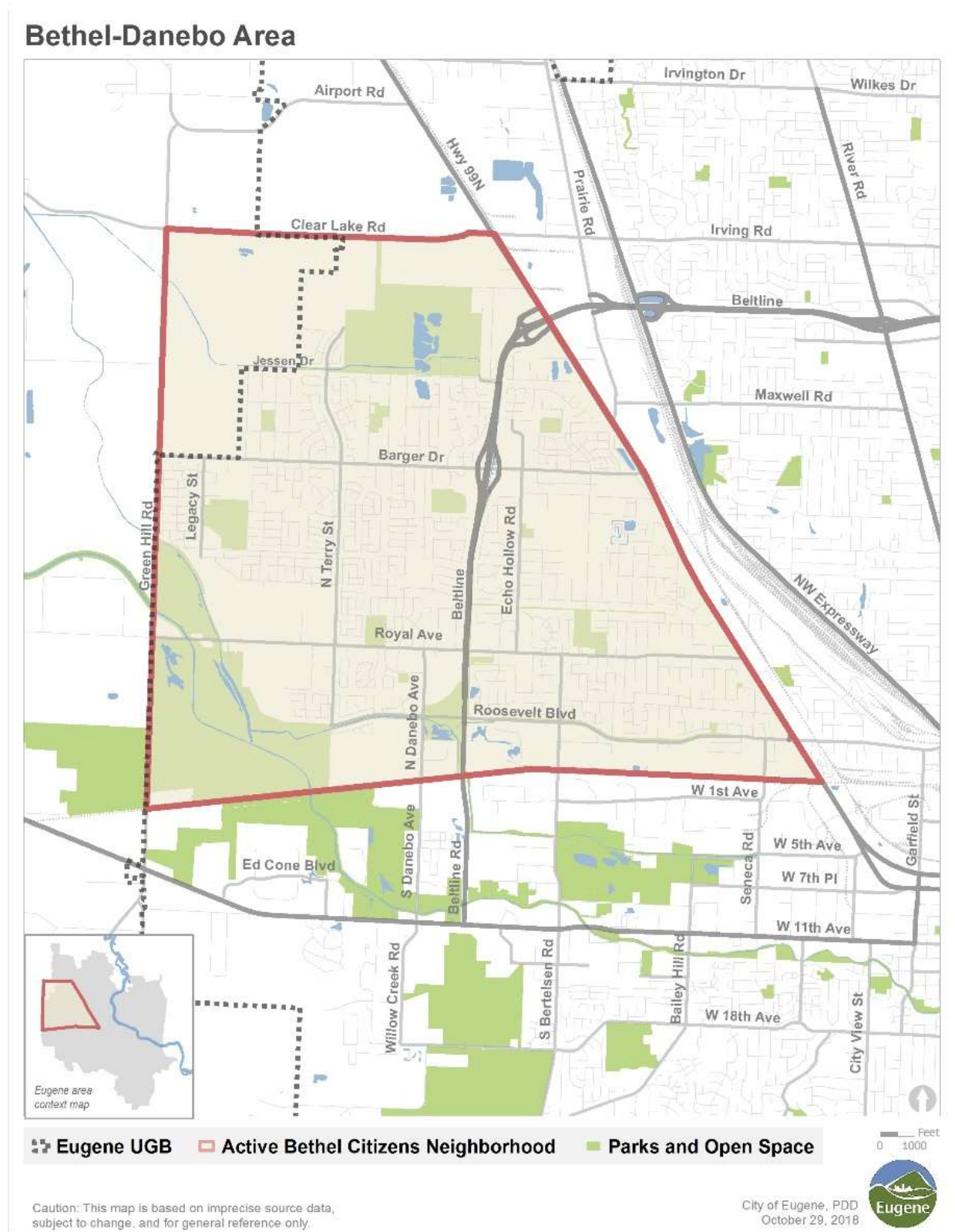


Figure 2. Danebo Neighborhood Development Plan area

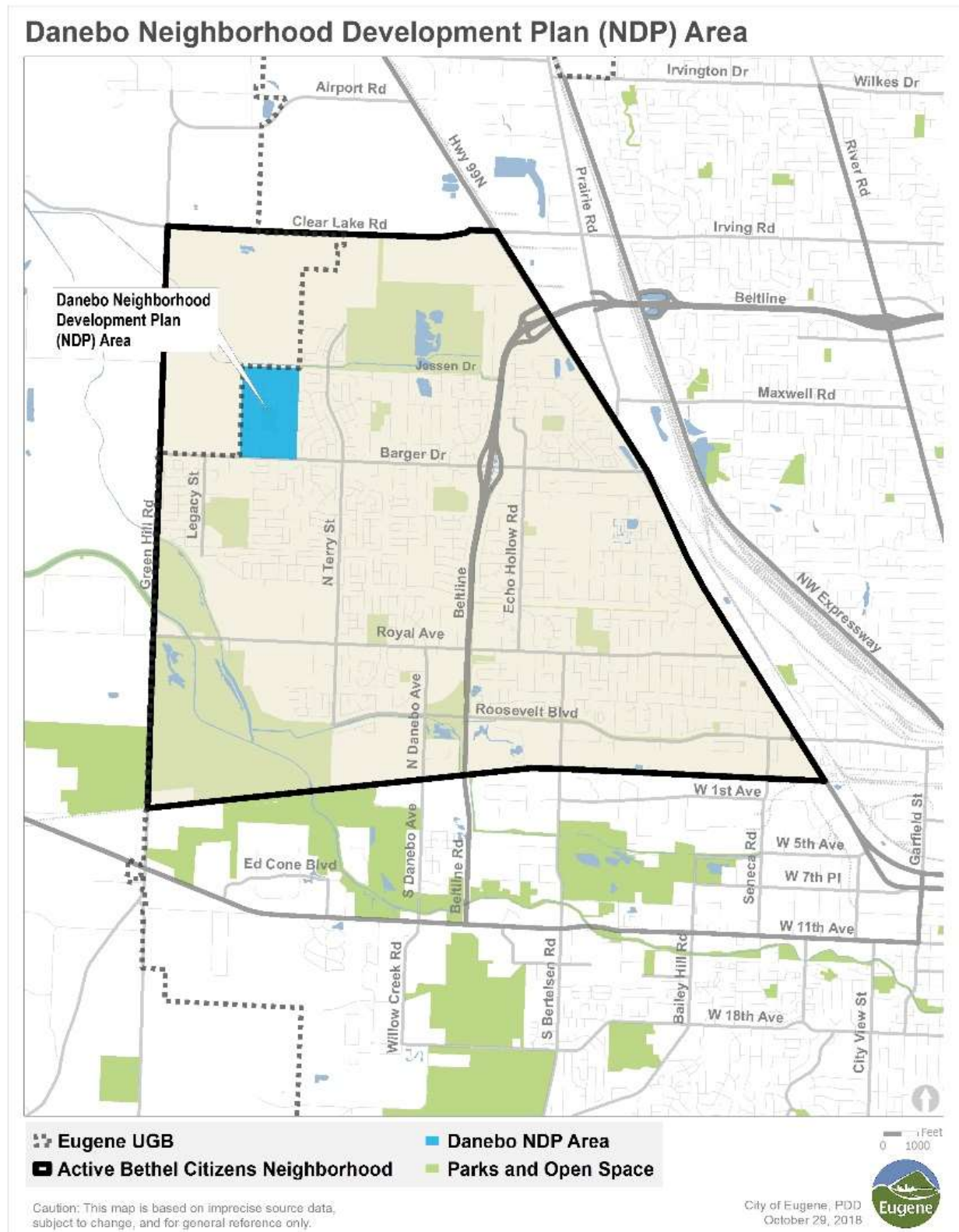
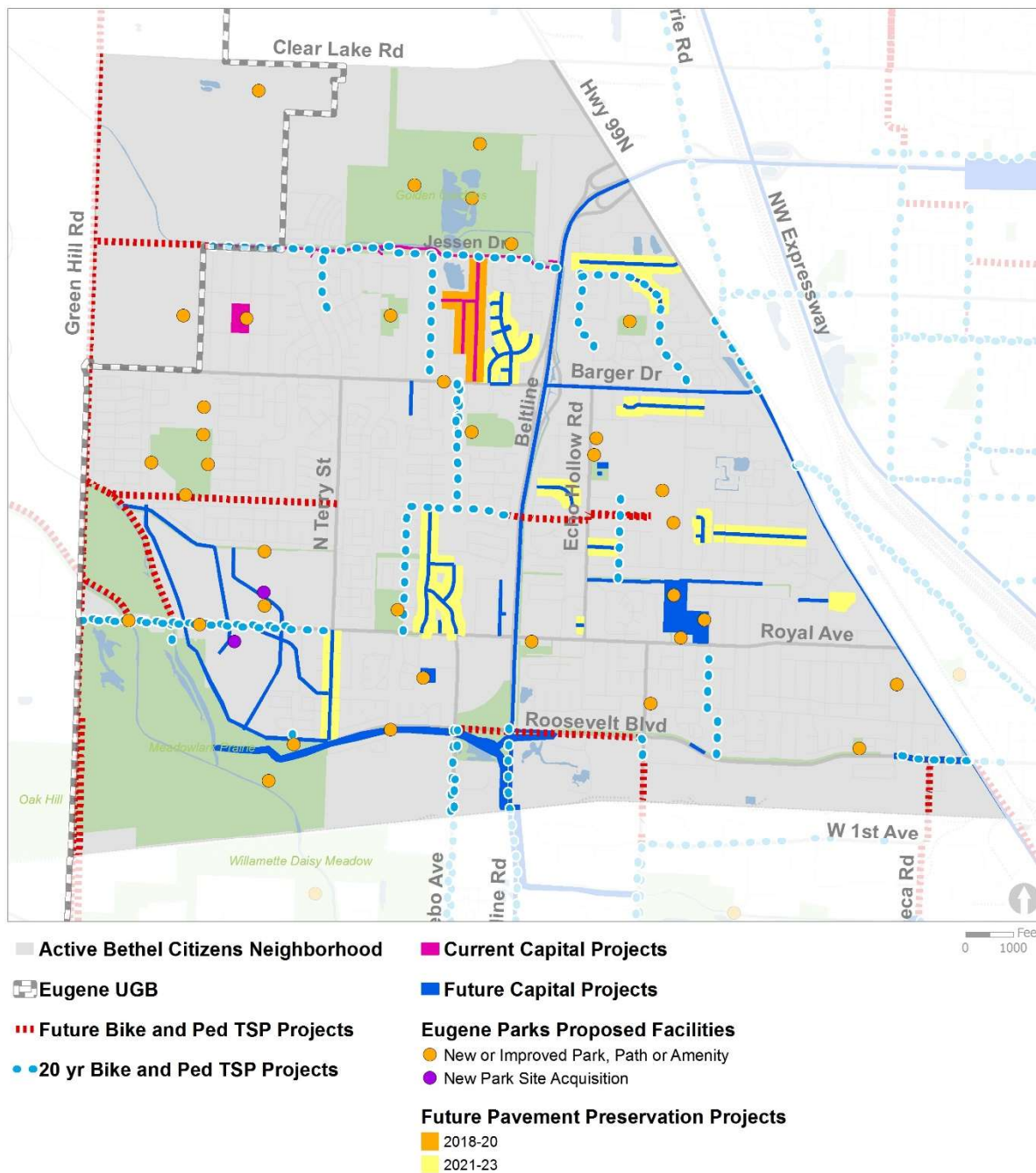


Figure 3. Planned Infrastructure Improvements in the Bethel area

Current & Future Projects



Caution: This map is based on imprecise source data, subject to change, and for general reference only.

City of Eugene, PDD
November 9, 2018

