



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

October 16, 2023

5:30 p.m. CITY COUNCIL PUBLIC HEARING

City Council meetings will continue to be held in hybrid format using in person and 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 October 16, 2023;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Randy Groves, President
Lyndsie Leech
Jennifer Yeh
Mike Clark

Matt Keating, Vice President
Emily Semple
Alan Zelenka
Greg Evans

5:30 p.m. CITY COUNCIL PUBLIC HEARING

- 1. PUBLIC HEARING: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.937, 2.938, 2.939 and 2.940 of the Eugene Code, 1971.**
- 2. PUBLIC HEARING: An Ordinance Amending the Eugene-Springfield Metropolitan Area General Plan Diagram to Redesignate the Property Identified as Assessor's Map 17-04-32-14, Tax Lot 00200 and Assessor's Map 17-04-32-13, Tax Lot 00600 from Campus Industrial to Light Medium Industrial and Rezone the Property from E-1 Campus Employment to I-2 Light-Medium Industrial.**
- 3. PUBLIC HEARING: An Ordinance Adopting An Amended Urban Renewal Plan For The Riverfront Urban Renewal District.**

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.

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



Public Hearing: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Sections 2.937, 2.938, 2.939 and 2.940 of the Eugene Code, 1971.

Meeting Date: October 16, 2023
Department: Planning and Development Department
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Laura Hammond
Contact Telephone Number: 541-682-5502

ISSUE STATEMENT

Eugene's Low-Income Rental Housing Property Tax Exemption (LIRHPTE) program provides a 20-year property tax exemption to support rental housing that is affordable to lower income community members. In 2023, the Oregon Legislature passed HB 2080 which amends the LIRHPTE statutes to allow local jurisdictions to include limited equity cooperatives for low-income households in the types of developments eligible for the exemption. This public hearing is on a proposed ordinance that would amend the Eugene Code to make limited equity cooperatives in the City of Eugene eligible for the LIRHPTE. (See Attachment A for the draft ordinance.) Action on this item is tentatively scheduled for October 23, 2023.

BACKGROUND

The LIRHPTE is enabled by state statutes; specifically, ORS 307.515-307.540. The 20-year exemption is for properties offered for rent to low-income households or properties in predevelopment being held for the purpose of constructing low-income rental housing. The Eugene Code currently limits eligibility for this program to low-income rental housing that is affordable to households earning no more than 60percent of the area median income (AMI). Applicants requesting a 20-year exemption can be non-profit housing providers or other entities providing low-income rental housing.

In 1990, the City Council adopted the LIRHPTE program to facilitate the development of affordable housing for low-income persons. In compliance with provisions enacted by the Oregon Legislature, the City Council adopted Sections 2.937 to 2.940 of the Eugene Code, 1971, which provide procedures for granting exemptions from ad valorem taxes on low-income rental housing. See Attachment B for answers to frequently asked questions about Eugene's LIRHPTE program.

In 2023, the Oregon Legislature approved [House Bill 2080](#) expanding LIRHPTE eligibility to include limited equity cooperatives. The legislation defines a "limited equity cooperative" as a cooperative corporation formed under ORS chapter 62 whose articles of incorporation prohibit members from selling their ownership interests in a housing unit to any person other than a low

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income person; or for a sales price that exceeds: the price the member paid for the ownership interest, the cost of any permanent improvements the member made to the housing unit, and any special assessment the member paid to the cooperative during their ownership and interest of at least three percent compounded annually. An example of this type of “limited equity cooperative” housing is Peace Village on River Road, which will include 70 affordable units. Residents will collectively own the housing and will commit to resell their home/share at a price that maintains affordability.

Proposed Ordinance: The proposed ordinance would allow housing or property owned by a limited equity cooperative to qualify for the LIRHPTE if:

1. It is occupied by low-income persons holding a proprietary lease in the limited equity cooperative;
2. The charges paid by the occupant to the limited equity cooperative for occupancy reflect the full value of the property tax exemption;
3. The application for exemption is filed before July 1, 2030;
4. The housing units on the property were constructed, or converted to limited equity cooperative ownership, after February 12, 1990;
5. The proposed development is consistent with the policies set forth in the Standards and Guidelines for Low-Income Rental Housing Property Tax Exemption adopted by council resolution;
6. The proposed development is consistent with the city’s housing dispersal policy;
7. The proposed development does not cause displacement of low-income persons unless the city and developer can reach agreement on provisions (to be provided by the developer) that reflect satisfactory mitigation thereof;
8. The proposed development does not cause destruction of historic properties; and,
9. The proposed development is otherwise consistent with the Eugene Code and adopted city regulations and policies.

The proposed ordinance would expand the type of developments *eligible* for LIRHPTE to include limited equity cooperatives. It would *not approve* any specific LIRHPTE applications. Each LIRHPTE application must be separately approved by City Council by resolution. Applicants must demonstrate a direct reduction in rent or the housing payment due to the exemption.

The rest of the proposed code changes in the ordinance are focused on readability and on aligning the City’s LIRHPTE code provisions with state statutes. As allowed by state law, the proposed ordinance would expand the definition of “low income” to allow rental housing to assist households earning up to 80 percent of area median income (AMI) in certain circumstances and still be eligible for the LIRHPTE. If the proposed ordinance is adopted, a rental housing would be considered “low income” under any of the following three circumstances. First, the rental housing is only available to persons with an income at or below 60 percent AMI. Second, only persons with an income at or below 60 percent AMI are eligible to initially occupy rental housing assisted with LIRHPTE, but the household’s income may rise up to 80 percent AMI after the first year of

occupancy and the rental housing would still be eligible for the LIRHPTE. Third, for rental units on property that is awarded Low Income Housing Tax Credits, the rental housing is available to persons with an income at or below 80 percent AMI, provided that the average area median income of all housing units on the property is at or below 60 percent AMI.

Program Impact: Since 1990, Eugene has approved 37 property tax exemptions for low-income developments totaling over 1,600 housing units throughout the city. The property tax exemption plays a significant role in reducing rents for low- and very-low-income residents of Eugene. The monetary benefit of the exemption varies based on development size and appraised tax value.

The LIRHPTE program, along with commitment of other local resources, enables Eugene Affordable Housing developers to successfully compete for and leverage highly competitive state and federal resources for the continued development of quality Affordable Housing in Eugene. These developments also help support the local economy through the creation of construction jobs and permanent property management, building maintenance, and service provider jobs. Expansion of the types of development eligible for the LIRHPTE through the proposed ordinance would allow more Eugene projects to leverage those resources and would increase access to homeownership for low-income households.

RELATED CITY POLICIES

Housing Implementation Pipeline (HIP): The proposed update aligns with Affordable Housing preservation and development goals outlined in the HIP 5-year internal workplan. The HIP lists the LIRHPTE program as an important tool for supporting housing that serves the public good. The inclusion of limited equity cooperatives in the LIRHPTE program will help affordable housing developers to both finance new construction and to preserve existing affordable limited equity cooperative housing units furthering the HIP's 2- and 5-year goals of increasing and maintaining the number of Affordable Housing units available to the community.

City of Eugene [Strategic Plan 2023-2026](#) – The proposed update aligns with the following areas of the City's strategic plan:

Urgent Community Needs

- Stabilize the cost of housing.

PREVIOUS COUNCIL DIRECTION

[May 26, 2020 Meeting](#)

City Council moved to adopt an Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971 to extend the sunset date 10 years. The Council also moved to adopt the Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028 to comply with state law. (Motions passed 8:0)

COUNCIL OPTIONS

No action is required at this time.

CITY MANAGER'S RECOMMENDATION

This item is scheduled for public hearing only.

SUGGESTED MOTION

This item is scheduled for public hearing only.

ATTACHMENTS

- A. Draft Ordinance: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Sections 2.937, 2.938, 2.939 and 2.940 of the Eugene Code, 1971
- B. LIRHPTE Frequently Asked Questions

FOR MORE INFORMATION

Staff Contact: Laura Hammond, Housing Tools Analyst
Telephone: 541-682-5502
Staff E-Mail: LHammond@eugene-or.gov

ORDINANCE NO. _____

**AN ORDINANCE CONCERNING LOW-INCOME RENTAL HOUSING
PROPERTY TAX EXEMPTION AND AMENDING SECTIONS 2.937, 2.938,
2.939, AND 2.940 OF THE EUGENE CODE, 1971.**

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 2.937 of the Eugene Code, 1971, is amended to add the definitions of “limited equity cooperative” and “rent” and to amend the definition of “low income” to provide as follows:

2.937 Low-Income Rental Housing Property Tax Exemption – Definitions.

For purposes of sections 2.938 to 2.940, the following words and phrases mean:

City manager. The city manager of the city of Eugene, or the manager’s designee.

Lender. The provider of a loan secured by the recorded deed of trust or recorded mortgage made to finance the purchase, construction or rehabilitation of a property used for low income housing under the criteria listed in section 2.939 of this code.

Limited equity cooperative. A cooperative corporation formed under Chapter 62 of the Oregon Revised Statutes (ORS), whose articles of incorporation, in addition to the other requirements of ORS Chapter 62, prohibit members from selling their ownership interests:

(1) To any person other than a low income person; or

(2) For a sales price that exceeds the sum of:

(a) The price the member paid for the ownership interest;

(b) The cost of any permanent improvements the member made to the housing unit during the member’s ownership;

(c) Any special assessments the member paid to the limited equity cooperative during the member’s ownership that were expended to make permanent improvements to the building in which the member’s housing unit is located; and

(d) A return on the amounts described in (a) – (c) above, computed from the year in which the respective amount was paid, that equals the greater of the result of:

1. Adjusting each amount by the percentage increase, if any, in the Consumer Price Index for All Urban Consumers, West Region (All Items),

as published by the Bureau of Labor Statistics of the United States Department of Labor; or

2. Increasing each amount by three percent compounded annually.

Low-income. Low Income means:

(1) Income at or below 60 percent of the area median income as determined by the ~~State-Oregon~~ Housing Stability Council based on information from the United States Department of Housing and Urban Development;

(2) (a) For the initial year that persons occupy property for which an application for exemption is filed under EC 2.938, income at or below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development; and

(b) For every subsequent consecutive year that persons occupy the property, income at or below 80 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development; or

(3) For housing units on property that is awarded tax credits through the federal Low-Income Housing Tax Credit Program and is a qualified low income housing project meeting the requirements of 26 U.S.C. 42(g)(1)(C), income at or below 80 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development, provided the average area median income of all housing units on the property is at or below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development.

Rent. Rent includes charges paid by the holder of a proprietary lease in a limited equity cooperative for occupancy of a housing unit owned by the cooperative.

Section 2. Section 2.938 of the Eugene Code, 1971, is amended by amending the introductory language in subsection (1); amending subsection (1)(c); amending subsection (1)(d); amending subsection (1)(e); amending subsection (1)(f) and renumbering it as (1)(e)2.; amending subsections (1)(g) and (1)(h) and renumbering subsections (1)(g) and (1)(h) as (1)(f); adding a new subsection (1)(g); renumbering subsection (1)(i) as (1)(h); and renumbering subsection (1)(j) as (1)(i) to provide as follows:

2.938 Low-Income Rental Housing Property Tax Exemption – Application.

(1) An application for exemption from property taxes hereunder for low-income rental housing units ~~constructed after February 12, 1990~~ shall be filed with the city manager, on a form provided by the city manager, which shall contain the following, if applicable:

(a) A description of the property, or portion thereof, for which the exemption is requested;

(b) A description of the purpose of the project and whether all or a portion of the property will be used for that purpose;

(c) A certification of the income levels of low-income occupants;

(d) A description of how the tax exemption will benefit project ~~occupants~~residents;

(e) If the application will rely on the approval criteria in EC 2.939(3) or (4):

1. Evidence that, if unoccupied, the property is offered for rental solely as a residence for low-income persons, or is held for the purpose of developing low income rental housing; and

~~(f)~~ 2. Evidence that, if occupied, the property is occupied solely as a residence for low-income persons;

~~(g)~~ If the application will rely on the approval criteria in EC 2.939(4):

1. Evidence that the property is owned or being purchased by a non-profit corporation which meets the criteria for either a public benefit corporation ~~as described in ORS 65.001(38)~~, or a religious corporation, as ~~described~~ defined in ORS 65.001~~(40)~~; and

~~(h)~~ 2. Evidence that the nonprofit corporation expends no more than ten percent of its annual income from residential rentals for purposes other than acquisition, maintenance or repair of residential rental property for low-income persons;

(g) If the application will rely on the approval criteria in EC 2.939(6), evidence that the housing units are owned by a limited equity cooperative as defined in EC 2.937 that meets the criteria for a cooperative corporation under ORS Chapter 62.

~~(h)~~ A description of the plans for development of the property if the property is being held for future low income rental housing development; and

~~(i)~~ Any other information required by the city manager.

Section 3. Section 2.939 of the Eugene Code, 1971, is amended by amending subsection (2); adding a new subsection (3); renumbering subsections (2)(a)-(c) as (3)(a)-(c); adding subsection (3)(d); renumbering subsection (2)(d) as (3)(e); amending subsection (2)(e) and renumbering it as (3)(f); renumbering subsections (2)(f) through (2)(i) as (3)(g) through (3)(j); amending subsection (3) and renumbering it as (4); renumbering the final paragraph in subsection (3) as (5) and (5)(a); adding a new subsection (5)(b); adding a new subsection (6); and renumbering subsections (4) through (7) as (7) through (10) to provide as follows:

2.939 Low-Income Rental Housing Property Tax Exemption – Review, Approval or Denial of Application.

(1) Upon receipt of the application and required fee, the city manager shall review the application and make a written recommendation thereon to the council in sufficient time to allow the council to act within 60 days from the date the application is filed.

(2) Upon receipt of the city manager's recommendation the council shall consider the application and grant or deny the property tax exemption. ~~The city manager shall recommend approval of an application, and the council shall grant the exemption upon determining satisfactory compliance with or mitigation of the following criteria:~~

(3) The city manager shall recommend approval of an application, and the council shall grant the exemption upon determining satisfactory compliance with or mitigation of the following criteria:

(a) If unoccupied, the property:

1. Is offered for rental solely as a residence for low income persons; or
2. Is held for the purpose of developing low income rental housing;

(b) If occupied, the property, or portion thereof subject to the property tax exemption, is occupied solely ~~as a residence for~~by low-income persons;

(c) The required rent payment reflects the full value of the property tax exemption;

(d) The applicant's application was filed before July 1, 2030;

~~(e)~~ The housing units on the property were constructed after February 12, 1990;

~~(f)~~ The proposed development is consistent with the policies set forth in the Standards and Guidelines for Low-Income Rental Housing Property Tax Exemption adopted by council resolution;

~~(g)~~ The proposed development is consistent with the city's housing dispersal policy;

(~~hg~~) The proposed development does not cause displacement of low-income persons unless the city and developer can reach agreement on provisions (to be provided by the developer) that reflect satisfactory mitigation thereof;

(~~h~~) The proposed development does not cause destruction of historic properties (as defined in section 9.0500 of this code), except:

1. Where development has proceeded according to historic property moving and demolition procedures as set forth in sections 9.8160, 9.8180 and 9.8185 of this code; or

2. The property is granted an exception by the council; and,

(~~i~~) The proposed development is otherwise consistent with this code and adopted city regulations and policies.

(~~43~~) As an alternative to an application considered under subsection (~~32~~) of this section, the city manager shall recommend approval of an application, and the council shall grant the exemption upon determining the applicant meets the criteria set forth in subsections (~~32~~)(~~de~~), (f), (g), (h) (~~i~~) and (~~i~~) of this section and all the following criteria:

(a) If unoccupied, the property is offered for rental solely as a residence for low-income persons, or is held for the purpose of developing low income rental housing;

(b) If occupied, the property, or portion thereof subject to the property tax exemption, is occupied solely as a residence for low-income persons;

(c) The applicant's application was filed prior to July 1, 2030;

(d) The property is owned or being purchased by a nonprofit corporation organized in a manner that meets the criteria for either a public benefit corporation or, ~~as described under ORS 65.001(38) or for a religious corporation, as those terms are described under defined in~~ ORS 65.001(~~40~~); and

(e) The property is owned or being purchased by a nonprofit corporation that expends no more than ten percent of its annual income from residential rentals for purposes other than acquisition, maintenance or repair of residential rental property for low-income persons, or for the provision of on-site child care services for the residents of the rental property.

(~~5~~) For purposes of ~~this~~ subsection (~~4~~):

(~~a~~); Aa nonprofit corporation that has only a leasehold interest in property is considered to be a purchaser of that property if the nonprofit corporation is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in the rental activity on that property, or the rent payable has been established to reflect the savings resulting from the exemption from taxation; and

(b) A partnership shall be considered a nonprofit corporation if the nonprofit corporation is a general partner of the partnership and the nonprofit corporation is responsible for the day-to-day operation of the property that is the subject of the application for exemption.

(6) The city manager shall recommend approval of an application, and the council shall grant the exemption upon determining the applicant meets the criteria set forth in subsections (3)(d), (f), (g), (h) (i) and (j) of this section and all the following criteria:

(a) The property is owned by a limited equity cooperative;

(b) The property is occupied by low income persons holding a proprietary lease in the limited equity cooperative; and

(c) The housing units on the property were constructed, or converted to limited equity cooperative ownership, after February 12, 1990.

(74) At the meeting at which the city manager's recommendation is considered the council shall adopt a resolution approving the application and granting the property tax exemption, or adopt a resolution disapproving the application and denying the property tax exemption.

(85) A resolution approving an application shall contain:

(a) The owner's name and address;

(b) A description of the housing unit;

(c) The legal description of the property or the county assessor's property account number;

(d) Any specific conditions upon which the approval is based;

(e) If only a portion of the property is approved, a description of the portion approved; and

(f) A certification that the property or portion thereof, is exempt from ad valorem taxation.

(96) Within ten days from the date of its adoption, the city manager shall forward to the applicant a copy of the resolution adopted by the council approving an application, and, on or before April 1 following approval shall file a copy thereof with the county assessor. The copy shall contain therein or be accompanied by a notice explaining to the applicant the grounds for possible termination of the exemption prior to the end of the exemption period or thereafter, and the effects of termination.

(107) A resolution denying an application shall state the reasons for denial, shall be forwarded to the applicant within ten days of its adoption, and shall inform the applicant of the right to appeal in the manner set forth in ORS 34.010 to 34.100.

Section 4. Section 2.940 of the Eugene Code, 1971, is amended by amending subsection (1); amending subsection (1)(a); amending subsection (1)(c) and renumbering part of subsection (1)(c) as (2); amending subsection (2) and renumbering it as (3); amending subsection (3) and renumbering it as (4); amending subsection (4) and renumbering it as (5);

amending subsection (5) and renumbering it as (6); amending subsection (6) and renumbering it as (7) to provide as follows:

2.940 Low-Income Rental Housing Property Tax Exemption – Termination.

(1) ~~An exemption may be terminated if~~ If after a resolution approving an application for exemption hereunder has been filed with the county assessor the city manager finds that:

- (a) Construction or development of the exempt property differs from the construction or development described in the application for exemption, or was not completed on or before July 1, 2030, and no extensions or exceptions as provided in subsection (45) of this section ~~hereof~~ have been granted; or,
- (b) The applicant has failed to comply with the provisions of ORS 307.515 to 307.523, the provisions of this code, or any provisions of the standards and guidelines adopted by council resolution; or,
- (c) The applicant has failed to comply with any conditions imposed in the resolution approving the application.

(2) If, after a resolution approving an application for exemption hereunder has been filed with the county assessor, the city manager finds that any of the conditions described in subsection (1) of this section apply to the exempt property, the city manager shall recommend to the council, and notify the owner of the property, at the owner's last known address, and every known lender, at the last known address of each such lender, of the manager's recommendation that the exemption be terminated. The notice shall clearly state the reasons for the proposed termination, and shall require the owner to appear before the council, at a time specified in the notice, which shall be 20 days or more from the date the notice was mailed, to show cause, if any exists, why the exemption should not be terminated.

(~~23~~) If the owner fails to appear before the council at the time specified in the notice, or if the owner appears and fails to show cause why the exemption should not be terminated, the city manager shall notify every known lender and shall allow each such lender not less than 30 days after the date the notice of the failure to appear and show cause is mailed to cure any noncompliance or to provide ~~assure~~ adequate assurances to the council that all noncompliance shall be remedied. If the owner fails to appear and show cause why the exemption should not be terminated, and the lender fails to cure or give adequate assurance that any noncompliance will be cured, the council shall adopt a resolution terminating the exemption, which shall contain ~~its~~ the council's findings in support ~~thereof~~ of the termination. Copies of the resolution shall be filed with the county assessor and mailed to the property owner, at the owner's last address, and to the lender, at the lender's last known address, within 10 days from the date the resolution is adopted. If a determination is made that the exemption should continue as previously granted, the council shall adopt a motion rejecting the manager's recommendation, and notify the property owner of that action within 10 days from the date of the hearing.

(~~34~~) All reviews of council action in denying an application or terminating an exemption shall be governed by the procedures set forth in ORS 34.010 to 34.100 and correction of assessments and tax rolls and the evaluation of the property shall be in conformity with subsection (2) of ORS 307.533. The council's action on an exemption ~~shall not be~~ is not a land use decision ~~for purposes of administrative review~~.

(45) Upon receipt of a request from the property owner, the council may, by resolution, extend the deadline beyond July 1, 2030 for completion of construction of the low-income rental housing for a period not to exceed 12 consecutive months, i.e., July 1, 2031, if it finds the failure to complete construction by July 1, 2030 was due to circumstances beyond the control of the owner, and that the owner had been and could reasonably be expected to act in good faith and with due diligence. If property granted an exemption hereunder is subsequently destroyed by fire or act of God, or is no longer capable of owner-occupancy due to circumstances beyond the control of the owner, the exemption shall cease, but no additional taxes shall be imposed upon the property under ORS 307.531 or 307.533.

(56) The low-income housing granted an exemption by the council shall be exempt from ad valorem taxation for 20 successive years beginning with the tax year commencing immediately following the calendar year in which the application was approved. The exemption shall apply only to the land and improvements located thereon that are a part of ~~the~~ a low-income rental housing development unit, or land that is being held for future development of low income rental housing. The exemption shall be in addition to any other exemption provided by law. In the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted. Such applications shall be processed in accordance with sections 2.937 to 2.940 of this code.

(67) Any exemption granted by the council shall terminate immediately, without right of notice or appeal, and in accordance with the provisions of ORS 307.531, in the event:

(a) The exempt property is being held for future development of low income rental housing and it is used for any purpose other than the provision of low income rental housing; or

(b) The county assessor determines that a change of use to other than that allowed has occurred for the housing unit, or portion thereof, or a declaration as defined in ORS 100.005 is presented to the county assessor or tax collector for approval under ORS 100.110.

~~Termination shall be in accordance with the provisions of ORS 307.531.~~

Section 5. The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein, or in other provisions of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

Passed by the City Council this

___ day of _____, 2023

City Recorder

Approved by the Mayor this

___ day of _____, 2023

Mayor

Low-Income Rental Housing Property Tax Exemption Frequently Asked Questions

What is a LIRHPTE?

The Low-Income Rental Housing Property Tax Exemption (LIRHPTE) provides a 20-year property tax exemption for Eugene rental housing that offers rents affordable to lower income households or property that is held for the purpose of developing low-income rental housing. The income limit for the program is 60% of the area median income based on household size, as determined annually by the US Department of Housing and Urban Development (HUD).

What does it do?

The LIRHPTE is an incentive to create housing opportunities that are affordable to lower income households – a critical need in our community. By providing tax exemptions for low-income housing LIRHPTEs help to preserve the affordability and offer below-market rents. It is one way the City of Eugene is working to create more housing that is affordable to people with lower household incomes in our community. ([Learn about more affordable housing efforts](#))

Who can apply for a LIRHPTE in Eugene?

Eligible owners include:

- non-profit public benefit (501c3) or religious corporations or
- any owner (including for-profit organizations) if the housing was constructed after 1990.

When are applications due?

Applications are due before December 1 of the calendar year immediately preceding the tax year for which an exemption is requested. Applications are accepted anytime, except for the months of June and July. If the property is not yet owned by the applicant at the time of application, the purchase must complete by March 31 of the year for which the exemption is requested.

What is required to get a LIRHPTE?

If an applicant is eligible, they must commit to offering rents that are affordable to people earning no more than 60% of the area median income based on household size (determined annually by HUD) for a period of 20 years. Below are the current HUD income limits for our area:

2023 – AREA MEDIAN INCOME LIMITS							
Persons in Household (#)	1	2	3	4	5	6	7
60% AMI (\$)	35,460	40,500	45,540	50,580	54,660	58,680	62,760

Applicants must submit a completed City of Eugene application packet that documents that the development meets the LIRHPTE criteria established by the State and City of Eugene. The packet includes documentation of the ownership entity, a legal property description, proof of ownership of the

property or site control (such as a purchase option agreement), a rent regulatory agreement (city form), consent to inspect the premises (city form), and certification of income levels of occupants. Applicants submit additional documentation related to required rents, occupation by low-income households, and documentation that owners spend no more than 10% of their annual rental income for purposes other than acquisition, maintenance, or repair of residential rental property for low-income persons.

The application must be signed before a Notary Public. If the applicant does not supply all the required information, the application will be returned. It will not be considered filed until it is complete.

The City Council will take action to approve or deny the application within 60 days of being filed. If it is approved, the City informs Lane County of the approval by April 1 the year the exemption will begin.

What is included in the application process?

Once an application is received, a public notice is sent to the property's local neighborhood association and school board for comment. Staff conduct an analysis of eligibility and prepare materials so the application can go before the City Council for consideration within 60 days of being filed. The City Council approves or denies the application by resolution at a scheduled public meeting.

How do I get an application?

You can request an application by emailing program staff, [Laura Hammond](#), or calling 541-682-5416.

Can you get a LIRHPTE for a portion of a property or does the entire development need to meet the rent and income limits?

The LIRHPTE can be applied just to the units that provide affordable housing at the required rent and income limits. The rest of the property would not be exempt from property taxes.

Can the LIRHPTE continue if the property is sold?

Please see the FAQ about termination of a LIRHPTE prior to the end of the 20-year exemption period. If the property is owned by a non-profit entity, it is possible to sell the property to another non-profit that would maintain the affordability and then the exemption would continue to be fulfilled. If the property was built since 1990 and has a different ownership model, it could be sold to anyone who would maintain the affordability and continue to fulfill the exemption.

Can a LIRHPTE be renewed?

Yes. In the last year of the 20-year affordability period the owner can apply to renew the exemption for another 20 years. It is important to apply by Dec 1 of the calendar year before the exemption expires to avoid a lapse in the exemption (which would go into effect in July of the next year).

Can a LIRHPTE be terminated before the end of the 20-year exemption period?

Yes. If the conditions of the LIRHPTE are not met and maintained the exemption can be terminated. Termination would mean that all taxes that had been exempted will be required to be repaid back to Year 1 of the exemption. Even if a property was maintained as affordable housing in accordance with the LIRHPTE program for 19 years, any action that constitutes termination before the 20-year exemption period is complete would require back taxes to be paid back to Year 1.



Are there differences in LIRHPTEs for a non-profit public benefit (501c3) or religious corporation versus a for-profit organization or other ownership entity providing housing built after 1990?

Yes. For housing developments owned by non-profit organizations, all units in the development and common area to support the units, including an on-site manager unit, are exempt. If the housing is owned by a for-profit organization or other ownership entity (and built after 1990), only the units that are occupied by low-income households are exempt. A manager's unit, for example, would not be considered part of the property tax exemption.

What are the requirements after receiving a LIRHPTE?

Property owners are required to submit reports of their residents' incomes and rents every year of their 20-year LIRHPTE period by February 1. City of Eugene provides the forms to use for reporting. Owners must properly verify the incomes of residents and only allow households earning no more than 60% of area median income to move into the property. Property owners must maintain the properties in good condition according to the City of Eugene Rental Housing Code. The City may inspect the premises to ensure compliance. Failure to submit annual reporting, accurately verify income eligibility of residents, or maintain good housing condition could result in termination of the LIRHPTE.

What is the Eugene Code and Oregon Revised Statutes that LIRHPTE falls under?

The State of Oregon enabled the City's LIRHPTE program through Oregon Revised Statutes 307.515 – 307.523. The LIRHPTE program is in Eugene Code 2.937 – 2.940.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing: An Ordinance Amending the Eugene-Springfield Metropolitan Area General Plan Diagram to Redesignate the Property Identified as Assessor's Map 17-04-32-14, Tax Lot 00200 and Assessor's Map 17-04-32-13, Tax Lot 00600 from Campus Industrial to Light Medium Industrial and Rezone the Property from E-1 Campus Employment to I-2 Light-Medium Industrial

Meeting Date: October 16, 2023
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Jeff Gepper
Contact Telephone Number: 541-682-5282

ISSUE STATEMENT

The City Council will hold a public hearing for a Metro Plan Amendment to change the plan designation from Campus Industrial to Light Medium Industrial, with a concurrent Zone Change from E-1 Campus Employment to I-2 Light-Medium Industrial, for two vacant tax lots located in between Owen Loop South and West 11th Avenue/Highway 126. A map of the subject property and zoning is provided in Attachment A and a draft of the ordinance is provided in Attachment B.

BACKGROUND

The Cintas applications include a privately initiated, site-specific Metro Plan Amendment (MA 23-4) and a concurrent Zone Change (Z 23-6). The applications would change the Metro Plan's land use designation of the property from Campus Industrial to Light Medium Industrial. This amendment to the Metro Plan Diagram is necessary for the applicant's concurrent request to rezone the subject property from E-1 Campus Employment to I-2 Light-Medium Industrial. The applicant's desired zoning of I-2 Light-Medium Industrial is inconsistent with the current Campus Industrial land use designation on the Metro Plan Diagram. For this reason, the applicant is seeking a change to the Metro Plan Diagram to establish consistency between their desired zoning and the Metro Plan's land use designation for the subject property.

The subject property consists of two vacant tax lots located in between Owen Loop South and West 11th Avenue/Highway 126 (Assessor's Map / Tax Lot: 17-04-32-14 / 00200 and 17-04-32-13 / 00600). The subject property is within an area known as the Greenhill Technology Park and includes a total of 9.9 acres. The subject property also has two overlay zones, the /CAS Commercial Airport Safety and /WB Wetland Buffer overlay zones. This request is only to change the plan designation and base zoning and has no impact on the existing overlay zones.

While the zone and designation change would allow the property to be used for any of the listed uses within the I-2 zone, the applicant has specifically requested the Metro Plan Amendment and Zone Change to allow for the development of a "Cleaning and Dyeing Plant." The applicant for this project is Cintas, a corporate entity providing uniform provision and cleaning, as well as other

business services. Cintas is seeking this change to locate a new facility within the City of Eugene where they have a large customer base. More about their business proposal and operational characteristics are available in the application materials.

Regardless of the applicant's intent to develop a Cintas facility on the subject property, the change in zoning from E-1 to I-2 will alter the allowed uses in general for the subject property. For ease of reference, a comparison table has been provided as Attachment C that illustrates the proposed change in permitted uses between the E-1 and I-2 zones.

The criteria for this Metro Plan Amendment and Zone Change are set forth at Eugene Code (EC) Sections [9.7735](#) and [9.8865](#). Draft findings demonstrating compliance with the approval criteria for this Metro Plan Amendment and Zone Change are attached as Exhibit C to the draft ordinance (Attachment B).

More information about the proposal, including any testimony received to date, is available at: <https://pdd.eugene-or.gov/LandUse/SearchApplicationDocuments?file=MA-23-0004>

PROCEDURAL SUMMARY

This Metro Plan Amendment and Zone Change application follows the Metro Plan Amendment Procedures of the Eugene Code starting at Eugene Code Section (EC) [9.7700](#). These applications are subject to the approval criteria at [EC 9.7735](#) and [EC 9.8865](#). Due to the site-specific nature of this application, this is a quasi-judicial land use decision, procedures for which begin at [EC 9.7065](#). Public notice for these applications has therefore been provided in accordance with Eugene Code, and the initial public hearing was conducted by the Eugene Planning Commission on [September 26, 2023](#). No written public testimony has been received for these applications to date. Following the public hearing, the Planning Commission deliberated and unanimously voted to recommend approval of the requested Metro Plan Amendment and Zone Change. The City Council's public hearing on this request will be followed by deliberations and potential action, which are tentatively scheduled for the November 13, 2023, City Council meeting.

A complete set of record materials for this Metro Plan Amendment and Zone Change are available for review at Planning and Development Department at 99 West 10th Avenue. The City Council has also been provided a with copy of the application file and record. As a courtesy, some of the materials are also available for review online [here](#).

PREVIOUS COUNCIL DIRECTION

None.

COUNCIL OPTIONS

No action is requested at this time. Deliberations and potential action are scheduled for November 13, 2023.

CITY MANAGER'S RECOMMENDATION

This item is scheduled for a public hearing only.

SUGGESTED MOTION

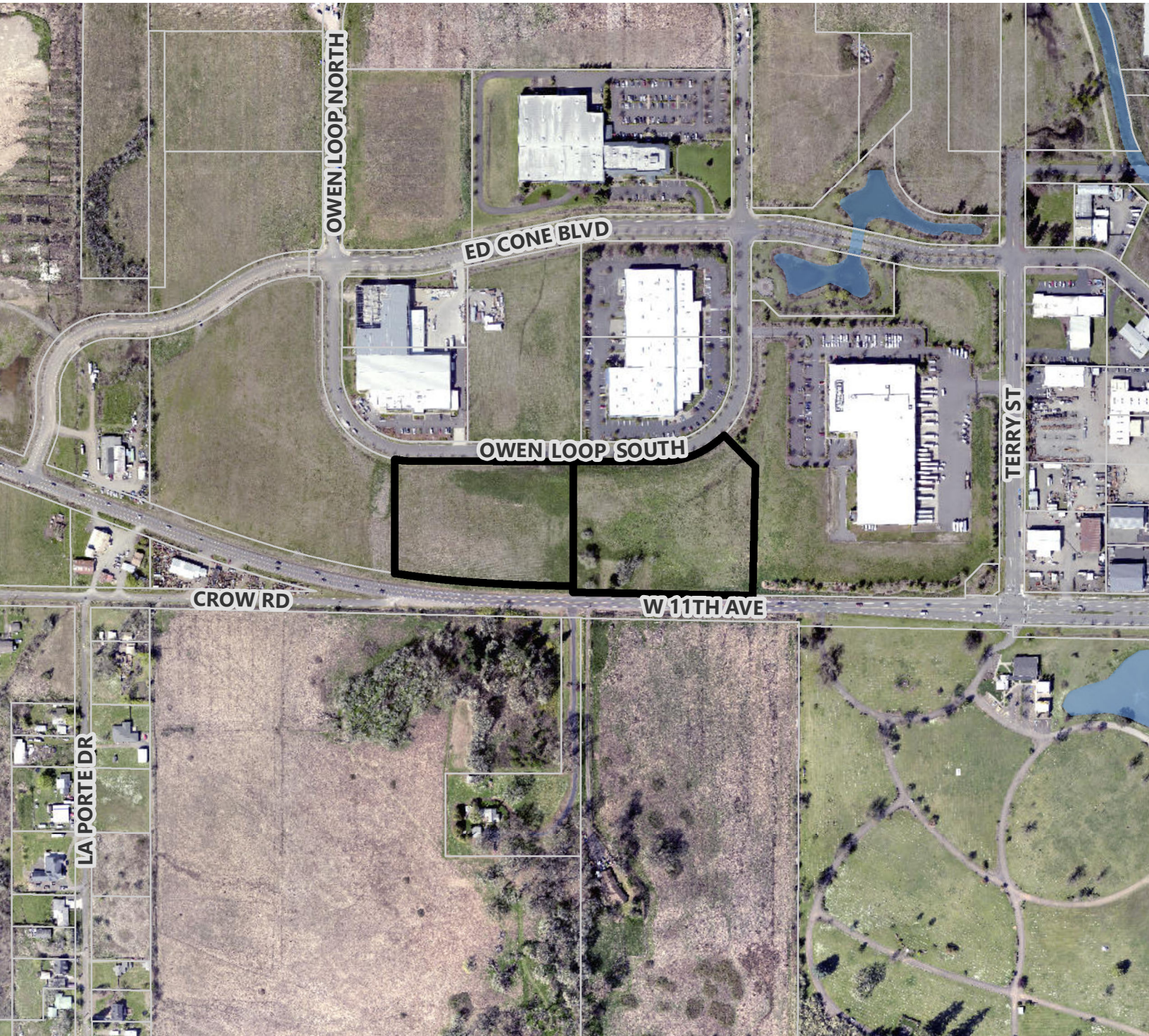
None.

ATTACHMENTS

- A. Map of the Subject Property and Zoning
- B. Draft Ordinance with Exhibits:
 - Exhibit A: Metro Plan Amendment Map
 - Exhibit B: Zone Change Map
 - Exhibit C: Findings
- C. Comparison of Allowed Uses

FOR MORE INFORMATION

Staff Contact: Jeff Gepper, Senior Planner
Telephone: 541-682-5282
Staff E-Mail: JGepper@eugene-or.gov



- Subject Property
- Taxlots
- Eugene UGB



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

Created on 9/14/2023
by City of Eugene Planning Division

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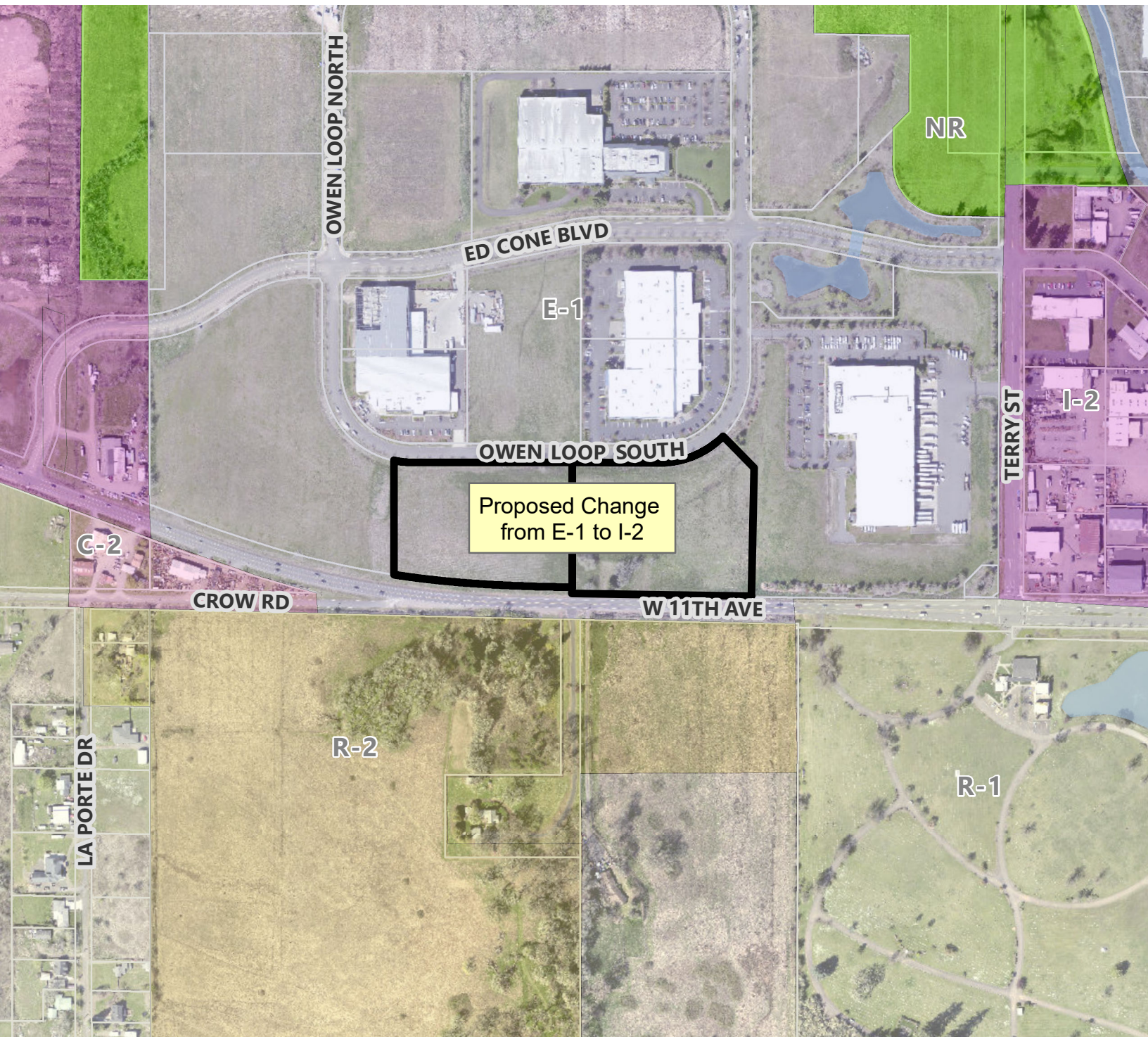




Cintas Metro Plan Amendment & Zone Change

City Files: MA 23-4 & Z 23-6

Attachment A
Zoning Map



- Subject Property
- C-2 Community Commercial
- E-1 Campus Employment
- I-2 Light-Medium Industrial
- NR Natural Resource
- R-1 Low-Density Residential
- R-2 Medium-Density Residential



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

Created on 9/14/2023
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ORDINANCE NO. _____

AN ORDINANCE AMENDING THE EUGENE-SPRINGFIELD METROPOLITAN AREA GENERAL PLAN DIAGRAM TO REDESIGNATE THE PROPERTY IDENTIFIED AS ASSESSOR'S MAP 17-04-32-14, TAX LOT 00200 AND ASSESSOR'S MAP 17-04-32-13, TAX LOT 00600 FROM CAMPUS INDUSTRIAL TO LIGHT MEDIUM INDUSTRIAL AND REZONE THE PROPERTY FROM E-1 CAMPUS EMPLOYMENT TO I-2 LIGHT-MEDIUM INDUSTRIAL.

The City Council of the City of Eugene finds as follows:

A. On July 14, 2023, Cintas Corporation submitted an application for a Type I amendment to the Plan Diagram for the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) and a concurrent zone change to redesignate and rezone the property identified as Assessor's Map 17-04-32-14, Tax Lot 00200 and Assessor's Map 17-04-32-13, Tax Lot 00600. The applicant requested a Metro Plan designation change from the Campus Industrial designation to a Light Medium Industrial designation. The zone change requested by the applicant would change the base zone of the subject property from E-1 Campus Employment to I-2 Light-Medium Industrial.

B. On September 26, 2023, the Eugene Planning Commission held a public hearing on the application. The Eugene Planning Commission recommended that the Eugene City Council amend the plan diagram for the Metro Plan as shown in Exhibit A and rezone the subject property as shown in Exhibit B.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The Plan Diagram for the Eugene-Springfield Metropolitan Area General Plan is amended to redesignate the property identified as Assessor's Map 17-04-32-14, Tax Lot 00200 and Assessor's Map 17-04-32-13, Tax Lot 00600, from Campus Industrial to Light Medium Industrial, as depicted on Exhibit A attached hereto and incorporated herein by reference.

Section 2. The property identified as Assessor's Map 17-04-32-14, Tax Lot 00200 and Assessor's Map 17-04-32-13, Tax Lot 00600, is rezoned from E-1 Campus Employment with /CAS Commercial Airport Safety Overlay Zone and /WB Wetland Buffer Overlay Zone to I-2 Light-Medium Industrial with /CAS Commercial Airport Safety Zone Overlay Zone and /WB Wetland Buffer Overlay Zone, as depicted on Exhibit B attached hereto and incorporated herein by this reference.

Section 3. The findings set forth in the attached Exhibit C are adopted in support of this Ordinance.

Section 4. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, that portion shall be deemed a separate, distinct, and independent provision and that holding shall not affect the validity of the remaining portions of this Ordinance.

Passed by the City Council this

_____ day of _____, 2023.

Approved by the Mayor this

_____ day of _____, 2023.

City Recorder

Mayor

Proposed Metro Plan Designation

Cintas - City Files: MA 23-4 & Z 23-6
Metro Plan Amendment & Zone Change

Attachment B

Exhibit A



Property to be redesignated from Campus Industrial to Light Medium Industrial on the Metro Plan's Plan Diagram



Proposed Zone Change

Cintas - City Files: MA 23-4 & Z 23-6
Metro Plan Amendment & Zone Change

Attachment B

Exhibit B



 Property to be rezoned from E-1 Campus Employment with /CAS Commercial Airport Safety Overlay Zone and /WB Wetland Buffer Overlay Zone to I-2 Light-Medium Industrial with /CAS Commercial Airport Safety Overlay Zone and /WB Wetland Buffer Overlay Zone



**FINDINGS IN SUPPORT OF AMENDING THE EUGENE-SPRINGFIELD
METROPOLITAN AREA GENERAL PLAN DIAGRAM TO REDESIGNATE THE
PROPERTY IDENTIFIED AS ASSESSOR'S MAP 17-04-32-14, TAX LOT 00200 AND
ASSESSOR'S MAP 17-04-32-13, TAX LOT 00600 FROM CAMPUS INDUSTRIAL TO
LIGHT MEDIUM INDUSTRIAL AND REZONE THE PROPERTY FROM E-1 CAMPUS
EMPLOYMENT TO I-2 LIGHT-MEDIUM INDUSTRIAL**

APPLICATION OVERVIEW

Name (File Numbers): Cintas (MA 23-4 / Z 23-6)

Map No. / Tax Lots: 17-04-32-14 / 00200 and 17-04-32-13 / 00600

The applicant is seeking an amendment to the land use diagram for the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) and a concurrent Zone Change. The requested changes are outlined in Table 1, below.

Cintas Metro Plan Amendment & Zone Change			
Application	Current	Proposed	Acres
Metro Plan Amendment	Campus Industrial	Light Medium Industrial	9.9
Zone Change	E-1 Campus Employment	I-2 Light-Medium Industrial	9.9

Table 1: Current/Proposed Plan Designations and Zoning (No changes to the existing /CAS Commercial Airport Safety or /WB Wetland Buffer Overlay Zones are proposed)

The subject property is located between Owen Loop South and West 11th Avenue/Hwy 126 in the far west of the City. It consists of two separate tax lots with one owner. The application was initiated by the property owner, as well as Cintas Corporation, who plans on locating a new facility on the subject property and is a co-applicant for the application.

FINDINGS

This request for a Metro Plan Amendment (Type I) is subject to the land use application procedures in the Eugene Code (EC) 9.7700-9.7735. The applicant has also requested a Zone Change. Consistent with EC 9.8855(4), the requested zone change is being processed concurrently and in accordance with the Metro Plan Amendment procedures. There is no applicable refinement plan that requires amendment as part of this request.

The following findings address compliance with the applicable approval criteria at EC 9.7735 and EC 9.8865. Those criteria are provided below (in **bolded text**), including findings addressing compliance with each.

METRO PLAN AMENDMENT

The applicant's requested Metro Plan Amendment proposes to change the land use designation of the subject property from Campus Industrial to Light Medium Industrial. The amendment qualifies as a Type I Metro Plan amendment as it only involves a change to the land use diagram and no text amendments to the Metro Plan are proposed or required. The following findings address the applicable approval criteria for the Metro Plan Amendment:

EC 9.7735 (1): The proposed amendment is consistent with the relevant Statewide Planning Goals.**Goal 1: Citizen Involvement - To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.**

The City's provisions for citizen involvement ensure the opportunity for community members to be involved in all phases of the planning process and set out requirements for such involvement. The proposal does not include any changes to the City's citizen involvement program. The City's land use code implements Statewide Planning Goal 1 through its noticing requirements, which for this request has included the following:

- A pre-application neighborhood/applicant meeting (06/06/2023).
- Notice to the Oregon Department of Land Conservation and Development (08/22/2023).
- Referrals and notice sent to Lane County, the City of Springfield, Oregon Department of Transportation, Lane Council of Governments, and Oregon Department of Fish and Wildlife. (08/17/2023).
- Public notice for the Planning Commission public hearing to consider the applications, which includes mailing notice to interested parties and adjacent property owners (08/24/2023); posting of the notice on-site (09/05/2023); and, publishing the notice in a local newspaper (09/06/2023).

Consideration of the plan amendment and zone change began with a Planning Commission public hearing on September 26, 2023, which provided an opportunity for members of the public to provide oral testimony in addition to written comments. Following consideration and deliberations, the Planning Commission recommended that the City Council approve the amendment to the land use diagram. The Eugene City Council then held its own public hearing to consider the proposal. Notice of the City Council's public hearing was provided consistent with the requirements of the Eugene Code.

Based on these findings, the amendment is consistent with Statewide Planning Goal 1.

Goal 2: Land Use Planning - To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

The Statewide Planning Goal 2 coordination requirement is met when the City engages in an exchange, or invites such an exchange, between the City and any affected governmental unit and when the City uses the information obtained in the exchange to balance the needs of its citizens. To comply with the Goal 2 coordination requirement, the City provided notice of the proposal and an opportunity to comment to entities including, but not limited to: Lane County, Lane Council of Governments, City of Springfield, the Oregon Department of Transportation and the Oregon Department of Land Conservation and Development.

In accordance with Statewide Planning Goal 2, the requested Metro Plan Amendment is being processed according to Eugene's land use code, which specifies the procedure and criteria for consideration of the request. The requested Metro Plan Amendment qualifies as a Type I Metro Plan amendment as defined in EC 9.7705 because the only requested change is to the Metro Plan's land use diagram, for lands located wholly within the City of Eugene. Consistent with EC 9.7715(1), the request for an amendment was initiated by a representative of the property owner. In accordance with EC 9.7705(1), this Type I amendment requires approval by City of Eugene only. The subject property is entirely within the Eugene City limits and there is no regional impact associated with this request to amend the Metro Plan land use designation.

As the application follows the procedural requirements established by Eugene's land use code, and there are no exceptions to Statewide Planning Goal 2 required, the plan amendment is consistent with Statewide Planning Goal 2.

Goal 3: Agricultural Lands - To preserve agricultural lands.

The Metro Plan Amendment will only affect properties located within the City of Eugene and therefore does not affect any lands designated by the comprehensive plan for agricultural use. To the extent that there are properties within the City currently zoned for agricultural use, this Metro Plan Amendment does not change the zoning of those properties or force a discontinuance of agricultural practices. For these reasons, the Metro Plan Amendment is consistent with Statewide Planning Goal 3.

Goal 4: Forest Lands - To preserve forest lands.

The Metro Plan Amendment will only affect properties located within the City of Eugene and therefore does not affect any lands designated by the comprehensive plan for forest use. The Metro Plan Amendment is therefore consistent with Statement Planning Goal 4

Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces - To protect natural resources and conserve scenic and historic areas and open spaces.

The City has adopted regulations consistent with the requirements of Goal 5 to protect the Willamette River and other waterways. There are Goal 5 resources located on the subject property as identified in the West Eugene Wetlands Plan. However, these are identified as “filled” wetlands and the Metro Plan Amendment will have no direct impact on the wetlands. Regardless of the subject property’s filled wetlands, the property includes the /WB Wetland Buffer Overlay Zone, which is an implementing measure for wetland protection for wetlands within the West Eugene Wetlands Plan. The existing /WB Overlay Zone is proposed to remain. The /WB protections predate the City’s adopted /WR Water Resource Overlay Zone, which implements some of the City’s Goal 5 protections. Nothing in the Metro Plan Amendment changes or affects the applicability of the City’s independently applicable Goal 5 regulations; specifically, nothing in the Metro Plan Amendment amends or affects the applicability of the City’s adopted and acknowledged Goal 5 protective measures.

The following relevant OAR provisions therefore apply:

OAR 660-023-0250(3) provides: Local governments are not required to apply Goal 5 in consideration of a PAPA unless the PAPA affects a Goal 5 resource. For purposes of this section, a PAPA would affect a Goal 5 resource only if:

(a) The PAPA creates or amends a resource list or a portion of an acknowledged plan or land use regulation adopted in order to protect a significant Goal 5 resource or to address specific requirements of Goal 5;

This Metro Plan Amendment constitutes a Post-Acknowledgement Plan Amendment (i.e. “PAPA”). However, nothing in the Metro Plan Amendment creates or amends the City’s list of Goal 5 resources. The Metro Plan Amendment also does not amend an acknowledged plan or land use regulation adopted in order to protect a significant Goal 5 resource or to address specific requirements of Goal 5.

Goal 6: Air, Water and Land Resources Quality - To maintain and improve the quality of the air, water and land resources of the state.

The change to the Metro Plan diagram does not impact existing regulations that implement the protections for air, water, and land resources. Any future development will be subject to City regulations and other state and federal requirements, ensuring that future developments will be consistent with this Goal. Based on these findings, the Metro Plan amendment is consistent with Statewide Planning Goal 6.

Goal 7: Areas Subject to Natural Hazards - To protect people and property from natural hazards.

Statewide Planning Goal 7 requires that local government planning programs include provisions to protect people and property from the following natural hazards: floods, landslides, earthquakes and related hazards, tsunamis, coastal erosion, and wildfires. Goal 7 prohibits development in natural hazard areas without appropriate safeguards. The subject property is not located within known areas of natural disasters or hazards. The subject property is outside the flood zone and is not subject to hazards normally associated with wildfires or tsunamis. Other hazards can be mitigated at the time of development based on applicable land use code provisions, building codes, and building techniques. The amendment to the Metro Plan diagram does not affect the City's restrictions on development in areas subject to natural disasters and hazards. Based on these findings, the amendment is consistent with Statewide Planning Goal 7.

Goal 8: Recreational Needs - To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Statewide Planning Goal 8 ensures the provision of recreational facilities to Oregon citizens and is primarily concerned with the provision of those facilities in non-urban areas of the state. The Metro Plan diagram amendment does not affect the City's provisions for, or access to, recreation areas, facilities, or recreational opportunities. Therefore, Statewide Planning Goal 8 does not apply.

Goal 9: Economic Development - To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Statewide Planning Goal 9 requires cities to evaluate the supply of commercial and industrial land relative to community economic objectives. This amendment to the Metro Plan diagram is only related to lands designated as industrial. The Administrative Rule for Statewide Planning Goal 9 (OAR 660 Division 9) requires that the City provide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies. The Employment Lands Supply Study 2012-2032 (ELSS) is included as Appendix B in the City's comprehensive plan, Envision Eugene, and complies with the requirements of Goal 9 and the corresponding Administrative Rule.

The ELSS classifies the subject property as "Vacant Employment Lands." See Employment Land Supply (2012) Figure 5, map tile 13 of 18. Based on this classification, the subject property was included in the inventory of developable employment lands within Eugene's Urban Growth Boundary. While the application proposes to change the land use designation for the subject property from Campus Employment to Light Medium Industrial, both designations are classified as industrial, and the land remains industrially designated. Therefore, the amendment to the Metro Plan land use diagram redesignating the subject property will have no impact on the City's adopted supply of industrially designated land.

Further, the diagram amendment does not add or subtract any industrial land from the adopted inventories. For the purposes of the City's ELSS, all industrial land use designations (Campus, Light-Medium, and Heavy) are grouped together. Therefore, properties within the broad category of industrial can be re-designated to another type of industrial without changing the amount of industrial land in the City's inventory. In this case, a re-designation from Campus Industrial to Light Medium Industrial results in no net change to the City's adopted inventory of industrially designated land.

OAR 660-009-0010(4) also includes specific requirements for changes in plan designation that involve land in excess of two acres within an existing urban growth boundary from an industrial use designation to a non-industrial use designation, or another employment use designation to any other use designation. While the subject property exceeds two acres, the change is from one industrial designation (Campus) to another industrial designation (Light Medium). Therefore, the requirements of OAR 660-009-0010(4) do not apply.

The requested Metro Plan Amendment will not adversely impact the City's ability to provide opportunities for a variety of economic activities. In the application materials, the applicant addresses the economic benefits of the redesignation: specifically, that it would allow the development of a large Cintas facility which would provide economic benefits and employment opportunities. Further contextual analysis demonstrating how the amendment supports Statewide Planning Goal 9 generally is included in the applicant's narrative.

Based on these findings, the amendment is consistent with Statewide Planning Goal 9.

Goal 10: Housing - To provide for the housing needs of citizens of the state.

The subject property does not include any lands designated for residential use in the City's Buildable Lands Inventory (BLI). Therefore, the proposal does not include any changes that would impact the availability of residential lands for housing, nor does it impact the City's ability to provide for housing needs in the future. Based on these findings, Statewide Planning Goal 10 does not apply.

Goal 11: Public Facilities and Services - To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

The Metro Plan Diagram amendment does not affect the City's provision of public facilities and services. Based on this finding, Statewide Planning Goal 11 does not apply. However, as identified under Criterion EC 9.8865(3) in the Zone Change Evaluation below, the City Council finds that all necessary public services exist, are readily available, or are in close proximity to the subject property. Additionally, at the time of future development, the adopted development standards for "improvements" at EC 9.6505 require that all development shall make and be served with infrastructure improvements for water, sewer, streets, alleys, sidewalks, bicycle paths, and accessways.

Goal 12: Transportation - To provide and encourage a safe, convenient and economic transportation system.

Goal 12 requires a determination of whether the Metro Plan Amendment will significantly impact an existing or planned transportation facility. OAR 660-012-0060, the Transportation Planning Rule (TPR), implements Goal 12 for amendments to the Metro Plan diagram, such as this application. The TPR contains the following requirement:

OAR 660-012-0060(1) If an amendment to a functional plan, an acknowledged comprehensive plan, or a land use regulation (including a zoning map) would significantly affect an existing or planned transportation facility, then the local government must put in place measures as provided in section (2) of this rule, unless the amendment is allowed under section (3), (9) or (10) of this rule. A plan or land use regulation amendment significantly affects a transportation facility if it would:

(a) Change the functional classification of an existing or planned transportation facility (exclusive of correction of map errors in an adopted plan);

(b) Change standards implementing a functional classification system; or

(c) Result in any of the effects listed in paragraphs (A) through (C) of this subsection based on projected conditions measured at the end of the planning period identified in the adopted TSP. As part of evaluating projected conditions, the amount of traffic projected to be generated within the area of the amendment may be reduced if the amendment includes an enforceable, ongoing requirement that would demonstrably limit traffic generation, including, but not limited to, transportation demand management. This reduction may diminish or completely eliminate the significant effect of the amendment.

(A) Types or levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility;

(B) Degrade the performance of an existing or planned transportation facility such that it would not meet the performance standards identified in the TSP or comprehensive plan; or

(C) Degrade the performance of an existing or planned transportation facility that is otherwise projected to not meet the performance standards identified in the TSP or comprehensive plan.

The applicant submitted a TPR analysis, prepared by Kelly Sandow, PE, of Sandow Engineering, to demonstrate consistency with Statewide Planning Goal 12 requirements and the Eugene 2035 Transportation System Plan (TSP). The analysis calculated an assumed “worst-case development” scenario for the existing and proposed land use designations and zoning to quantify potential transportation impacts for a 20-year planning horizon. The assumption was based on the total site area, a rate of development based on proposed zoning and a high traffic impact use allowed in the existing (E-1) and proposed (I-2) zone. The result of the Transportation Engineer’s calculation is that development under the proposed designation and

zoning would potentially generate fewer peak hour trips compared to the existing designation and zoning.

The City Council accepts and adopts the applicant's TPR analysis, which concludes that the amendment and zone change will not significantly affect the operation of the studied intersections, in accordance with OAR 660-012-0060(1). This is supported by findings included within the analysis that verify the amendment and zone change do not significantly affect any transportation facility, citing compliance with OAR 660-012-0060(1)(a) through (c). The City Council finds that because OAR 660-012-0060(1) is satisfied and there is no significant effect, the remaining OAR subsections (2) through (11) do not apply.

Based on these findings, the amendment is consistent with Statewide Planning Goal 12.

Goal 13: Energy Conservation - To conserve energy.

The amendment to the Metro Plan's land use diagram will not amend or otherwise involve any land use regulations that implement this Goal. Therefore, Statewide Planning Goal 13 does not apply.

Goal 14: Urbanization - To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

The Metro Plan diagram amendment only applies to land already within the city limits and therefore does not affect the City's provisions regarding the transition of land from rural to urban uses. Based on this finding, Statewide Planning Goal 14 does not apply.

Goal 15: Willamette River Greenway - To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

The Metro Plan Amendment does not affect the City's Willamette River Greenway regulations, nor is the subject property located within the adopted Willamette River Greenway boundary. Based on this finding, Statewide Planning Goal 15 does not apply.

Goals 16 – 19: Estuarine Resources; Coastal Shorelands; Beaches and Dunes; and Ocean Resources

There are no estuarine, beach and dune, coastal, or ocean resources related to subject property. Based on this finding, Statewide Planning Goals 16 through 19 do not apply.

Based on the findings above, the Metro Plan Amendment complies with the Statewide Planning Goals and the approval criterion at EC 9.7735(1) is met.

EC 9.7735(2): The proposed amendment does not make the Metro Plan internally inconsistent.

No policies within the Metro Plan appear to serve as mandatory approval criteria for this application, nor do any Metro Plan policies appear to be directly relevant to this site-specific Metro Plan Diagram amendment. Therefore, the amendment does not present any conflict with Metro Plan policies nor make the Metro Plan internally inconsistent. Based on these findings, this criterion is met.

EC 9.7735(3): When the city-specific local comprehensive plan also applies, the proposed amendment is consistent with the city-specific local comprehensive plan.

The city-specific local comprehensive plan for the City of Eugene is the Envision Eugene Comprehensive Plan. The following policies from the Envision Eugene (EE) Comprehensive Plan provide general support for the amendment to the Metro Plan diagram:

EE Policy 3.15: Adequate Land Supply. Designate an adequate number of sites within the urban growth boundary to accommodate growing local businesses and new targeted industries, especially a diversified manufacturing base that includes advanced manufacturing, food and beverages, wood products manufacturing, regional distribution, trade, and services such as offices, software developers, educational technology, corporate headquarters, and other employment uses.

EE Policy 3.22: West Eugene Employment Areas. Protect industrial areas in west Eugene, while supporting their evolution into diverse places of commerce with a flexible regulatory approach that offers a broad mix of employment and industrial uses, thereby accommodating increased employment densities and services to surrounding neighborhoods.

Each of the policies above comes from Economic Development Chapter of the Envision Eugene Comprehensive Plan. The applicant contends that the amendment will allow the expansion of an existing industrial business (Cintas) within the City of Eugene, which is supported by Policies 3.15 and 3.22. The amendment also results in the property remaining an industrial designation and opportunities and thus is supported by Policies 3.15 and 3.22. While the applicant has a specific development plan, the amendment and concurrent zone change expands the number of permitted industrial uses (see EC Table 9.2450 for a complete list of permitted uses in the Employment and Industrial Zones). Based on these facts, the amendment and concurrent zone change are generally supported by the Economic Development policies cited above.

The Transportation Chapter of Envision Eugene states that the Eugene 2035 Transportation System Plan (TSP) serves as the transportation element for the comprehensive plan. As noted in the findings related to Statewide Planning Goal 12, the Metro Plan Diagram amendment is consistent with the City's TSP, and therefore consistent with the transportation element of

Envision Eugene. No transportation policies appear to be directly relevant to this site-specific Metro Plan Amendment, nor do they serve as mandatory approval criteria for the amendment.

Based on these findings, the amendment is consistent with Envision Eugene, the Envision Eugene Comprehensive Plan, the City's local comprehensive plan.

ZONE CHANGE

The applicant's request includes a concurrent zone change from E-1 Campus Employment to I-2 Light-Medium Industrial, to bring the zoning of the subject property into conformance with the proposed Light Medium Industrial plan designation. The following findings address the applicable approval criteria for the Zone Change request:

EC 9.8865(1): The proposed change is consistent with applicable provisions of the Metro Plan. The written text of the Metro Plan shall take precedence over the Metro Plan diagram where apparent conflicts or inconsistencies exist.

According to EC 9.2410, the requested I-2 zone implements the Metro Plan's Light Medium Industrial land use designation. Therefore, the Zone Change is consistent with the redesignation of the subject property as Light Medium Industrial. There are no Metro Plan policies that serve as mandatory approval criteria for this Zone Change or require further analysis beyond that provided above for the Metro Plan Amendment.

Based on these findings, and with concurrent approval of the Metro Plan Amendment, this criterion is met.

EC 9.8865(2): The proposed zone change is consistent with applicable adopted refinement plans. In the event of inconsistencies between these plans and the Metro Plan, the Metro Plan controls.

The subject property is within the area of the West Eugene Wetlands Plan, an applicable refinement plan. This refinement plan does not contain a land use diagram, and therefore the Zone Change relies on the land use designation set forth by the Metro Plan's land use diagram, as discussed above. In addition, the Zone Change does not propose any change to the existing Wetland Buffer (/WB) Overlay Zone applicable to the subject property that implements relevant wetland protections identified in the West Eugene Wetlands Plan. It is also important to note that the West Eugene Wetlands Plan identifies all wetlands on the subject property as "filled" and not protected. No other policies or provisions of any applicable refinement plan appear to serve as mandatory approval criteria for this Zone Change.

Based on these findings, and with concurrent approval of the amendment to the Metro Plan Amendment, this criterion is met.

EC 9.8865(3): The uses and density that will be allowed by the proposed zoning in the location of the proposed change can be served through the orderly extension of key urban facilities and services.

Key urban facilities and services are defined in the Metro Plan as: wastewater service, stormwater service, transportation, water service, fire and emergency medical services, police protection, City-wide parks and recreation programs, electric service, land use controls, communication facilities, and public schools on a district-wide basis (see Metro Plan, page V-3).

The City Council finds that subject property is already served by key urban services and facilities, or those services and facilities can be extended to the subject property, as more particularly described below.

Wastewater: Public wastewater service is currently available to the subject property from wastewater lines located in Owen Loop South. Wastewater standards will be reviewed at the time of future development for any extension of service to the subject property.

Stormwater: The Greenhill Technology Park has a combination of stormwater systems located within the area, including, but not limited to, swales, ponds, pipes, and culverts, which were required and implemented as part of the original subdivision process (City File S 93-36). The applicant's narrative details specific design considerations based on the existing, filled wetlands, previous land use requirements, and state/federal requirements. Stormwater standards will be reviewed at the time of future development of the subject property.

Streets: The subject property has public street frontage on West 11th Avenue, also known as Highway 126, and Owen Loop South. Compliance with applicable street and access connection standards will be addressed at the time of future development.

Solid Waste: Collection service is provided by private entities. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

Water and Electric: Water and electrical services, operated by Eugene Water and Electric Board (EWEB) are available for extension to the property. Any future development will require coordination with EWEB staff to ensure that water and electric services comply with City standards and EWEB requirements.

Public Safety: Police protection for the subject property is consistent with service provision through the City. Fire protection will be provided by Eugene Springfield Fire. Emergency medical services are currently provided on a regional basis by the cities of Eugene and Springfield.

Transportation: The subject property is accessible to pedestrians, bicycles, and vehicles via the surrounding network of streets and transportation infrastructure. Transit services are available along West 11th Avenue.

Parks and Recreation: Parks and recreation programs are provided on a City-wide basis. The inclusion of the subject property in the City is sufficient evidence to demonstrate the minimum level of this key urban service is met.

Planning and Development Services: Planning and building permit services are provided for all properties located within the urban growth boundary by the City of Eugene. The Eugene Code, 1971, Chapter 9, will provide the required land use controls for future development of the subject property.

Communication: A variety of telecommunication providers offer communications services throughout the Eugene/Springfield area. Therefore, these services are available, and this key urban service requirement is met.

Public Schools: The subject property is within Eugene School District 4J. As access to schools is evaluated on a district wide basis, the property's location within the school district is sufficient evidence to demonstrate the minimum level of this key urban service is met.

Based on these findings, this criterion is satisfied.

EC 9.8865(4): The proposed zone change is consistent with the applicable siting requirements set out for the specific zone in:

(b) EC 9.2430 Employment and Industrial Zone Siting Requirements.

The specific siting standards for the I-2, Light-Medium Industrial zone are listed under EC 9.2430(3) and provided for ease of reference below.

EC 9.2430(3): I-2 Light – Medium Industrial. This zone is limited to areas designated Light-Medium Industrial in the comprehensive plan or those that meet all of the following minimum siting requirements:

- (a) Access to arterial streets without undue negative impact on residential streets.**
- (b) No more than 5 acres.**
- (c) Sufficient street frontage to accommodate structures, parking, and access in character with adjacent non-industrial properties.**

According to these siting requirements, I-2 zoning is limited to areas designated Light-Medium Industrial and the subject property will be designated Light-Medium Industrial with approval of the concurrent Metro Plan Amendment. As such, the alternative siting standards on lands not designated Light-Medium Industrial at EC 9.2430(3)(a)-(c) above, do not apply.

Based on these findings, with concurrent approval of the Metro Plan Amendment, the siting requirements of EC 9.2430 are satisfied, and this criterion is met.

EC 9.8865(5): In cases where the NR zone is applied based on EC 9.2510(1)(b), the property owner shall enter into a contractual arrangement with the city to ensure the area is maintained as a natural resource area for a minimum of 50 years.

This criterion does not apply because the zone change will not apply the NR zone.

OAR 660-012-0060 - Transportation Planning Rule

While not an approval criterion included in Eugene Code, Zone Change applications are required to demonstrate compliance with the State's Transportation Planning Rule under OAR 660-012-0060. Consistent with the City Council's findings of compliance with Statewide Planning Goal 12 above, incorporated herein by reference, the Zone Change is consistent with the Transportation Planning Rule.

CONCLUSION

Based on the available information and evidence, and the preceding findings of compliance with the applicable approval criteria, the City Council finds that the Metro Plan Amendment and Zone Change comply with all applicable approval criteria.

This annotated version of Eugene Code Section 9.2450 has been created to illustrate the difference between the E-1 Campus Employment and the I-2 Light-Medium Industrial zones. This comparison identifies which uses are being prohibited (red), permitted (Green), and permitted with additional requirements (Yellow) as a result of changing from E-1 to I-2. This comparison has been created for the benefit of understanding the change requested under the Cintas Metro Plan Amendment and Zone Change (City Files MA 23-4 and Z 23-6).

9.2450 Employment and Industrial Zone Land Use and Permit Requirements.

The following Table 9.2450 Employment and Industrial Zone Land Use and Permit Requirements identifies those uses in the Employment and Industrial Zones that are:

(P) Permitted.

(SR) Permitted, subject to an approved site review plan or an approved final planned unit development.

(C) Subject to a conditional use permit or an approved final planned unit development.

(S) Permitted, subject to the Special Development Standards for Certain Uses beginning at EC [9.5000](#).

(#) The numbers in () in the table are uses that have special use limitations that are described in EC [9.2451](#).

The examples listed in Table 9.2450 are for informational purposes and are not exclusive. Table 9.2450 does not indicate uses subject to Standards Review. Applicability of Standards Review procedures is set out at EC [9.8465](#).

	E-1	I-2
Accessory Uses. <u>Examples</u> include administration offices, and storage and distribution incidental to the primary use of the site.	P	P
Horticultural Uses. <u>Examples</u> include field crops, orchards, berries, and nursery or flower stock.	P	P
Mineral Resource Mining, Recovery, Stockpiling, Processing (excluding smelter or ore reduction)		SR
Bar and Tavern	P(4)	P(4)
Delicatessen	P(4)	P(4)
Restaurant	P(4)	P(4)
Specialty Food and Beverage. <u>Examples</u> include bagel, candy, coffee, donut, and ice cream stores. Products manufactured on-site shall comply with manufacturing allowances for food and beverage products.	P(4)	P(4)
Artist Gallery/Studio		P

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	E-1	I-2
Ballet, Dance, Martial Arts, and Gymnastic School/Academy/Studio	C(6)	C(6)
Church, Synagogue, and Temple, including associated residential structures for religious personnel, in existence or permitted by an approved CUP by June 23, 2014	C	
Club and Lodge of State or National Organization		P
Library	P	
Museum	P	
School, Business or Specialized Educational Training (excludes driver instruction)	P	P
School, Driving (including use of motor vehicles)		P
Amusement Center (Arcade, pool tables, etc.)		
Athletic Facility and Sports Club	P(4)	
Bowling Alley		
Golf Course, Miniature Indoor and Outdoor		
Race Track, including drag strip and go-cart tracks		C
Theater, Live Entertainment	C(6)	C(6)
Theater, Motion Picture		
Automated Teller Machine (ATM)	P	P
Bank, Savings and Loan Office, Credit Union	P(4)	P(4)
Government Services, not specifically listed in this or any other uses and permit requirements table. An <u>example</u> could include: a fire station.	P	P
Computer Networking (includes services and technical support center)	P	P
E-commerce (includes call centers, online sales & shipping, and business-to-business services)	P	P
Internet and Web Site (includes services and technical support center)	P	P
Software Development (includes services and technical support center)	P	P
Homeless Shelter in Existence as of January 1, 1984 (See EC 9.5300)		
Homeless Shelter Not in Existence as of January 1, 1984		C
Hotel, Motel, and similar business providing overnight accommodations		
Apparel, Clothing, and other finished products made from fabrics, wool, yarn and similar materials	P	P
Asphalt Mixing and Batching/Concrete Mixing and Batching		SR

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	E-1	I-2
Chemical, Drug, Cosmetics, and Related Products	P	P
Cleaning and Dyeing Plant		P
Concrete, Gypsum, and Plaster Products		P
Contractor's Storage Yard		P
Electronic and Communication Components, Systems, Equipment, and Supplies, includes computers and semi-conductors	P	P
Explosives, includes manufacturing		
Food and Beverage Products	P	P
Furniture and Fixtures		P
Glass Products		P
Handcraft Industries, small scale manufacturing		P
Leather Products		P
Lumber and Wood Products		P
Machinery		P
Measuring, analyzing, and controlling instruments and time pieces	P	P
Metal Products Fabrication, machine/welding shops(no blast furnaces)		P
Motion Picture Production, Distribution, and Allied Services	P	P
Motor Vehicles and Transportation Equipment		P
Paints and Allied Products		P
Paper and Allied Products		P
Photographic and Copying Equipment	P	P
Precision Testing, Medical, Optical, Surgical, and Dental Goods	P	P
Recycling – composting, facilities requiring DEQ permit		P
Recycling – deconstruction, reuse, resale	P	P
Recycling – large collection facility		
Recycling – reverse vending machine		P
Recycling – scrap and dismantling yard (includes vehicle wrecking and salvage)		
Recycling – small collection facility (See EC 9.5650)		S
Rubber and Plastic Products		P
Signs and Advertising Displays		P
Slaughterhouse and Rendering Plant (indoor only)		

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	E-1	I-2
Stone, Cut Stone, and Clay Products		P
Textiles		P
Blood Bank		
Correctional Facility, excluding Residential Treatment Center	C	C
Clinic or other Medical Health Treatment Facility (including mental health)	P	
Drug Treatment Clinic – Non-Residential	P(5)	P(5)
Hospital	P	
Laboratory, includes medical, dental, and x-ray. In the E-1 zone, the use shall directly serve manufacturers, or other employment and industrial or commercial enterprises, but exclude services offered on premises to the general public other than on an incidental basis.	P	
Residential Treatment Center	C	
Car Wash		
Motor Vehicle Sales/Rental/Service, excluding recreational vehicles and heavy trucks		P
Motorcycle Sales/Rental/Service		
Parking Area not directly related to a primary use on the same development site	P	P
Parts Store		
Recreational Vehicle and Heavy Truck, Sales/Rental/Service		P
Repair, includes paint and body shop		P
Service Station, includes quick servicing – Only permitted if property is located over one-half mile by motor vehicle travel from commercially zoned land.		P
Structured Parking, up to two levels not directly related to a primary use on the same development site	P	P
Structured Parking, three or more levels not directly related to a primary use on the same development site	P	P
Tires, Sales/Service		P
Transit, Neighborhood Improvement.	P	P
Transit Park and Ride, Major or Minor.	P	P
Transit Station, Major or Minor.	P	P
Trucking Terminal		P
Administrative, General, and Professional Offices	P	

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	E-1	I-2
Scientific and Educational Research Center.	P	P
Barber, Beauty, Nail, Tanning Shop	P(4)	P(4)
Day Care Facility (Not associated with a residence)	P(4)	P(4)
Dry Cleaner	P(4)	
Film, drop-off/pick-up	P(4)	
Locksmith Shop	P(4)	P
Laundromat	P(4)	
Mailing and Package Service	P(4)	P
Shoe Repair Shop	P(4)	P
Tailor Shop	P(4)	
Single-Unit Dwelling	P(1)	P(1)
Agricultural Machinery Rental/Sales/Service		P
Appliance Sales/Service		
Bicycle Rental/Sales/Service	P(4)	
Boat and Watercraft Sales/Service		P
Book Store	P(4)	
Building Materials and Supplies		P
Computer Store	P(4)	
Convenience Store	P(4)	P(4)
Drug Store (excluding Drug Treatment Center)	P(4)	
Electrical Appliances and Supplies	P(4)	
Equipment, Light, Rental/Sales/Service		P
Equipment, Heavy, Rental/Sales/Service – includes truck and tractor sales		P
Fabric Store		
Floor Covering Store		
Furniture and Home Furnishings Stores		
Garden Supply/Nursery, includes feed and seed store		P(2)
General Merchandise (includes supermarket and department store)		
Hardware/Home Improvement Store		
Healthcare Equipment and Supplies	P(4)	
Liquor Store		

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	E-1	I-2
Manufactured Dwelling Sales/Service/Repair		P
Office Equipment and Supplies	P(4)	
Plumbing Supplies		P
Retail trade when secondary, directly related, and limited to products manufactured, repaired, or assembled on the development site	P(3)	P(3)
Storage Facility, Household/Consumer Goods		P
Specialty Store (an example includes a gift store)	P(4)(7)	
Toy and Hobby Store		
Video Store		
Wholesale, Warehousing, and Distribution.	P	P
Amateur Radio Antenna Structure (See EC 9.5050)		S
Broadcasting Studio, Commercial and Public Education	P	P
Electrical Substation, must meet landscape standards in EC 9.6210(3) High Screen Landscape Standard (L-3) unless fully enclosed within a building or approved through a Type II procedure that shows low visual impact.	P	P
Fiber Optic Station, must meet landscape standards in EC 9.6210(3) High Screen Landscape Standard (L-3) unless fully enclosed within a building or approved through a Type II procedure that shows low visual impact.	SR	P
Pump Station, well head, non-elevated reservoir, and other water or sewer facilities, must meet landscape standards in EC 9.6210(3) High Screen Landscape Standard (L-3) unless fully enclosed within a building or approved through a Type II procedure that shows low visual impact.	SR	P
Telecommunication Tower or Facility (See EC 9.5750).	S	S
Water Reservoir, elevated above ground level	SR	SR
Building Maintenance Services	P(4)	P
Catering Services	P(4)	
Crematoria		P
Collection Center, Collection of Used Goods (See EC 9.5150)		P
Garbage Dump, Sanitary Land Fill		C
Heliport and Helistop		C
Kennel		C
Mortuary		
Photographers' Studio		P(4)
Picture Framing and Glazing		P(4)

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	E-1	I-2
Printing, Blueprinting and Duplicating	P(4)	P
Publishing Service	P	P
Temporary Activity (See EC 9.5800).	S	S
Train Station		P
Upholstery Shop		
Veterinarian Service		

This Version of the Eugene Code is current through Ordinance 20693, passed July 12, 2023.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing: An Ordinance Adopting An Amended Urban Renewal Plan For The Riverfront Urban Renewal District

Meeting Date: October 16, 2023
Department: Planning and Development
www.eugene-or.gov

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

ISSUE STATEMENT

The public is invited to comment on a proposed ordinance to amend the Riverfront Urban Renewal Plan. On September 13, 2023, City Council (acting as the Urban Renewal Agency Board) began the Plan amendment process that includes increasing the spending limit by up to \$45 million, clarifying existing projects that remain eligible for urban renewal funds, and expanding the list of projects eligible for urban renewal funds to include: support for new housing development, physical improvements in the Riverfront Urban Renewal Plan Area (Plan Area) to address safety and comfort; and projects directed or initiated by the Agency Board. The specific amount of the spending limit increase (up to \$45 million) will be determined by Council after hearing from the public and the overlapping taxing districts, and prior to final action on the amendment.

BACKGROUND

The Riverfront Urban Renewal District (District) runs from the heart of downtown to I-5. The District encompasses some of Eugene's most urban blocks, the transforming brownfield development of the Downtown Riverfront, the investments in the North Campus area, and many of the streets, sidewalks, paths, and parks that connect them. As part of the recent Downtown Priorities and Projects (DTPP) Process, staff solicited community feedback about the properties located in the western half of the District. Among the six categories of activities identified through that process (Housing, Public Safety, Social Services, Commercial Activity and Development, Public Spaces and Mobility, and Events and Culture), community members stressed the importance of building more housing in the western portion of the District and of strengthening the connections between the District and the downtown core.

Urban Renewal has been the primary tool used to realize the community's vision of transforming the former Eugene Water and Electric Board (EWEB) property into the new Downtown Riverfront neighborhood. The Urban Renewal Agency purchased the 16-acre property in April 2018 and has made significant investments to spur the site's redevelopment (separately, the City has also purchased the City Hall building and additional property from EWEB). Most of the work to date has focused on the following elements: the Riverfront Park, infrastructure, public-private partnerships for market-rate housing development, and Steam Plant redevelopment.

Proposed Riverfront Urban Renewal Plan Amendment

In January 2022, Council approved a poll requesting a discussion about continuation of both the Downtown and Riverfront Urban Renewal Districts. The Agency Board considered the future of the Riverfront District at its November 9, 2022 work session. The Agency Board discussed the outstanding projects in the Downtown Riverfront, the Plan amendment process, and the fiscal implications for extending the life of the District or ceasing the collection of tax increment funds. The currently adopted Riverfront Urban Renewal Plan is set to sunset on June 30, 2024. If the Urban Renewal Agency wishes to continue collecting tax increment revenue in the Riverfront District, Council must approve an amendment to the Riverfront Urban Renewal Plan by December 2023. This would allow time for the amendment to be placed on the May 2024 ballot, if referred.

At the November 9, 2022, work session, the Agency Board directed staff to draft a proposal to amend the Riverfront Urban Renewal Plan (Plan) to expand the District's financial capacity and bring the proposal back for the Agency Board to review and comment. On September 13, 2023, the Urban Renewal Agency Board reviewed the proposal and initiated the process to consider an amendment to the Riverfront Urban Renewal Plan that would increase the spending limit in the Plan and clarify eligible project activities, both of which would result in high priority improvements within the Riverfront Urban Renewal District. The proposed ordinance for the 2023 amendment is included as Attachment A. Exhibit A to the ordinance is the proposed Riverfront Urban Renewal Plan amendment and Exhibit B to the ordinance is a draft Report on the Plan amendment that describes, among other things, the financial impact of the Plan amendment.

The proposed Plan amendment includes information on three possible spending scenarios, each of which would result in a different increase to maximum indebtedness (and a different estimated lifespan of the District):

- Scenario A would raise the maximum indebtedness by \$15 million, which is estimated to extend the District's collection of tax increment revenue by 5 years.
- Scenario B would raise the maximum indebtedness by \$25 million, which is estimated to extend the District's collection of tax increment revenue by 8 years.
- Scenario C would raise the maximum indebtedness by \$45 million, which is estimated to extend the District's collection of tax increment revenue by 15 years.

Adopting a "maximum indebtedness" figure does not authorize or obligate the District to issue bonds or pay for specific projects. Rather, it sets a spending limit on tax increment revenue for the District and allows the current and future Agency Boards the ability to fund projects over time, either with cash or by issuing debt. The Agency Board can choose to move forward with an alternative spending scenario instead of the three proposed above. The proposed Plan amendment does not include any boundary changes to the Riverfront Plan Area.

Proposed Projects

The proposed Plan amendment continues the approach in the existing Riverfront Urban Renewal Plan; specifically, the Plan includes project focus areas, which outline activities eligible for tax increment funding. This allows the Agency Board to establish spending parameters in the Plan while maintaining some flexibility and responsiveness to evolving needs during Plan implementation. The project focus areas included in the proposed Plan amendment vary between spending scenarios:

- Spending scenario A is focused on completion of two outstanding Downtown Riverfront projects: the Steam Plant redevelopment and the Downtown Riverfront Affordable Housing project. Scenario A estimates most of the increased spending limit will be allocated toward these projects but does allow for the Agency Board to use any remaining funds on any other eligible projects the Agency Board chooses to initiate.
- Spending scenarios B and C include completion of the two outstanding Downtown Riverfront projects and also include projects in the following focus areas (the same focus areas that were included in the Downtown Urban Renewal Plan Amendment): Housing, Physical Improvements to Address Safety and Comfort, and Projects Directed/Initiated by the Agency Board. These focus areas are based on feedback collected from the DTPP public engagement effort and would contribute to improvements in and connections to the downtown core.

Information about each of the project focus areas is provided in the proposed Plan amendment and the draft Report. Attachment B describes implementation steps for each of the project focus areas should Council choose to amend the Riverfront Urban Renewal Plan as proposed. Chapter 6 of the Report (Exhibit B to Attachment A) includes estimated allocations for each of the projects and categories of projects; however, actual project spending will depend on future Agency Board budgetary action and project implementation.

To use urban renewal funds on these new proposed project focus areas, the City Council must adopt an ordinance substantially amending the current Riverfront Urban Renewal Plan to increase the spending limit (i.e., maximum indebtedness) for the Plan. The Urban Renewal Agency has nearly reached the current spending limit of \$34.8 million, with the bulk of that funding spent on property acquisition and infrastructure improvements to support the Riverfront Research Park, the Courthouse District, and the Downtown Riverfront neighborhood. If the Plan amendment is approved, the Urban Renewal Agency will continue to collect tax increment revenue within the Riverfront District.

Riverfront Urban Renewal District - Fiscal Implications

The Riverfront District generates approximately \$3.4 million in tax increment revenue per year as of FY23. The impact to City finances depends on the path chosen by the Agency Board:

- **Continue the Riverfront Urban Renewal Plan.** The annual revenue is expected to continue to grow, up to certain limits as described in Chapter 7 of the Report (Exhibit B to Attachment A) and be directed to the District to be used on eligible capital projects and operating expenses.
- **Discontinue Riverfront District's collection of tax increment revenue.** If the District no longer collects revenue from the division of tax, the tax increment revenue will be directed to the overlapping taxing districts. Under this scenario, the City's General Fund would receive approximately 41 percent of what the Riverfront District collects (\$1.4 million per year as of FY23). Lane County would receive approximately 7 percent (\$249,000 per year as of FY23). Approximately 28 percent (\$928,000 per year as of FY23) would be collected on behalf of School District 4J, although it is important to note that the impact to 4J's overall budget would be negative. This is due to State funding mechanisms for education and local properties that are in 'compression' related to State laws regarding property tax limits. If the Riverfront Urban Renewal District ceases to collect tax increment revenue, the *net impact to School District 4J would be an estimated decrease of \$45,000 per year as of FY23.*

The 2023-2025 Adopted Biennial Budget assumes an additional \$400,000 of property tax revenue annually for the City's General Fund, starting in FY25, provided by an increase to the Riverfront Urban Renewal District's frozen base of assessed value. This increase in the District's frozen base can be accomplished through Agency Board action following City Council adoption of the Riverfront Urban Renewal Plan amendment. The financial analysis contained in the draft Report on the Plan amendment (Exhibit B to Attachment A) assumes the Agency Board will increase the frozen base assessed value from \$50.6 million to \$110.4 million. This frozen base increase will generate an estimated \$800,000 per year for all of the overlapping taxing districts combined starting in FY25 if the Plan is amended; the City's General Fund will receive approximately half of the total amount, or about \$400,000 per year. This will reduce the annual tax increment revenue directed to the District by the same estimated \$800,000 per year.

Amendment Process, Timing, and Next Steps

State law requires a "substantial plan amendment" for Council to increase the spending limit. (See Attachment C for more information on the amendment process.) The substantial amendment process requires a mailed notification to all Eugene property owners; review by the Planning Commission; notification to other impacted taxing districts; and a public hearing. Concurrence from certain overlapping taxing districts is required. The proposed ordinance containing the 2023 amendment is included as Attachment A. (The proposed Plan as amended and the Report on the Plan are included as Exhibits A and B to the ordinance, respectively.)

A notice of the proposed Plan amendment and this public hearing was mailed to Eugene property owners on September 29, 2023. Overlapping taxing districts received written notice on or before September 27, 2023. Council will accept comments on the proposed Plan amendment from affected taxing districts until November 11, 2023. A Council work session is scheduled to review comments from the public hearing, Planning Commission, and taxing districts on November 15, 2023. Council action on whether to amend the Riverfront Urban Renewal Plan is scheduled for November 27, 2023.

RELATED CITY POLICIES

[Climate Action Plan \(CAP\) 2.0](#)

CAP 2.0 includes multiple strategies that support the development of downtown and increase of compact housing in the downtown. Smaller homes tend to have a smaller carbon footprint during construction and use, and housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer trips.

[Eugene Downtown Plan](#)

- Downtown development shall support the urban qualities of density, vitality, livability, and diversity to create a downtown, urban environment.
- Emphasize Broadway, Willamette Street, 5th, and 8th Avenues as Great Streets through public improvements and development guidelines. Include portions of these streets as follows:
 - 8th Avenue between Willamette Street and the Willamette River.

- Enhance public places throughout downtown through the careful design of civic buildings, streetscapes, parks, and plazas. Include public art and other elements to create special places for all ages.
- Connect special places downtown with enhanced street designs, public art, directional signs, transit routes and historic markers to create an inviting and memorable route through downtown.
- Support public safety activities that increase visibility, access actual and perceived safety for individuals and property downtown.
- Enhance functional designs for streets, sidewalks, and related public improvements with carefully chosen design elements, including materials, alignments, plantings, and streetscape elements.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.

Housing Implementation Pipeline (HIP)

Encouraging compact development in the downtown core is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability. A target goal in the HIP is to increase the amount of housing downtown by 50% from 2021: an increase of over 1,000 units.

Envision Eugene Pillars

- Provide ample economic opportunities for all community members.
- Promote compact urban development and efficient transportation options.
- Protect, repair, and enhance neighborhood livability.
- Provide for adaptable, flexible, and collaborative implementation.

Strategic Plan Goals: Urgent Community Needs

- Strategic Goal: Stabilize the cost of housing.
 - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to increase the supply of housing.
- Strategic Goal: Increase the vibrancy, economic vitality, and livability of downtown.
 - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to support commercial activity.
 - High-Impact Action: Improve Eugene's business environment and reputation as a place to do business, including improving overall community livability.
- Strategic Goal: Advance climate action and community resilience to natural and human-caused disasters
 - High-Impact Action: Decrease transportation-related emissions and make the transportation network diverse and adaptable through continued implementation of the Eugene 2035 Transportation System Plan and related compact development actions in Envision Eugene.

- High-Impact Action: Continue to implement strategies from the Climate Action Plan 2.0 to improve and enhance efficiency and resilience of buildings in Eugene, including City-owned facilities.

PREVIOUS COUNCIL/AGENCY BOARD DIRECTION

[January 26, 2022 Agency Board Work Session](#)

Moved to authorize the Agency Director to enter into an agreement for the sale and redevelopment of the Steam Plant property that is consistent with the “Proposed Terms for Sale of Steam Plant property” with the addition of the deal point that the project shall be constructed with prevailing wage. The Agency Board directed staff to continue working with the development team during due diligence to identify funding and strategies to cover the funding gap with the understanding that neither Agency nor City funds would be used to fill this funding gap.

(Motion passed 7:0)

[November 9, 2022 Agency Board Work Session](#)

Moved to direct the Agency Director to draft a proposal to amend the Riverfront Urban Renewal Plan to expand the District’s financial capacity and to schedule a work session to allow the Board to review and comment on that proposal.

(Motion passed 5:2)

[September 13, 2023 Agency Board Work Session](#)

Move to direct the Agency Director to begin the process of amending the Riverfront Urban Renewal Plan using spending scenarios A, B, and C consistent with the draft Plan and Report and included in Attachments A and B.

(Motion passed 7:0)

COUNCIL OPTIONS

No action is requested at this time. Deliberation is scheduled for November 15, 2023, and action is scheduled for November 27, 2023.

CITY MANAGER’S RECOMMENDATION

This is a public hearing only.

SUGGESTED MOTION

None.

ATTACHMENTS

- A. Proposed Ordinance Amending the Riverfront Urban Renewal Plan
 - Exhibit A:* Riverfront Urban Renewal Plan
 - Exhibit B:* Report on the Riverfront Urban Renewal Plan
 - Exhibit C:* Blight Findings
- B. Preliminary Project Implementation Information

October 16, 2023 Public Hearing – Item 3

C. Riverfront Urban Renewal District - Technical Details

FOR MORE INFORMATION

Staff Contact: Amanda D'Souza, Development Programs Manager

Telephone: 541-682-5540

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

ORDINANCE NO. _____**AN ORDINANCE ADOPTING AN AMENDED URBAN RENEWAL PLAN FOR THE RIVERFRONT URBAN RENEWAL DISTRICT.****The City Council of the City of Eugene finds that:**

A. On September 11, 1985, the City Council passed Ordinance No. 19352 adopting the Riverfront Research Park Urban Renewal Plan.

B. On March 10, 2004, the City Council adopted Ordinance No. 20313 changing the name of the “Riverfront Research Park Urban Renewal Area” to the “Riverfront Urban Renewal Area”, adding acreage to the Riverfront Urban Renewal Area (“the Plan Area”), and adopting the amended Riverfront Urban Renewal District Plan (“the Plan”).

C. On February 12, 2018, the Agency Board approved Resolution 1085 adding 1.1 acres to the Plan Area.

D. On February 12, 2018, the Agency Board approved Resolution 1086 adding 0.76 acres to the Plan Area.

E. The City Council’s adopted 2021 Vision, Values, Goals and Outcomes include as a goal “A community that meets its present environmental, economic, and social needs while planning for and investing in the ability of future generations to meet their own needs,” as well as the outcomes of “encourage[ing] and sustain[ing] downtown, transit corridors, and riverfront growth,” and “[i]ncreas[ing] access and options to housing and shelter.”

C. In the Fall of 2022, city staff conducted a robust community outreach effort to identify priorities and projects that would enhance downtown Eugene’s role as the regional economic, governmental, and cultural center of the city. The western portion of the Plan Area includes properties that are typically considered part of the downtown core and connect downtown to the Willamette River. The effort also sought public input on projects and priorities to support downtown Eugene as a safe and vibrant place to live, work, and visit. The public outreach effort led to six categories of recommendations for Eugene’s downtown: Housing; Public Safety; Social Services; Commercial Activity and Development; Public Spaces and Mobility; and Events and Culture.

D. On November 9, 2022, the Urban Renewal Agency Board considered the future of the Riverfront Urban Renewal District and outstanding projects in the Downtown Riverfront and directed the Agency Director to draft a proposal to amend the Riverfront Urban Renewal Plan to expand the Riverfront Urban Renewal District’s financial capacity and to amend and clarify the list of eligible projects in the Plan.

E. On September 13, 2023, the Agency Board initiated the process to amend the Riverfront Urban Renewal Plan to specify the project activities to be undertaken and increase the Plan’s total maximum indebtedness.

F. The Plan includes as eligible projects activities previously initiated by the Agency Board, including redevelopment of the Steam Plant and development of an Affordable Housing project in Downtown Riverfront. The Plan continues to include authorization for the projects designated in Section 600A(7) of the 2004 Riverfront Urban Renewal Plan and Section 600D(5) of this amendment Plan as “Other Public Facilities.” New project categories in the proposed Plan include: development fee assistance for the creation of new housing in the Plan Area; real property acquisition and disposition to support the creation of housing in the Plan Area; physical improvements in the Plan Area to address safety and comfort, including street, curb, alley and sidewalk improvements, streetscape projects, and pedestrian, bicycle and multi-modal transportation improvements; and projects directed or initiated by the Agency Board, which could include transmission line rerouting, parking and mobility, open spaces, and/or development support.

G. On September 22 and 27, 2023, copies of the proposed Plan amendment and the accompanying report were delivered to the following affected taxing districts by mail and email, along with an offer to consult and confer with each district: Lane County, Lane Community College District, Lane Education Service District, and Upper Willamette Soil and Water Conservation District. [*Description of comments received from the affected taxing districts, if any*].

H. On September 22, 2023, copies of the proposed Plan amendment and the accompanying report were delivered to the Eugene School District 4J by mail and email, along with a request for concurrence from 4J Board in a proposed increase in total maximum indebtedness for the Riverfront Urban Renewal District of up to \$45 million. ORS 457.220 provides that in order to increase the Plan’s total maximum indebtedness by more than 20% of the Plan’s initial maximum indebtedness, the written concurrence of taxing districts imposing at least 75% of the permanent rate levy for the Riverfront Urban Renewal Plan Area is required. The City of Eugene and Eugene School District 4J impose more than 75% of the amount of the taxes imposed under permanent rate limits in the Riverfront Urban Renewal Plan Area. On November 1, 2023, the 4J Board voted to [*support/oppose*] the proposed Plan amendments and on ____, 2023, the District provided a written statement of [*concurrence/non-concurrence*] with the proposed Plan amendments.

I. On October 10, 2023, the Eugene Planning Commission reviewed the proposed Plan amendment and the accompanying report and [*insert Planning Commission’s recommendation or action taken, if any*] based on the City’s land use policies.

J. On September 29, 2023, notice of the City Council’s public hearing on the proposed Plan amendment was mailed to all owners of real property located in the City as required by ORS 457.120.

K. On October 16, 2023, the City Council held a public hearing on the proposed Plan amendment. On November 15, 2023, the City Council held a work session to consider public testimony, comments from affected taxing districts, and the Planning Commission’s recommendation on the proposed Plan amendment.

L. Based on the recommendations of the Agency Board and the Planning Commission, and the written and oral testimony provided to the Planning Commission and the City Council, the City Council hereby finds and determines that:

(1) The Plan includes the following elements:

(a) An increase in the Plan's maximum indebtedness of \$__ million [*up to \$45 million*], for a total of \$__ million [*prior to Council action, insert monetary amounts*].

(b) Retention of activities previously initiated by the Agency Board as eligible projects, including redevelopment of the Steam Plant and development of an Affordable Housing project in Downtown Riverfront. The Plan also continues to include authorization for the projects designated in Section 600A(7) of the 2004 Riverfront Urban Renewal Plan and Section 600D(5) of this amended Plan as "Other Public Facilities."

(c) The addition of new project categories to the Plan, including: development fee assistance for the creation of new housing in the Plan Area; real property acquisition and disposition to support the creation of housing in the Plan Area; physical improvements in the Plan Area to address safety and comfort, including street, curb, alley and sidewalk improvements, streetscape projects, and pedestrian, bicycle and multi-modal transportation improvements; and projects directed or initiated by the Agency Board, which could include transmission line rerouting, parking and mobility facilities, open spaces, and/or development support.

(2) The area defined in the Plan attached as Exhibit A is blighted for the reasons explained in Exhibit C to this Ordinance;

(3) The rehabilitation and redevelopment described in the Plan is necessary to protect the public health, safety or welfare of the City;

(4) The Plan conforms to the Eugene-Springfield Metropolitan Area General Plan, Statewide Land Use Planning Goals, the Downtown Plan, the City's adopted Growth Management Policies, the Envision Eugene Comprehensive Plan, the Eugene 2035 Transportation Systems Plan, Eugene's Community Climate Action Plan 2.0, the Housing Implementation Pipeline, and other City plans and policies, and provides an outline for accomplishing the urban renewal projects proposed in the Plan;

(5) No specific relocation activity is identified in the Plan; however, provision has been made in Chapter 10 of the Report included in Exhibit B to this Ordinance, to, if necessary, house displaced persons within their financial means in accordance with ORS 35.500 to 35.530, and, except in the relocation of elderly individuals or individuals with disabilities, without displacing on priority lists persons already waiting for existing federally subsidized housing;

(6) To the extent acquisition of real property is provided for by the Plan, it is necessary to implement the projects included in the Plan;

(7) Adoption and carrying out of the Plan is economically sound and feasible as described in the Report included in Exhibit B to this Ordinance;

(8) The City shall assume and complete any activities prescribed it by the Plan; and

(9) The City Council concurs in the amount of total maximum indebtedness included in the Plan attached as Exhibit A to this Ordinance.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Based upon the above findings, the Report attached as Exhibit B, and the blight findings attached as Exhibit C to this Ordinance, all of which are hereby adopted, the revisions to the Urban Renewal Plan for the Riverfront Urban Renewal District, as reflected in Exhibit A attached hereto, are approved and adopted as the urban renewal plan for the area set forth therein.

Section 2. The City Manager is requested to:

(a) Publish a notice of the adoption of the amended Plan in the Register-Guard, a newspaper published within the City of Eugene and having the greatest circulation within the City, no later than four days following the date that this Ordinance is adopted. In accordance with ORS 457.135, the notice shall contain a statement that the amended Plan shall be conclusively presumed valid for all purposes 90 days after its adoption by this Ordinance and that no direct or collateral attack on the action adopting the amended Plan may be commenced thereafter;

(b) Forward a copy of this Ordinance and the amended Plan to the Urban Renewal Agency of the City of Eugene, which Agency will cause the amended Plan to be recorded in the official records of Lane County, Oregon; and

(c) Forward a copy of this Ordinance and the amended Plan to the Lane County Assessor and request that the Assessor perform the duties directed by ORS 457.430 through ORS 457.435 and ORS 457.440 through ORS 457.450.

Passed by the City Council this

___ day of November, 2023

Approved by the Mayor this

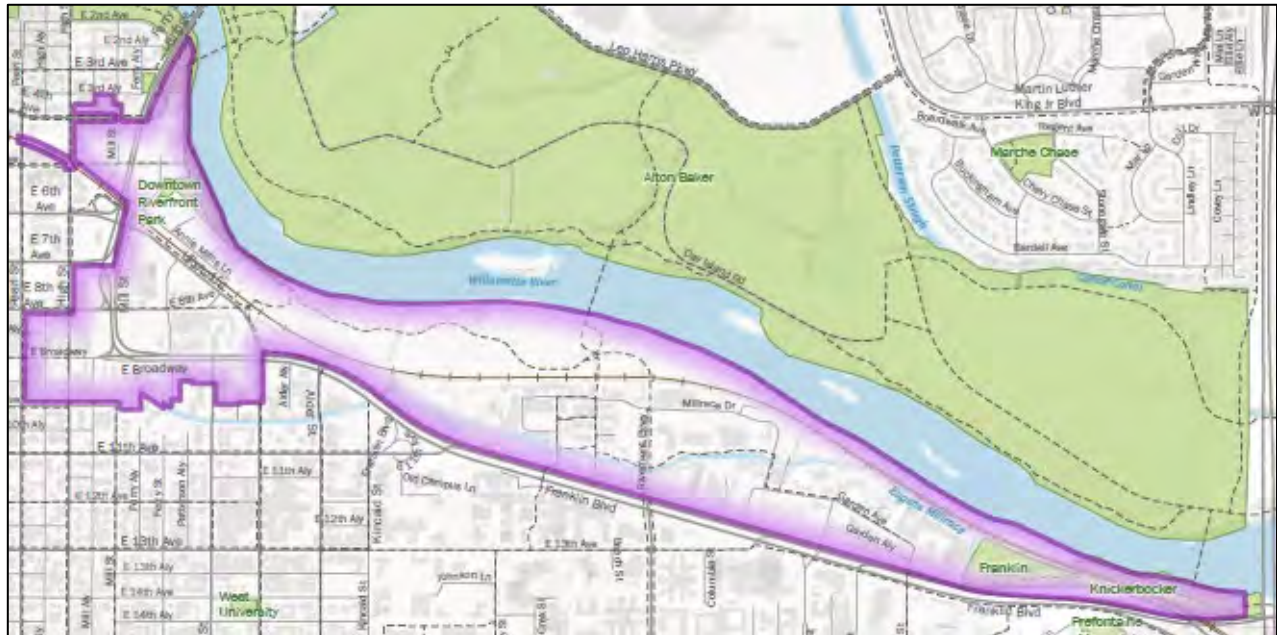
___ day of November, 2023

City Recorder

Mayor

Exhibit A

Urban Renewal Plan for the Riverfront Urban Renewal District



**Adopted September 11, 1985
-Amended-
March 2004
February 2018**

Amended ____, 2023 by Ordinance No. ____

r



Urban Renewal Agency of the City of Eugene, Oregon

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I. ADOPTION

Ordinance Number	Date	Purpose
Ordinance No. 19352	9/11/85	Adoption of the Urban Renewal Plan

II. AMENDMENTS

Ordinance/Resolution Number	Date	Purpose
Ordinance No. 20313	3/10/2004	<p>The First Amendment to the Riverfront Research Park Urban Renewal Plan made the following changes to the Plan:</p> <ul style="list-style-type: none"> o Changed the name of the urban renewal area from “Riverfront Research Park Urban Renewal Area” to “Riverfront Urban Renewal Area”. o Added 34.5 acres of land to the renewal area. o Expanded and revised the list of project activities to be undertaken under the First Amendment to the Plan. o Provided new cost estimates of project activities to be undertaken under the First Amendment to the Plan. o Extended the duration of time required to pay off project indebtedness to June 30, 2024. o Provided new information on the impact that carrying out the Plan will have on other taxing bodies under Measure 50.
Resolution No. 1085	2/12/2018	o Increased boundary by 1.1 acres (North of 4th Avenue Expansion)
Resolution No. 1086	2/12/2018	o Increased boundary by 0.76 acres (Quiet Zone Expansion)

URBAN RENEWAL PLAN FOR THE RIVERFRONT URBAN RENEWAL DISTRICT

[Throughout this proposed Plan, a range of spending scenarios will be used to demonstrate the effect of different increases in the Plan's maximum indebtedness: A = \$15 million, B = \$25 million, C = \$45 million.]

Section 100 – Introduction

The Riverfront Urban Renewal Plan (the “Plan”) was revised in 2023 to make the following changes:

- Specifies project activities to be undertaken;
- Increases the Plan's maximum indebtedness to allow for those specific projects; and
- General updating of the Plan.

[Scenario A]

The Plan outlines specific activities related to two projects previously initiated by the Urban Renewal Agency Board: redevelopment of the Steam Plant and development of an Affordable Housing project in the Downtown Riverfront.

The project activities are discussed in more detail under Section 600 of the Plan. Eligible activities include previously approved projects. The 2023 Amendment increases the Plan's maximum indebtedness from \$34.8 million to \$49.8 million.

The Riverfront Urban Renewal District will cease collecting tax increment dollars and return any unused tax increment funds to Lane County for redistribution to overlapping taxing districts as provided in Section 1300A of this Plan.

[Scenarios B and C]

The Plan outlines specific activities related to two projects previously initiated by the Urban Renewal Agency Board: redevelopment of the Steam Plant and development of an Affordable Housing project in the Downtown Riverfront. The Plan continues to include authorization for the projects designated in Section 600A(7) of the 2004 Riverfront Urban Renewal Plan, and Section 600D(5) of this amended Plan as “Other Public Facilities.”

The Plan also includes activities related to new projects that address the challenges in the Plan Area, including those identified through a robust community outreach effort in fall of 2022, known as Downtown Priorities and Projects. The Downtown Priorities and Projects effort led to recommended improvements for Eugene's downtown, which includes the western end of the Plan Area, in six categories: Housing; Public Safety; Commercial Activity and Development; Public Spaces and Mobility; and Events and Culture.

Eligible project activities include previously approved projects and new project categories and are discussed in more detail under Section 600 of this Plan; including, “Additional

Housing,” “Physical Improvements to Address Safety and Comfort” and “Projects Directed/Initiated by the Agency Board.” The 2023 Amendment increases the maximum indebtedness from \$34.8 million to ____ [B = \$59.8 million C = \$79.8 million].

The Riverfront Urban Renewal District will cease collecting tax increment dollars and return any unused tax increment funds to Lane County for redistribution to overlapping taxing districts as provided in Section 1300A of this Plan.

Section 200 – Definitions

The following definitions will govern this Plan unless the context otherwise requires.

2004 Amendment means the update to the Plan that was completed in 2004.

2018 Amendments mean the two minor updates to the Plan Area that were completed in 2018.

Agency means the Urban Renewal Agency of the City of Eugene.

Blighted areas means areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use, or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health, or welfare of the community. A blighted area is characterized by the existence of one or more of the conditions described in the definition of “Blighted Areas” in ORS 457.010.

City means the City of Eugene.

Downtown Plan means the Eugene Downtown Plan as adopted by the Eugene City Council in 2004 as a refinement of the Eugene Springfield Metropolitan Area General Plan. The eastern portion of the Downtown Plan boundary includes the western portion of the Plan Area.

Downtown Riverfront means the 16 acres of riverfront property the Agency purchased from EWEB in 2018 to facilitate the redevelopment of EWEB’s former utility yard. The Downtown Riverfront includes the Riverfront Park and Plaza, the Steam Plant, and the parcels of the Downtown Riverfront that have been or may be sold to a private developer for new residential and/or commercial development.

EWEB means the Eugene Water and Electric Board.

ORS means the Oregon Revised Statutes. ORS Chapter 457 regulates the urban renewal process.

Plan means the Urban Renewal Plan for the Riverfront Urban Renewal District.

Plan Area means the property included in the Riverfront Urban Renewal District as more fully described in Section 300.

Projects means the urban renewal projects listed in Section 600 of the Plan.

Report on the Plan means the textual material and graphic exhibits required by ORS 457.085(3) that explains existing conditions, activities, procedures, and proposals of the Plan.

Riverfront Park and Plaza means the 3-acre Downtown Riverfront Park and 1-acre Plaza located in the Plan Area. The Park was completed in 2022. Construction of the Plaza is expected to begin in 2025.

Steam Plant means the historic structure the Agency acquired from EWEB in 2018 as part of the purchase of the Downtown Riverfront property. The multi-story masonry and steel structure was constructed in three phases from 1930-1950. Steam Plant operations ceased in 2012 and the building is currently vacant. The Agency intends to preserve and redevelop the structure.

Tax Increment Financing means a method of financing urban renewal projects as authorized by ORS Chapter 457.

Willamette to Willamette Initiative means the collection of projects focusing on infrastructure and activity along 8th Avenue between the Willamette River and Willamette Street.

Section 300 – Legal Description

The Riverfront Urban Renewal District includes an area of approximately 245 acres. The Plan Area includes all of the land within the boundaries designated on the map attached as Plan Exhibit A and described as containing all lots or parcels of property situated in the City of Eugene, County of Lane, State of Oregon, bounded generally as described in Plan Exhibit B.

Section 400 – Goals and Objectives

A. Goals

The goals of the Plan are to:

1. Improve the function, condition, and appearance of the Plan Area by:
 - a. Supporting the creation of a mix of new housing, which will bring more people and positive activity into the Plan Area, thereby making the entire Plan Area more attractive for residents, workers, and visitors.
 - b. Supporting commercial development by creating physical conditions to help businesses thrive and by the repurposing of underutilized properties.
 - c. Making physical improvements to parks, plazas, open spaces, sidewalks, and streets to provide an inviting connection through the Plan Area and to the river.
2. Eliminate blight and blighting influences.
3. Strengthen the economic conditions of the Plan Area.
4. Improve connections between the Riverfront Plan Area, the core of downtown, the federal courthouse, and the University of Oregon.

5. Protect or enhance the riparian area.

B. Objectives

Development in the Plan Area is intended to play a critical role in Eugene's economy by improving the east side of the downtown core and providing a unique opportunity to develop an area that connects downtown Eugene to the Willamette River, the federal courthouse, and the University of Oregon. These objectives are consistent with the Eugene 2035 Transportation System Plan, Envision Eugene, Eugene's Community Climate Action Plan 2.0, the City's Capital Improvement Program, and the City's Housing Implementation Pipeline. The objectives of the Plan are:

1. Address barriers to the creation of new housing by helping to make residential development projects financially feasible. The creation of new housing in the Plan Area will:
 - a. Contribute to the Plan Area's vitality;
 - b. Help alleviate the undersupply of housing in Eugene; and
 - c. Support the City's housing and climate action goals.
2. Improve public spaces and buildings in the Plan Area in order to make it a safe, accessible, and welcoming place for all users. These public improvements will:
 - a. Address public safety concerns by improving the physical environment;
 - b. Provide safe, direct, and attractive linkages between the Plan Area, the University of Oregon, downtown Eugene, and the Willamette River;
 - c. Address bicycle and pedestrian access within the Plan Area; and
 - d. Improve pedestrian and multi-modal transportation circulation between downtown Eugene and the Downtown Riverfront.
3. Strengthen the Plan Area's commercial environment by:
 - a. Investing in vacant or underutilized spaces to increase marketability and flexibility; and
 - b. Providing financial assistance for new and growing businesses.
4. Protect and enhance the key riparian areas along the river by:
 - a. Addressing impacts of Plan Area development on public open space;
 - b. Maintaining and enhancing the public's physical access to and along the Willamette River; and
 - c. Supporting design improvements or mitigations that are needed to treat stormwater, protect water quality, or to respond to other environmental protection needs.

Section 500 – Land Use Plan

The use and development of all land within the Plan Area shall comply with the regulations prescribed in the City's comprehensive plan, land use regulations, City charter, and any other applicable local, State, or Federal laws regulating the use of property within an urban renewal area.

Section 600 – Urban Renewal Projects

To achieve the objectives of this Plan, the Agency may incur indebtedness to finance the following urban renewal projects, and may pay that indebtedness with tax increment funds:

A. Existing Activities

The Agency may complete and provide tax increment funds to urban renewal projects authorized and for which some action has been taken prior to the 2023 Plan Amendment (for example, the Downtown Riverfront Plaza, the Steam Plant Redevelopment, the Downtown Riverfront Affordable Housing Project, and the Railroad Quiet Zone). The Agency may also continue to operate the River Loans Program. All dollars loaned must come from program revenue and not from tax increment funds.

B. Additional Housing

The Agency is authorized to support the creation of housing in the Plan Area through the following activities:

B-1. Development Fee Assistance

The Agency may use tax increment funds to pay development fees for development that results in the creation of new housing in the Plan Area. Development fees paid by the Agency may include Systems Development Charges, permit fees, and other government-imposed fees. The Agency Board will establish eligibility criteria for Development Fee Assistance. If the criteria are met, Agency Board approval pursuant to Section 700 of the Plan is not required. Eligible projects must result in new housing and include new construction or redevelopment of existing buildings.

B-2. Real Property Acquisition and Disposition

The Agency may use tax increment funds to acquire real property when the acquisition of the real property is necessary to support the creation of additional new housing in the Plan Area.

The process for selling or disposing of property acquired for the purpose of supporting the creation of housing will be determined by the Agency Board. Property acquired to support the creation of housing may be offered to a developer for a reduced price or at no cost, as determined by the Agency Board.

C. Physical Improvements to Address Safety and Comfort

The Agency is authorized to make improvements to public spaces including streets, curbs, and sidewalks in the Plan Area to create safe, accessible, and welcoming places for users. Possible improvements include:

C-1. Street, Curb, Alley, and Sidewalk Improvements

Improvements within the Plan Area may require the construction of new streets, curbs, and sidewalks. The Agency may fund sidewalk and roadway improvements in the Plan Area including design, redesign, construction, resurfacing, repair, and acquisition of right-of-way

for curbs, streets, and sidewalks, and pedestrian and bicycle paths. Projects that may be undertaken include:

- Local street, curb, and sidewalk improvements to support commercial and other street-level activity in the Plan Area or as identified in the Eugene Capital Improvement Program; and
- Other street, curb, and/or sidewalk improvements identified by the Agency.

C-2. Streetscape Projects

The Agency may participate in activities that will improve the visual appearance of the Plan Area, including but not limited to:

- Accent paving;
- Decorative lighting;
- Street trees, planters, and landscaping;
- Furnishings, including benches, trash receptacles, bicycle racks;
- Street and directional signage;
- Public art and water features;
- Gateway monuments and landscape features; and
- Undergrounding of utilities in the Plan Area.

C-3. Pedestrian, Bike, and Multi-Modal Transportation Improvements

The Agency may participate in activities that support pedestrian, bicycle, other non-automobile, and transit uses in the Plan Area and connections between the Plan Area, downtown, public parks, and other areas of Eugene. Projects may include:

- Construction of bicycle parking and storage, transit stops, covered shelters, transit pullouts;
- Provide new bike paths or lanes in the Plan Area;
- Provide pedestrian connections to the broader downtown, riverfront, and surrounding areas;
- Provide more prominent entrances to the downtown area; and
- Provide weather sheltering devices for the protection of pedestrians.

D. Projects Directed/Initiated by the Agency Board

The Agency is authorized to participate in eligible activities and projects should the Agency Board decide to pursue them, such as:

D-1. Parking and Mobility

The Agency is authorized to participate in the development of parking and mobility infrastructure in the Plan Area, including surface lots or garages. These improvements will benefit the Plan Area by increasing public use of the area. On-street parking is anticipated to meet most of the standard daily needs of people accessing public amenities in the Plan Area, such as the Park, restaurants, and commercial spaces. However, on-street parking will not accommodate all of the parking needs during high demand periods such as nights and weekends, and during special events. In addition, the Steam Plant parcel size is not sufficient to accommodate anticipated parking needs for its future redevelopment into a mixed-use center.

While implementation of certain physical improvements in Section 600 C may reduce the need for parking, it is still expected that additional parking may be needed, at least in the medium term.

D-2. Transmission Lines Rerouting

The Agency is authorized to participate in the effort to reroute the transmission lines that service the Willamette Substation and currently run from the electrical tower in the Riverfront Park, south along the river next to the Steam Plant. Rerouting of the transmission lines would allow removal of the existing Riverfront Park tower, opening up views at the southern end of the park and in front of the Steam Plant and creating more passive open space in those places.

D-3. Open Space Improvements

The Agency may participate in funding the design, acquisition, construction, and/or rehabilitation of public open spaces and parks within the Plan Area. Projects to be undertaken may include:

- Walkways and plazas;
- Shelters;
- Buildings;
- Landscaping;
- Accessibility improvements;
- Lighting;
- Furniture; and
- Art.

D-4. Other Development Support

The Agency is authorized to support development and commercial activities within the Plan Area through the following activities:

a. Financial Assistance

The Agency may use tax increment funds to provide financial assistance to property owners, for physical improvements to privately owned properties that will address the goals of the Plan. The activities eligible for financial assistance could include housing development, green building or renewable energy investments, improvements to ground-floor storefronts, and improvements to vacant or underutilized commercial spaces to increase flexibility and marketability.

b. Real Property Acquisition and Disposition

The Agency may use tax increment funds to acquire real property for the purpose of supporting the objectives of this Plan, including the support of commercial activity.

The process for selling or disposing of property acquired for the purpose of supporting commercial activity will be determined by the Agency Board. Property acquired to support commercial activity may be offered to a developer for a reduced price or at no cost, as determined by the Agency Board.

D-5. Other Public Facilities

The Agency is authorized to participate in development of public facilities including City Hall, police and fire facilities, libraries, recreation centers, conference facilities, and community centers. These facilities will benefit the Plan Area by increasing public usage of the area, by enhancing protective services, and by stimulating additional public and private investment in the Plan Area. The extent of the Agency's participation in funding such facilities will be based upon an Agency finding on the benefit of that project to the Plan Area, and the importance of the project in carrying out Plan objectives. The type and location of these public facilities will be determined by future study. Potential public facilities to be assisted include:

- New Police Building or City Hall.

These public facility projects were designated and authorized by Section 600A(7) of the 2004 Riverfront Urban Renewal Plan, and continue to be authorized by this renumbered Section 600D(5). The only amendments made to this renumbered Section 600D(5) are to change references from "renewal area" to "Plan Area" for consistency with the language used in other areas of the Plan and removal of a new federal courthouse building as an eligible public facility project following the construction of a new federal courthouse building in 2006.

E. Loans and Grants

The Agency may operate a low-interest loan and grant program to assist development and redevelopment of private property within the Plan Area. All dollars loaned must come from program revenue and not from tax increment funds. Property owners within the Plan Area proposing to improve their properties and receiving financial assistance from the Agency shall do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans, and procedures of the City.

F. Project Delivery and Administrative Activities

Many of the Agency's project delivery and administrative activities are provided through a contract between the City of Eugene and the Agency dated June 15, 2004.

1. The Agency may retain the services of independent professional people or organizations to provide project delivery administrative or technical services such as:
 - a. Project management;
 - b. Preparation of market, feasibility, or other economic studies;
 - c. Public engagement;
 - d. Preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies;
 - e. Preparation of property acquisition appraisals;
 - f. Provision of special rehabilitation, restoration, or renovation feasibility and cost analysis studies;

- g. Provision of legal, debt issuance, accounting, or audit services;
 - h. Assistance with preparation of the annual financial report required under Section 800 of this Plan and the financial review required under Section 900 of this Plan; and
 - i. Support ongoing investments within the Plan Area (e.g. potential new businesses, existing businesses with expansion, dealing with safety issues).
2. The Agency may acquire, rent, or lease office space and office furniture, equipment, and facilities necessary for it to conduct its affairs in the management and implementation of this Plan.
 3. The Agency may invest its reserve funds in interest-bearing accounts or securities authorized under ORS 294.
 4. The Agency may borrow money, accept advances, loans, or grants from any legal source, issue urban renewal bonds and receive tax increment proceeds as provided for in Section 700 of this Plan.

Section 700 – Methods for Financing the Projects

The Agency may borrow money and accept advances, loans, grants, and other legal forms of financial assistance from the Federal government, State of Oregon, City of Eugene, Lane County, or other public body, or from any source, public or private, for the purposes of undertaking and carrying out the Projects authorized by this Plan.

Ad valorem taxes, if any, levied by a taxing body upon the taxable real and personal property situated in the Plan Area, shall be divided in accord with and pursuant to Section 1c, Article IX of the Oregon Constitution and ORS Chapter 457, and used by the Agency for the Projects authorized by this Plan.

The Agency shall adopt and use a fiscal year ending June 30 accounting period. Every other year, the Agency shall develop a biennial budget in conformance with the provisions of ORS Chapter 294 and ORS 457, which shall describe sources of revenue, proposed expenditures, and activities.

The Agency Board must approve all projects, other than loans, in excess of \$250,000.

Section 800 – Annual Financial Statement Required

A financial statement shall be prepared that includes the information required by ORS Chapter 457. The statement shall be filed with the City Council and notice shall be published and mailed to the affected taxing districts in accordance with the requirements of ORS 457.

Section 900 – Community Member Participation

The activities and projects defined in this Plan, development of subsequent plans, procedures, activities, and regulations, and the adoption of amendments to this Plan shall be undertaken with the participation of citizens, owners, tenants as individuals, and organizations who reside within or who have financial interest within the project area together with the participation of general community members of the city. An advisory committee authorized by the Agency Board will advise on the activities of the Riverfront Urban Renewal District.

Section 1000 – Non-Discrimination

In the preparation, adoption, and implementation of this Plan no public official or private party shall take any action to cause any person, group, or organization to be discriminated against in a manner that violates Section 4.613 of the Eugene Code, 1971.

Section 1100 – Recording of This Plan

A copy of this Plan and Substantial Amendments to this Plan shall be recorded with the recording officer of Lane County.

Section 1200 – Procedures for Changes or Amendments

The Plan will be reviewed and analyzed periodically and may need to be modified based on this review. The types of Plan Amendments are:

A. Type One Amendment – Substantial Change Requiring Special Notice

Type One amendments shall require approval per ORS 457.095 and notice as provided in ORS 457.120. Type One amendments will consist of:

1. Increases in the Plan Area boundary in excess of one percent (1%) of the existing area of the Plan.
2. Increases in the maximum indebtedness that can be issued or incurred under this Plan.

B. Type Two Amendment – Substantial Change Not Requiring Special Notice

Type Two amendments shall require approval per ORS 457.095 but will not require notice as provided in ORS 457.120. Type Two amendments will consist of any change or additions to the projects listed in Section 600.

C. Type Three Amendment - Minor Amendment

Minor amendments are any change that does not require a Type One or Type Two amendment and may be approved by the Agency Board in resolution form.

D. Amendment to the City's Comprehensive Plan or any of its Implementing Ordinances

Amendments to Eugene's adopted comprehensive plan and/or land use regulations that affect the Plan and/or the Plan Area shall be incorporated automatically into the Plan without any separate action required by the Agency Board or City Council. If a Type I or Type II amendment is prepared, Exhibit C of this Plan will be updated at that time.

Section 1300 – Duration and Validity of Approved Plan

A. Duration of the Plan

Taxes may be divided under this Plan only until the maximum indebtedness for the Plan Area has been issued and paid or defeased, or the Agency has determined that it will not issue the full amount of that maximum indebtedness, and all indebtedness that will be issued has been issued and paid or defeased. When that indebtedness has been paid or defeased the Agency will notify the assessor pursuant to ORS 457.450(2) to cease dividing taxes for the Plan Area and shall return any unused tax increment funds to Lane County for redistribution to overlapping taxing districts. However, the Riverfront Urban Renewal District and this Plan may remain in effect as long as legally required to exist and until the Agency transfers any remaining assets and liabilities of the Plan Area to the City of Eugene. As of the date of the 2023 Amendment, it is estimated that the last fiscal year for which taxes will be divided is ____ [A = FY29, B = FY32, C = FY39].

B. Validity

Should a court of competent jurisdiction find any word, clause, sentence, section, or part of this Plan to be invalid, the remaining words, clauses, sentences, section, or parts shall be unaffected by any such finding and shall remain in full force and effect for the duration of the Plan.

Section 1400 – Maximum Indebtedness

The First Amendment to the Riverfront Urban Renewal Plan established a maximum indebtedness for the Plan of \$34.8 million.

The 2018 type 3 amendments did not increase the maximum indebtedness.

The 2023 Amendment increased the maximum indebtedness amount by ____ [A = \$15 million, B = \$25 million, C = \$45 million] to a total of ____ [A = \$49.8 million, B = \$59.8 million C = \$79.8 million]. The maximum indebtedness limit established by this Section 1400 does not apply to or limit:

1. The obligation of the Agency to pay interest on indebtedness issued or incurred under this Plan;
2. Any indebtedness issued to refund indebtedness issued or incurred under this Plan, to the extent that the refunding indebtedness does not exceed the principal amount of the refunded indebtedness, plus the amount of the refunding indebtedness that is used to pay costs of the refunding;
3. Funds to repay indebtedness existing on the date of the 2004 Amendment; and

4. Expenditures made from funds other than tax increment funds, such as loans made from the River Loans Program.

Legislation passed in 2009 (ORS 457.220) placed additional limits on how much a municipality can increase maximum indebtedness. That same legislation, however, also provides that those limitations *“do not apply to the extent the municipality approving a plan obtains the written concurrence of taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area.”*

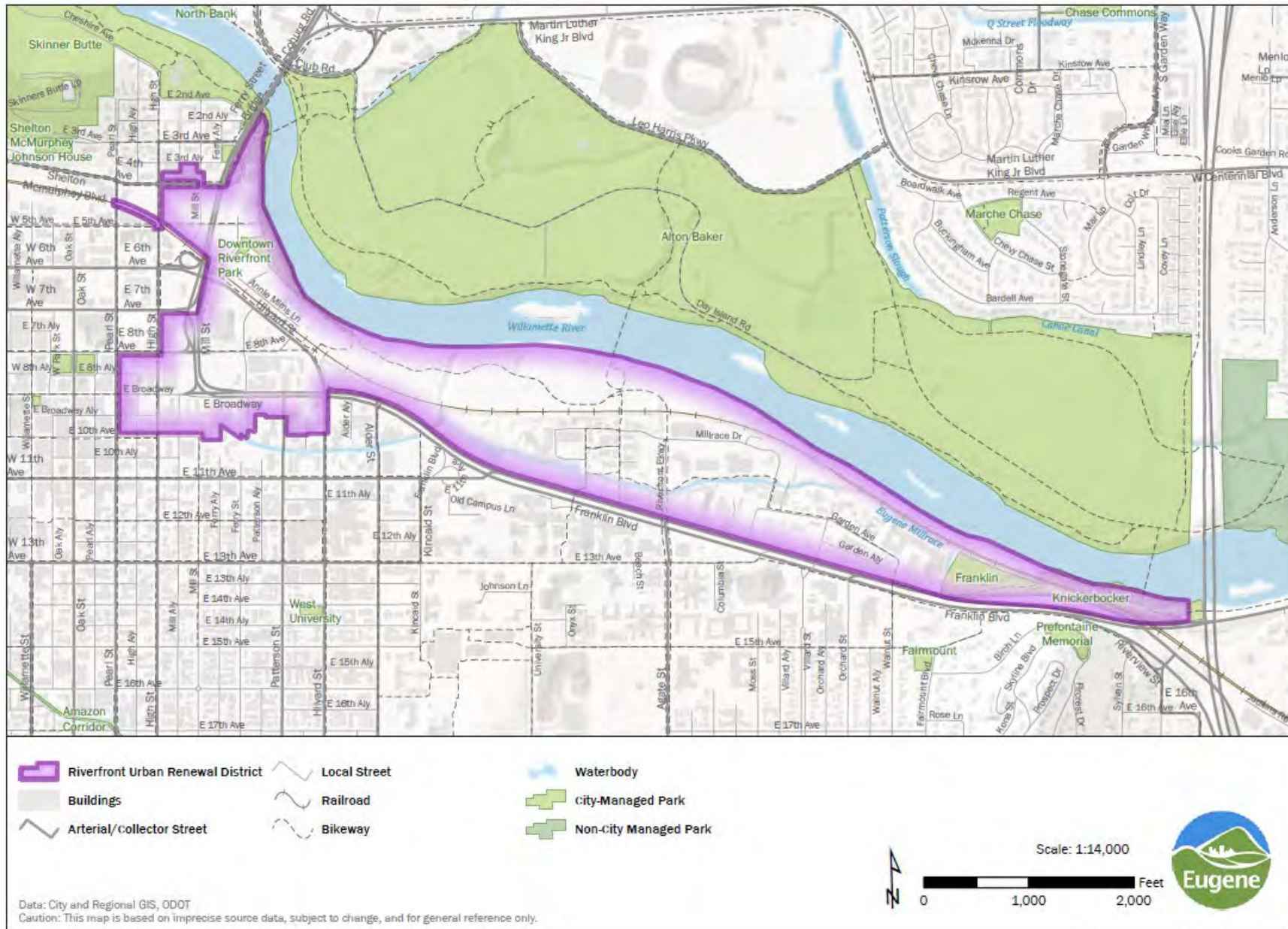
[Placeholder for overlapping taxing districts information]

Section 1500 – Formal Matters

At this time, no property is anticipated to be purchased that would result in relocation. If property is identified for purchase that would involve relocation, the Agency will develop provisions for relocation.

If the Agency acquires occupied real property in the implementation of the Plan, occupants of such property shall be offered relocation assistance, in such circumstances as may be required under the applicable state law. Those displaced will be contacted to determine their individual relocation needs. They will be provided information on available space and will be given assistance in moving. All relocation activities will be undertaken and payments made in accordance with the requirements of ORS 35.500-35.530 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 35.510. The Agency will prepare, adopt, and maintain a Relocation Policy prior to acquiring any property that will cause displacement.

Plan Exhibit A: Plan Area Map



Plan Exhibit B: Plan Area Description

Beginning at a point which is at the intersection of the east right-of-way line of Hilyard Street with the north right-of-way line of Franklin Boulevard; thence easterly along the north right-of-way line of said Franklin Boulevard to the intersection of the west right-of-way line of Interstate I-5; thence along said west right-of-way line of I-5 in a northerly direction to the intersection of the south bank of the Willamette River; thence along said south bank of the Willamette River in a westerly direction to the east right-of-way line of County Road No. 431 also known as Ferry Street; thence along said east right-of-way line in a southerly direction to a point on the south right-of-way line of 4th Avenue (if extended east); thence along said south right-of-way line in a westerly direction to a point at the intersection of the east right-of-way line of High Street with the south right-of-way line of 4th Avenue; thence along said east right-of-way line of High Street in a southerly direction to a point at the intersection of the east right-of-way line of High Street with the north right-of-way line of Southern Pacific Railroad; thence along said north right-of-way of Southern Pacific Railroad in an easterly direction to the intersection of said north right-of-way of Southern Pacific Railroad with the east right-of-way line of County Road No. 431 also known as Ferry Street; thence along said east right-of-way line in a southerly direction to the south right-of-way line of 7th Avenue (if extended east); thence along said south right-of-way in a westerly direction to a point at the intersection of the south right-of-way line of 7th Avenue with the east right-of-way line of High Street; thence along said east right-of-way line in a southerly direction to a point at the intersection of the east right-of-way line of High Street with the south right-of-way line of 8th Avenue; thence along said south right-of-way line in a westerly direction to a point at the intersection of said south right-of-way line with the east right-of-way line of Pearl Street; thence along said east right-of-way line of Pearl Street in a southerly direction to a point at the intersection of said east right-of-way line with the north right-of-way line of 10th Avenue; thence along said north right-of-way in an easterly direction to a point at the intersection of said north right-of-way line with the east right-of-way line of Mill Street; thence along said east right-of-way in a southerly direction to a point at the intersection of the south right-of-way line of 10th Avenue (if extended easterly) with the east right-of-way line of Mill Street; thence along said south right-of-way line (if extended easterly) to a point at the intersection of said south right-of-way line with the east margin of a north-south alley running from 11th Avenue to 10th Avenue, between Ferry Street and Mill Street, thence along said east right-of-way line of said alley in a northerly direction to a point of intersection with the south margin of the Mill Race; thence along said south margin in a southeasterly direction to a point on the east boundary of that certain tract of land described on document number 2000 WD, 00802, Lane County Oregon Deed Records; said point being the southeast corner of said parcel said point also being the southeast corner of Tax Lot 4000, Assessors Map 17-03-32-23; thence along said east boundary in a northerly direction to a point on the north margin of the Mill Race, said point being the southwest corner of that certain tract of land describe on Reel No. 1559, Instrument No. 8906959, Lane County Oregon Deed Records; thence along the south boundary of said tract of land in a southeasterly direction to the southwest corner of Tax Lot 5000, Assessors Map 17-03-32-23, said point also being the southwest corner of that certain tract of land described on Reel No. 721 Instrument No. 53549; thence along the westerly and northerly boundary of said

tract of land to its intersection with the west right-of-way line of Patterson Street; thence cantoning east on said northerly line (if extended east) to the east right-of-way line of Patterson Street; thence along said east right-of-way line in a southerly direction to the southwest corner of Lot 7, Hoffman Addition To Eugene; thence along the south boundary of said Lot 7 in an easterly direction to a point on the east boundary of said Hoffman Addition To Eugene; thence in a northeasterly direction to the south west corner of that certain tract of land described on Reel No. 1873, Instrument No's. 9353770-9353772, said point also being the south west corner of Tax Lot 7300, Assessors Map 17-03-32-23, thence along the south boundary of said tract of land in an easterly direction to the east right-of-way line of Hilyard Street; thence along said east right-of-way line of Hilyard Street in a northerly direction to the point of beginning.

The Riverfront Urban Renewal Area also includes the following property situated in the Southwest 1/4 of the Southwest 1/4 of Section 29 and in the Southeast 1/4 of the Southeast 1/4 of Section 30, all in Township 17 South, Range 3 West of the Willamette Meridian, in the City of Eugene, Lane County Oregon and described as follows:

BEING all of Lots 5, 7 and 8 in Block 7 of the plat of "Eugene City" as platted and recorded in Judgement Docket A at Page 2 in Lane County Oregon Records, together with a portion of the North-South alley in said Block 7 that lies between said Lots 7 and 8 and portions of Mill Street and East 4th Avenue, all as shown on said plat of "Eugene City". The perimeter of which lands are described more particularly as follows:

BEGINNING at the southwest corner of said Lot 7; THENCE, leaving said POINT OF BEGINNING and running northerly the following one numbered course: (1) along the west line of said, Lot 7 NORTH 01°50'06" EAST 80.20 feet to the northwest corner of said lot; THENCE, easterly the following one numbered course: (2) along the north line of said Lot 7 and its easterly prolongation, SOUTH 88°04'11" EAST 173.56 feet to the southwest corner of aforesaid Lot 5; THENCE, northerly the following one numbered course: (3) along the west line of said Lot 5, NORTH 01°48'44" EAST 80.31 feet to the northwest corner of said lot; THENCE, easterly the following one numbered course: (4) along the north line of said Lot 5, SOUTH 88°06'18" EAST 159.53 feet to the northeast corner of said lot, which corner lies on the west margin of Mill Street, a 66.00-foot wide right-of-way; THENCE, southerly the following one numbered course: (5) along the east line of said Lot 5 and said west margin of Mill Street, SOUTH 01°47'21" WEST 80.39 feet to the southeast corner of said lot, THENCE, easterly and crossing said Mill Street, the following one numbered course: (6) SOUTH 88°02'41" EAST 66.00 feet, more or less, to the Northwest corner of Lot 7 in Block 6 of said plat of "Eugene City", which corner lies on the east margin of said Mill Street; THENCE, southerly along the west line of said Lot 7 and east margin of Mill Street, the following one numbered course: (7) SOUTH 01°47'21" WEST 80.43 feet to the southwest corner of said lot, which corner lies on the north margin of East 4th Avenue, a 66.00-foot wide right-of-way; THENCE, continuing southerly and crossing said East 4th Avenue, the following one numbered course: (8) SOUTH 01°47'21" WEST 66.00 feet, more or less, to the northwest corner of Lot 2 in Block 11 of said plat of "Eugene City", which corner lies at the intersection of the aforecalled east margin of Mill Street with the south margin of aforecalled East 4th Avenue; THENCE, westerly along said south margin of East 4th Avenue and crossing said Mill

Street, the following one numbered course: (9) NORTH 88°02'03" WEST 66.00 feet, more or less, to the northeast corner of Lot 1 in Block 10 of said plat of "Eugene City", which corner lies at the intersection of said south margin of East 4th Avenue with the west margin of Mill Street; THENCE, northerly and crossing said East 4th Avenue, the following one numbered course: (10) NORTH 01°47'21" EAST 66.00 feet, more or less, to the southwest corner of aforesaid Lot 8 in Block 7 of the plat of "Eugene City", which corner lies at the intersection of the north margin of East 4th Avenue with the west margin of Mill Street: AND THENCE, westerly along said north margin of East 4th Avenue and the south lines of said Lot 8 and 7 in Block 7 of the plat of "Eugene City", the following one numbered course: (11) NORTH 88°02'03" WEST 333.18 feet RETURNING to the POINT OF BEGINNING and containing 1.13 acres, more or less.

The Riverfront Urban Renewal Area also includes the following property situated on a tract of land being a portion of the existing right-of-way of the Southern Pacific Railroad and portions of Pearl and High Streets located in the Northeast one-quarter of Section 31 in Township 17 South, Range 3 West of the Willamette Meridian and being more particularly described as follows;

Beginning at the Northeast corner of Lot 1, Block 16, Original Plat of Eugene City as platted and recorded in Judgement Docket A, Page 2, Lane County Oregon Deed Records in Lane County, Oregon; thence easterly to a point being the intersection of the east right-of-way line of High Street and the southerly right-of-way line of the Southern Pacific Railroad; thence northerly to a point being the intersection of the east right-of-way line of High Street and the Northerly right-of-way line of the Southern Pacific Railroad: thence northwesterly along the northerly right-of-way line of the Southern Pacific Railroad to a point being at the intersection the east right-of-way line of Pearl Street and the northerly right-of-way line of the Southern Pacific Railroad: thence westerly to a point of intersection with the west right-of-way line of Pearl Street and the northerly right-of-way line of the Southern Pacific Railroad; thence southerly to a point being at the intersection with the west right-of-way line of Pearl Street and the southerly right-of-way line of the Southern Pacific Railroad; thence southeasterly to the point of intersection of the east right-of-way line of Pearl Street and the southerly right-of-way line of the Southern Pacific Railroad; thence southeasterly along the south right-of-way line of the Southern Pacific Railroad to a point of intersection with the south right-of-way line of the Southern Pacific Railroad and the north right-of-way line of 5th street; thence south to the south right-of-way line of 5th street; thence east the point of beginning, all in Eugene, Lane County, Oregon. Per exhibit map A "Railroad Quiet Zone Riverfront Urban Renewal District Expansion" Resolution 1086 approved by the Urban Renewal Agency Board on February 26, 2018.

Plan Exhibit C: Analysis Of The Plan's Conformance To The Comprehensive Plan And Other Local Plans

ORS 457.095 requires that an Urban Renewal Plan conform to local objectives including the comprehensive plan and economic development plan of a locality. This section provides that analysis. Additionally, ORS 457.085(2)(d) requires that the Plan include an explanation of the Plan's relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities, and other public improvements. This section complies with the statutory requirement to identify definite local objectives regarding land use, transportation, etc., by reference to local planning documents. Relevant local planning and development objectives are contained within the following local planning documents:

- Eugene-Springfield Metropolitan Area General Plan (Metro Plan)
- Envision Eugene Comprehensive Plan (Envision Eugene)
- Eugene 2035 Transportation Systems Plan
- Housing Implementation Pipeline
- Eugene Climate Action Plan 2.0
- Eugene Downtown Plan

The following section describes the purpose and intent of these planning documents, lists applicable goals and policies within each planning document, and provides an explanation of how the Urban Renewal Plan for the Riverfront Urban Renewal District (Plan) relates to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original planning document. Italicized text is text that has been taken directly from an original planning document and therefore cannot be changed. Some verbiage may say "complies with", which, in this document is synonymous with "conforms to" as stated in ORS 457.095.

A. Eugene-Springfield Metropolitan Area General Plan (Metro Plan)

Metropolitan Residential Land Use and Housing Element Goal: Provide viable residential communities so all residents can choose sound, affordable housing that meets individual needs.

FINDING: The 2023 Amendment to the Urban Renewal Plan for the Riverfront Urban Renewal District (2023 Amendment) provides tax increment resources to help create additional housing opportunities, including Affordable Housing, for Eugene residents. The resources may be used for acquisition, assisting with development costs, and providing incentives to make a project economically feasible. The Plan conforms to the Housing Element Goal of the Metro Plan.

Economic Element Goal: Broaden, improve, and diversify the metropolitan economy while maintaining or enhancing the environment.

Policies:

- *B.14 Continue efforts to keep the Eugene and Springfield central business districts as vital centers of the metropolitan area.*
- *B.28 Recognize the vital role of neighborhood commercial facilities in providing services and goods to a particular neighborhood.*
- *B.29 Encourage the expansion or redevelopment of existing neighborhood commercial facilities as surrounding residential densities increase or as the characteristics of the support population change.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, for Eugene residents. The Steam Plant project will continue revitalization of the Downtown Riverfront, adding public gathering spaces and a hotel to bring more activity to the Plan Area. The Plan conforms to the Goal and Policies B.14, B.28, and B.29 of the Metro Plan.

Transportation Element Goals:

1. *Provide an integrated transportation and land use system that supports choices in modes of travel and development patterns that will reduce reliance on the automobile and enhance livability, economic opportunity, and the quality of life.*
2. *Enhance the Eugene-Springfield metropolitan area's quality of life and economic opportunity by providing a transportation system that is:*
 - *Balanced,*
 - *Accessible,*
 - *Efficient,*
 - *Safe,*
 - *Interconnected,*
 - *Environmentally responsible,*
 - *Supportive of responsible and sustainable development,*
 - *Responsive to community needs and neighborhood impacts, and*
 - *Economically viable and financially stable.*

Policies:

- *F.3 Provide for transit-supportive land use patterns and development, including higher intensity, transit-oriented development along major transit corridors and near transit stations; medium- and high-density residential development within ¼ mile of transit stations, major transit corridors, employment centers, and downtown areas; and development and redevelopment in designated areas that are or could be well served by existing or planned transit.*
- *F.4 Require improvements that encourage transit, bicycles, and pedestrians in new commercial, public, mixed use, and multi-unit residential development.*
- *F.11 Develop or promote intermodal linkages for connectivity and ease of transfer among all transportation modes.*
- *F.13 Support transportation strategies that enhance neighborhood livability.*

- *F.14 Address the mobility and safety needs of motorists, transit users, bicyclists, pedestrians, and the needs of emergency vehicles when planning and constructing roadway system improvements.*
- *F.22 Construct and improve the region's bikeway system and provide bicycle system support facilities for both new development and redevelopment/expansion.*
- *F.23 Require bikeways along new and reconstructed arterial and major collector streets.*
- *F.24 Require bikeways to connect new development with nearby neighborhood activity centers and major destinations.*
- *F.26 Provide for a pedestrian environment that is well integrated with adjacent land uses and is designed to enhance the safety, comfort, and convenience of walking.*
- *F.27 Provide for a continuous pedestrian network with reasonably direct travel routes between destination points.*
- *F.37 Consider and include among short-term project priorities, those facilities and improvements that support mixed-use, pedestrian-friendly nodal development, and increased use of alternative modes.*

FINDING: The 2023 Amendment provides tax increment resources to provide for improved multi-modal transportation systems including street, curb, alley, and sidewalk improvements; streetscape improvements; and pedestrian, bike, and transit improvements. The Plan conforms to the Goals and listed policies of the Transportation Element of the Metro Plan.

Public Facilities and Services Element Goals:

1. *Provide and maintain public facilities and services in an efficient and environmentally responsible manner.*
2. *Provide public facilities and services in a manner that encourages orderly and sequential growth.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, Eugene residents. This area in Eugene already has existing services and increasing the density of the area makes efficient use of existing resources. The Plan conforms to the Public Facilities and Services Element Goals of the Metro Plan.

Parks and Recreation Facilities Element Goal:

Provide a variety of parks and recreation facilities to serve the diverse needs of the community's citizens.

Objectives:

4. *Develop park sites and recreation facilities in the manner best suited to serve the diverse interests of local residents and in areas of greatest need.*
5. *Close the gap between the current supply of park and recreation facilities and the projected demand.*

FINDING: The 2023 Amendment provides tax increment resources to improve the public spaces within the area acknowledging that increasing the residents in the area will increase demand for park facilities. The Plan conforms to the Goal and Objectives 4 and 5 of the Parks and Recreation Facilities Element of the Metro Plan.

B. Envision Eugene Comprehensive Plan

June 2017

Chapter 3 Economic Development

Downtown, Key Corridors, and Core Commercial Areas – Policies in this section support geographic areas of particular economic intensity.

- *3.32 Priority development areas. Promote redevelopment and reuse in prioritized areas including downtown, key corridors, and core commercial areas.*
- *3.33 Urban economy. Promote downtown as a hub of creative, entrepreneurial activity that can attract new investment and retain and grow existing businesses that thrive in the urban environment.*
- *3.34 Multifaceted, regional center. Strengthen downtown's role as a destination and the functional center for government, business and commerce, entertainment and the arts, and education in Eugene and the Southern Willamette Valley.*
- *3.35 Neighborhood vitality. Recognize the vital role of commercial facilities that provide services and goods in complete, walkable neighborhoods throughout the community. Encourage the preservation and creation of affordable neighborhood commercial space to support a broad range of small business owners across all neighborhoods.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, for Eugene residents. The Steam Plant project will continue revitalization of the Downtown Riverfront, adding public gathering spaces and a hotel to bring more activity and economic input to the Area. The Plan conforms to the Economic Development Element of the Envision Eugene Comprehensive Plan.

Chapter 9 Transportation

Policy 9.1 Local transportation planning. The Eugene 2035 Transportation System Plan, not including the transportation financing program, serves as the transportation element of the Envision Eugene Comprehensive Plan and amendments to that plan shall constitute amendments to this plan.

FINDING: The findings of conformity with the Eugene 2035 Transportation System Plan, laid out in more detail below, support a finding of conformity with the Transportation Chapter of the Envision Eugene Comprehensive Plan.

C. Eugene 2035 Transportation System Plan

The following are projects specified in the Eugene 2035 Transportation System Plan located in the Plan Area.

- *Improved connections from Downtown to other corridors*
- *Neighborhood greenway*
 - *PB-111 – Broadway, Charnelton Street to High Street*
 - *PB-503 – High Street, Cheshire Ave to 6th Avenue*
 - *PB-591 – Garden Avenue, Millrace Drive to 15th Avenue*
- *Protected bike lane*
 - *PB-18 – High Street, 6th Avenue to 19th Avenue*
 - *PB-580 – Hilyard, 8th Avenue to Broadway*
 - *PB-582 – Broadway, Hilyard Street to Alder Street*
- *Shared use path*
 - *PB-376 – South Bank Path to Riverview Street*
- *Sidewalk Path*
 - *PB-508 – Franklin Boulevard, Alder Street to Millrace Park Path*
- *Multimodal*
 - *MM-9 – West Eugene EmX*
 - *MM-19 – Franklin Boulevard Reconstruction*
 - *MM-22 – Convert 8th Avenue to a two-way street*
 - *MM-24 – Railroad Quiet Zone*
 - *MM-25 – 8th Avenue railroad crossing improvements*
- *Future study projects*
 - *S-3 – Improvements to North-South Travel/Circulation South of Downtown – Evaluate north/south circulation options on the Oak/Pearl Streets and Hilyard/Patterson Streets couplets*
- *Potential actions for system-wide policies*
 - *N. Promote transportation demand management programs along the Key Corridors, in downtown, and near the University of Oregon to coordinate the needs and travel options of multiple businesses and residences for purposes of reducing automobile and freight demand at times of peak congestion.*

FINDING: The 2023 Amendment provides tax increment resources to provide for improved multi-modal transportation systems including street, curb, alley and sidewalk improvements, streetscape improvements and pedestrian, bike, and transit improvements. The Plan conforms to the Eugene 2035 Transportation System Plan.

D. Housing Implementation Pipeline

July 1, 2022 – June 30, 2027

The Housing Implementation Pipeline (HIP) is an internal, cross-departmental, five-year work plan for the City. This work plan coordinates current and future City resources, goals, and priorities with a systems-thinking approach to housing across the full continuum from people experiencing homelessness to overall housing supply. A target goal in the HIP is to increase the amount of housing downtown by 50% from 2021; an increase of over 1,000 units. The HIP work

plan period begins July 1, 2022, and concludes June 30, 2027. The HIP will be reviewed and updated on a two-year schedule to occur in year 3 (2025) and year 5 (2027)

Downtown Housing Strategies

Encouraging compact development in the downtown area is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability.

Despite community benefits from a strong residential presence downtown, new residential construction faces a number of competitive disadvantages, particularly financial challenges, compared with development in other parts of the city.

Prior support for downtown housing has come in multiple forms, especially 1) Affordable Housing investments such as HOME funds and tax exemptions from Low-Income Rental Housing Property Tax Exemption (LIRHPTE), 2) tax exemption under the Multi Unit Property Tax Exemption (MUPTE) program, 3) Urban Renewal, and 4) regulatory incentives, such as the removal of parking minimums in the downtown area. These tools have led to the creation of the majority of the housing units in downtown today, including Broadway Place, First on Broadway, Aurora Building, and West Town on 8th.

The City could look to continue this type of support by exploring tax exemption opportunities as well as the possibility of extending the life of the Downtown and Riverfront Urban Renewal Districts for the purposes of supporting more housing downtown. Support for downtown housing will allow the City to meet its goal of adding at least 1,000 new units downtown.

Middle Housing Incentives

Throughout the public engagement process for Middle Housing Code Amendments (HB 2001), community members and the Planning Commission emphasized the need for incentivizing smaller and more affordable housing options. To increase desired middle housing, the City will explore a suite of incentives such as fee reductions, tax exemptions, preapproved plans, first-time home buyer assistance, and land use code changes (e.g., density bonuses). Potential incentives would complement other items in the HIP and some incentive programs could be expanded to include middle housing in certain places or city wide if specific targets are met including efficiency targets like small square footage, or income restriction targets. It is anticipated that a comprehensive approach that pairs financial incentives with regulatory changes will have the greatest impact. This policy exploration could occur starting in FY25, if the additional resources are secured.

Anti-Displacement Action Plan

If additional resources are made available, City staff will look to coordinate policies and actions to promote equitable development and reduce the harmful impacts of involuntary displacement as Eugene continues to grow. The action plan will guide many of our existing and proposed policies or programs.

Academic and professional publications on anti-displacement identify production, preservation, and protection as key policy areas to combating the negative effects of displacement. In developing the plan, the City will look to other cities and models that have proven effective at preventing the effects of involuntary displacement.

As shown in Appendix A [of the HIP], the plan could be created beginning in FY25, if additional resources are made available for this work. An Anti-Displacement Action Plan will be co-created with community members, building off the work of the Equity Panel and with a particular focus on engaging with communities that are most impacted by displacement. It could include direction on tenant/renter protection regulations, Affordable Housing preservation and development, rental assistance, homeownership assistance, community land trust support, inclusionary zoning requirements, and a housing-specific equity lens toolkit.

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities in the downtown for Eugene residents. The Housing Implementation Pipeline includes the use of urban renewal as a potential resource for creating additional housing. The Housing Implementation Pipeline also includes exploration of incentives of middle housing production, which can occur with urban renewal. The Plan supports the Housing Implementation Pipeline.

E. Climate Action Plan 2.0

July 2020

The Climate Action Plan 2.0 identifies actions that will help Eugene reach its climate goals. The Plan includes multiple strategies that support the development of downtown and increase compact housing in the downtown. Housing policy is a cornerstone of any City's climate policy. Housing stock characteristics like size, affordability, and location relative to transit, jobs, and other amenities all impact residents' environmental impact. Size has multiple impacts including the emissions from creating the building materials and the emissions from energy used to heat and cool the home. Smaller homes tend to have a smaller carbon footprint during construction and use. In addition, housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer vehicle trips.

Action T11 COE to make compact urban development easier in the downtown, on key transit corridors, and in core commercial areas. This includes removing regulatory barriers, flexible uses within industrial and commercial, reduce financial obstacles, restructure SDCs for smaller additional incentives, flexible land use codes, and ensure transportation system can support planned densities. This action is part of the Promote Compact Urban Development and Efficient Transportation Options Pillar of Envision Eugene.

Action T13 COE to plan for growth so that an increasing proportion of residents live in 20-Minute Neighborhoods where residents can meet most of their daily needs near their homes without the use of an automobile. This includes identifying location opportunities for flexible codes, transportation infrastructure improvements, parks and open space, partnerships, and

incentives. This action is part of the Plan for Climate Change and Energy Resiliency Pillar of Envision.

Action T14 *COE to incentivize transit-oriented development and walkable neighborhoods using tools such as the Multi-Unit Property Tax Exemption (MUPTE), a state-enabled 10-year property tax exemption, to stimulate the construction of multiunit housing downtown and along key corridors. MUPTE is currently authorized to be used in downtown Eugene. Programs to facilitate more housing downtown, including MUPTE, are an Envision Eugene strategy anticipated to achieve an additional 1,000 dwellings by 2032.*

Action T15 *COE to encourage housing diversity in all neighborhoods. Support the construction of duplexes, triplexes, quadplexes, townhomes, and cottage clusters throughout the community. Directly implement House Bill (HB) 2001, the state law that enables missing middle housing options on lots zoned for residential uses by June 2022. (HTS Process, Envision Eugene, SB 1051, HB 2001)*

Recommendation E1

Implement City land use policies that encourage higher density land use. Higher density housing results in more walkable, rideable, or roll-able communities.

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities and affordable housing opportunities for Eugene residents. Providing for increased housing density in the downtown helps compact urban development and plans for growth for increasing the proportion of the residents who live in 20-Minute Neighborhoods, and encourages housing diversity by providing increased housing opportunities. The Plan conforms to the Climate Action Plan 2.0.

G. Eugene Downtown Plan

April 12, 2004

Downtown Riverfront

Policies

1. *Incorporate the Willamette River as an integral element to downtown planning and development.*
2. *Collaborate with EWEB to encourage relocation of their utility facilities.*
3. *A master plan for the EWEB riverfront property must be approved by the City before any redevelopment, land use application, rezoning, Metro Plan, or refinement plan diagram amendments are approved for uses not associated with EWEB functions. The master plan shall be evaluated based on the master plan's consistency with principles a through d below:*
 - a. *Create a "people place" that is active, vibrant, accessible, and multi-use.*
 - b. *Provide appropriate setbacks, deeper where environmental or habitat issues are more critical, shallower in other areas.*
 - c. *Incorporate appropriate building and site design techniques that address environmental concerns.*

- d. *Incorporate an educational aspect, so that the riverfront improvements teach us about our river, our history, and our city.*
- 4. *Facilitate dense development in the courthouse area and other sites between the core of downtown and the river.*

Implementation Strategies

- A. *Create inviting physical and visual access to the riverfront from 8th and 5th Avenues and explore opportunities for additional access between these two points.*
- C. *Reinforce the relationship between downtown and the river through landscaping, art, signs, street furniture, historic plaques, and markers.*
- E. *Enhance existing points of access from downtown to the river so that convenient connections are visible both from the riverfront to downtown, and from downtown to the river.*
- F. *Explore possibilities for parks or public open space along the riverfront.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, for Eugene residents. Major policies in the Downtown Plan call for incorporating the Willamette River as an integral element to downtown planning and development and developing the EWEB property. The Steam Plant project will continue revitalization of the Downtown Riverfront, adding public gathering spaces and a hotel to bring more activity and economic input to the Area. The Plan also includes physical improvements that will strengthen the connection between downtown and the river. These policies are supported by the 2023 Amendment. The Plan conforms to the Eugene Downtown Plan.

Exhibit B**RIVERFRONT URBAN RENEWAL DISTRICT REPORT**

For the Riverfront Urban Renewal Plan

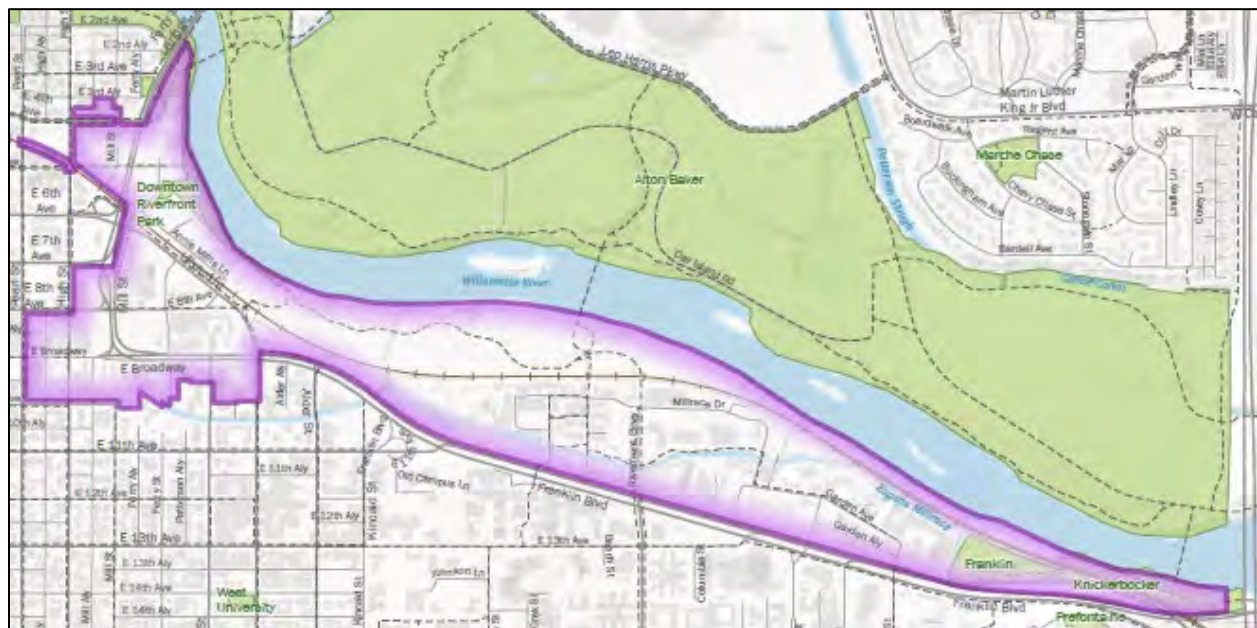
Originally Adopted September 11, 1985 by City Council Ordinance No. 19352

Amended March 10, 2004 by City Council Ordinance No. 20313

Amended February 12, 2018 by Eugene Urban Renewal Agency Resolution No. 1085

Amended February 26, 2018 by Eugene Urban Renewal Agency Resolution No. 1086

Amended ___, 2023 by City Council Ordinance No. ___



Urban Renewal Agency of the City of Eugene, Oregon



ACKNOWLEDGEMENTS

Eugene City Council and Urban Renewal Agency Board

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REPORT ON THE RIVERFRONT URBAN RENEWAL DISTRICT PLAN

[Throughout this Report, a range of options will be used with different increases to maximum indebtedness: A = \$15 million, B = \$25 million, C = \$45 million. In a few instances where clarity would be unduly compromised, option C is used and shows the maximum end of what City Council is considering.]

Chapter 1: Introduction

The 2023 Amendment to the Riverfront Urban Renewal Plan (the “Plan”) makes the following changes:

- Specifies project activities to be undertaken;
- Increases the Plan’s maximum indebtedness to allow for those specific projects; and
- General updating of the Plan.

The Plan has been amended three other times: once in 2004 and twice in 2018 to add small amounts of property to the Plan Area. The 2023 Plan Amendment is considered a substantial amendment under ORS 457 because it increases the maximum indebtedness of the Plan. This Report accompanies the Plan and consists of text, tables, and appendices.

The Riverfront Urban Renewal District contains approximately 245 acres (the “Plan Area”). The legal description for the Plan Area is located in Exhibit B to the Plan.

Chapter 2: Description of Physical, Social, Economic, and Environmental Conditions in the Plan Area

A. Physical Conditions

1. Land Area

The Plan Area encompasses about 245 acres. See Appendix, Exhibit A for a map of the Plan Area.

The total incorporated land area for the City of Eugene, as of July 2023, is 28,544 acres. The Plan Area represents about 0.85% of the City’s total land area. The Plan Area, combined with the area of the Downtown Urban Renewal District (approximately 75 acres), equals approximately 320 acres in urban renewal districts, which is a little more than 1.0% of the City’s total land area and well below the 15% maximum allowed by Oregon State law.

2. Existing Land Use and Zoning

Table 1 shows generalized land use in the Plan Area as of July 2023 by category. Table 2 shows the zoning of property in the Plan Area as of July 2023 by zone. A description of each use permitted is found in Chapter 9 of the Eugene Code. (The zoning map is located in the Appendix, Report Exhibit B.)

Table 1. Generalized Land Use

Land Use Code	Tax lots	% Total
Commercial	173	0.5%
Residential	3	0.7%
Residential Multi-Fam	36	0.6%
Miscellaneous	3	1.8%
Industrial	1	0.3%
Total	216	100.0%

Table 2. Zoning

Zoning		Acres
S-RP	Riverfront Park Special Area	82.2
S-WS	Walnut Station Special Area	37.4
S-DR	Downtown Riverfront Special Area	22.0
C-2	Community Commercial	24.3
I-3	Heavy Industrial	4.4
I-2	Light-Medium Industrial	1.9
R-4	High-Density Residential	1.9
PL	Public Land	2.1
C-3	Major Commercial	2.7
Total Zoned Property		178.9
Non-Taxloted Right-of-Way		66.1
Total		245.0

Source: Lane County Department of Assessment & Taxation

3. Historic Structures

Given its location just south of the Willamette River, much of the Plan Area was a mix of industrial uses and greenspace. Numerous old buildings were lost in the Plan Area due to demolition or neglect. While not all of these structures were historically or architecturally significant, their demolition and neglect demonstrate that Eugene's urban heritage was not considered worthy of preservation or reuse.

The Plan Area is adjacent to one of only two historic districts in Eugene, East Skinner Butte Historic District. This district showcases a high concentration of structures, most of which are residential homes, listed on the National Register of Historic Places and/or designated as a City Landmark.

Today, the Agency aims to take an active role in celebrating that urban heritage by preserving and reclaiming obsolete or underutilized buildings as well as parts of the urban landscape. For example, the Agency Board intends to save the historic Steam Plant building and is currently working with a developer who intends to list the building on the National Register. The Agency Board intends to preserve, conserve, and complement the natural and built environment of the Riverfront, as a whole, and by doing so holds up the integrity of the larger network of neighborhoods surrounding the Plan Area.

4. Telecommunications Utility System

The Eugene Water and Electric Board (EWEB) installed a fiber network throughout the Downtown Riverfront, providing the new structures access to EWEB's open-

access fiber network, known as EUGNet. The EUGNet network connects to EWEB's fiber network that serves its electrical system but offers the publicly owned fiber to private internet service providers.

Outside of the Downtown Riverfront, there are no fiber connections to individual properties in the Plan Area. EWEB has 'backbone' fiber across the Plan Area, but additional construction is needed to connect most of the Plan Area to the fiber network. On 8th Avenue, between High and Hilyard Streets, EWEB owns fiber that travels through its underground electric distribution systems, but the vault access does not have adequate space to install splice locations that would be needed to connect adjacent properties to the fiber network.

5. Streets, Alleys, Sidewalks

Existing major streets in the Plan Area are all paved and are in relatively good condition. Improvements are made to rights-of-way as new development occurs throughout the Plan Area. The City and Agency recently completed construction of the infrastructure needed to bring downtown to the river. Urban Renewal funds were used to build out the street network, stormwater and wastewater systems, and utilities needed to serve the Riverfront Park and future development.

The City of Eugene's Transportation Planning team is currently in the process of redesigning Franklin Boulevard, which forms the southern border of the Plan Area, to transform it from an auto-focused highway to a multi-modal urban street safe for all users. Many of the sidewalks, especially those connecting the Riverfront Plan Area to the Downtown Plan Area are in need of maintenance and upgrade to make them safe for users.

The Ferry Street Bridge connects to the street network in the western portion of the Plan Area. The existing road network creates a physical and psychological barrier between the new development in and near the Downtown Riverfront and the downtown core east of Mill Street.

Table 3 shows the list of projects identified in the City of Eugene's Transportation System Plan (TSP) that are located in the Plan Area. *The projects listed are deficiencies in the Area but are not necessarily projects to be completed by this Plan.*

Table 3. Transportation System Plan (TSP) Projects

TSP Number	Project Type	Name	Estimated Cost as identified in TSP	Description
MM-9	Transit and Multimodal Project	West Eugene EmX	Funded; under construction	West Eugene EmX extension along W 6th, 7th, and 11th Avenues, Garfield and Charnelton Streets (project is currently funded and under construction)
MM-19	Roadway	Other project	\$27,400,000	Reconstruct Franklin Boulevard pursuant to the Walnut Station Plan; make streetscape improvements including new sidewalks on the south side and a

TSP Number	Project Type	Name	Estimated Cost as identified in TSP	Description
				shared use path on the north side between Onyx and Alder Streets
MM-22	Roadway	Other project	\$3,900,000	Convert 8th Avenue to two-way street
MM-24	Railway	Quiet Zone	\$5,000,000	Establish Railroad Quiet Zone; assumes 10 crossings
MM-25	Railway	Near 8th Avenue with connection to South Bank Path	\$3,100,000	Relocate highway-railroad crossing in alignment with the existing 8th Avenue improvements including track panels, lights, relocated signal, gates, audible warning devices, upgraded railroad track detection as required by ODOT Rail and/or Union Pacific Railroad, and an accessway to establish a walking and bicycling connection to the South Bank Path
PB-18	Protected Bike Lane	High Street	\$2,267,000	E 6th Avenue to E 19th Avenue
PB-111	Neighborhood Greenways	Broadway	\$47,000	Charnelton Street to High Street
PB-376	Shared Use Path	Franklin Boulevard Path	\$639,000	South Bank Path to Riverview Street
PB-503	Neighborhood Greenways/Bike Lane	High Street	\$42,000	Cheshire Avenue to E 6th Avenue
PB-508	Sidewalk Path	Franklin Boulevard sidewalk path	\$273,000	Alder Street to Millrace Park Path
PB-580	Protected Bike Lane	Hilyard Street	\$330,000	E 8th Avenue to E Broadway
PB-582	Protected Bike Lane	E Broadway	\$265,000	Hilyard Street to Alder Street
PB-591	Neighborhood Greenways	Garden Avenue	\$52,000	Millrace Drive to E 15th Avenue

Source: City of Eugene Transportation System Plan

Table 4 shows the list of transportation projects identified in the City of Eugene's Capital Improvement Program (CIP) that are located in the District. *The listed projects document existing conditions only, they do not mean these are projects included in this Plan.*

Table 4. Capital Improvement Program Projects: Transportation

CIP Project Number	Project Type	Project Name	2014 Cost Estimate	Description
T8	Transportation	Coburg Road Viaduct Load Strengthening	\$1,800,000	This project is in construction to make repairs to the steel bridge over the Willamette River and the viaduct. Design work included preliminary design of seismic upgrades to the Willamette River Bridge to be constructed upon future funding
T9	Transportation	East Broadway Street Paving	\$1,800,000	This project will rehabilitate East Broadway Street from Mill Street to East 11th Avenue
T10	Transportation	Franklin Blvd: 11th Ave to Walnut Street Paving	\$2,700,000	This project will rehabilitate Franklin Boulevard from 11th Avenue to Walnut Street
T11	Transportation	Franklin Blvd: A Partnership to Rebuild and Revive a Corridor	\$35,500,000	This project will redesign Franklin Boulevard from 11th Avenue to I-5 including conversion to roundabouts, reduction of travel lanes, and reallocation of space for protected bicycle and pedestrian facilities

Source: City of Eugene Capital Improvement Program

6. Wastewater System

Table 5 shows the wastewater project identified in the City of Eugene's Capital Improvement Program (CIP) that is located in the District. *The listed project documents existing conditions only, it does not mean the project is included in this Plan.*

Table 5. Capital Improvement Program Projects: Wastewater System

CIP Project Number	Project Type	Project Name	2014 Cost Estimate	Description
W1	Wastewater	Franklin Boulevard Wastewater Rehabilitation	\$500,000	This project will redesign and reconstruct a section of the wastewater system along Franklin Boulevard.

Source: City of Eugene Capital Improvement Program

7. Stormwater Delivery System

Table 6 shows the stormwater project identified in the City of Eugene's Capital Improvement Program (CIP) that is located in the District. *The listed project document existing conditions only, it does not mean the project is included in this Plan.*

Table 6. Capital Improvement Program Projects: Stormwater Delivery System

CIP Project Number	Project Type	Project Name	2014 Cost Estimate	Description
S15	Stormwater	Mill Street Water Quality Improvement	\$300,000	This project will construct a large water quality improvement structure to treat stormwater runoff from an area east of downtown, park of Franklin Boulevard, and the Millrace from Kincaid Street to Ferry Street.

Source: City of Eugene Capital Improvement Program

8. Parks and Plazas

The Plan Area stretches along the south side of the Willamette River, making parks and open space important components of the District. As development continues in the Plan Area, preserving and improving access to the River is an important consideration. The Plan Area currently includes the following parks and open spaces:

- (a) Riverfront Park – A new urban park that features broad river views, new bicycle and pedestrian paths, covered seating, and overlooks.
- (b) Franklin Park – This park is a forested natural area near the Willamette River that currently does not have access or recreational facilities. The site lies between Franklin Boulevard and the railroad tracks next to the Willamette River, and provides habitat for insects, birds, and small mammals.
- (c) Ruth Bascom Riverbank Path System (South Bank Bike Path) – A portion of the South Bank Bike Path and a portion of the Ruth Bascom Riverbank Path System is in the District.

Table 7 shows the Parks project identified in the City of Eugene's Capital Improvement Program (CIP) that is located in the District. *The listed project documents existing conditions only, it does not mean the project is included in this Plan.*

Table 7. Capital Improvement Program Projects: Parks

CIP Project Number	Project Type	Project Name	2014 Cost Estimate	Description
P3	Parks	Downtown Riverfront Plaza	\$7,000,000	This project will develop the one-acre upland portion of the Riverfront Park into an urban riverfront amenity.

Source: City of Eugene Capital Improvement Program

B. Social Conditions

1. Housing

There were 1,275 housing units in the Plan Area as of July 2023. There are 18 units of Affordable Housing (income-qualifying) within the Plan Area. In the past 10 years, approximately 1,000 new residential units have been created in the Plan Area, however they are targeted to college-aged students at both the nearby University of Oregon and Bushnell University. The monthly rents that are representative of the Plan Area from two of the newer large student housing complexes in 2023 are:

- Studio \$1,425-1,504
- 1-Bedroom \$1,790-1,874
- 2 Bedroom \$2,500-2,650

As part of the Downtown Riverfront redevelopment, a private development team is constructing 500 to 1,000 new market-rate housing units. In addition, the property located at the northwest corner of 4th Avenue and Mill Street is reserved for a 75-unit Affordable Housing project (included in the 2023 Plan Amendment as “Downtown Riverfront Affordable Housing”).

2. Socio-Economic

Based on information from the 2021 5-Year American Community Survey (ACS) data, there are 2,313 people living in the three Census block groups that overlap the Plan Area. There is quite a bit of acreage within these block groups that is not in the Plan Area, so this is probably an overestimate of the number of residents. The majority of the residents (66%) are in the 18 -24 age group and, given the proximity to the University of Oregon and Bushnell University, are likely college students. The median household income in the Plan Area is well below the median household income in the City. (Table 8 and Appendix Exhibit C – Census Boundaries Map.)

Table 8. Median Household Income

	Population	Margin of Error (+/-)	Median Household Income	Margin of Error (+/-)
City of Eugene	173,278	136	55,776	1,824
Census Tract 37, Block Group 1	2,640	428	24,453	4,043
Census Tract 38.02, Block Group 1	2,358	907	28,125	21,769
Census Tract 39, Block Group 1	1,296	407	35,662	4,675
Total Population	6,294			

Data source: ACS 2021-Year Estimates. B01001 Total Population, B19013 Median Household Income

3. Employment

In early 2023, there were 201 employers and about 1,900 employees in the Plan Area, according to the Oregon Employment Department's Covered Employment data. The largest employers in the District were Northwest Community Credit Union and Whole Foods, based on estimates from InfoUSA, 2023. However, these data do not include employment at the University of Oregon. The University owns numerous buildings in the Plan Area, including Fine Arts studios, Campus Planning and Facilities Management, the Zebrafish International Resource Center, the Central Power Station, and the Knight Campus. Faculty and staff that work in these spaces are included in the University's overall employment numbers—the Covered Employment dataset does not disaggregate employees by building. The University's buildings accommodate hundreds of employees, the Knight Campus alone has about 500 workers. The University is constructing a second Knight Campus building, which will accommodate an additional 500 employees, which will bring the full Knight Campus capacity to approximately 1,000 workers.

C. Economic Conditions

1. Value of Property

The FY23 taxable assessed value for the whole City of Eugene is \$18,254,461,170. The total taxable assessed value, which includes the 'frozen base' and 'increment', for the Riverfront Urban Renewal District as of FY23 is \$255,345,586. The total taxable assessed value for the Downtown Urban Renewal District as of FY23 is \$240,398,656. Of these amounts, excess value, also known as increment, of the Plan Areas for Eugene's two Urban Renewal Districts is \$411,398,048. The increment, or excess value, is the growth in assessed value of the Plan Area after its initial adoption. Table 9 below demonstrates that the combined frozen bases for the Downtown and Riverfront Urban Renewal Districts is less than 1.0%, well below the 15 % limit of the City of Eugene assessed value minus the increment (excess) value of the Urban Renewal Plan Areas as imposed by ORS 457.420.

Table 9. Assessed Value Limitations as of FY23

A. City of Eugene Total Assessed Value (AV)	\$ 18,254,461,170
B. Total Frozen Base AV of Districts	\$ 84,346,194
Downtown District	\$ 33,736,746
Riverfront District	\$ 50,609,448
C. Total Increment AV of Districts	\$ 411,398,048
Downtown District	\$ 206,661,910
Riverfront District	\$ 204,736,138
D. Frozen Base AV as % of City AV: B/(A-C)	0.5%

The Agency Board is considering a permanent increase to the frozen base in the Riverfront Urban Renewal District to \$110,395,364 starting in FY25. If the Agency Board decides to permanently increase the frozen base in the Plan Area, the Frozen

Base assessed value as a percent of City assessed value is estimated to be 0.8%, still well below the 15% statutory limitation.

2. Relationship of the Value of Improvements to the Value of Land

The current ratio of improvement value to land value within the Plan Area, based on 2023 assessment records and excluding all tax-exempt property, is 3 to 1. This data is from the Lane County Assessor's 2023 tax records.

D. Environmental Conditions

The Plan Area has been developed with a mix of commercial, industrial, and residential uses. Most streets, sidewalks, alleys, and sewers are in place and should be upgraded and maintained. The public park areas within the Plan Area should be maintained as needed by the City. There are opportunities through the additional resources from the Plan Amendment to improve the function and condition of some of the streets, public parks, and public plazas.

- The infrastructure in the Plan Area, including roads and sidewalks, is a critical piece of the Willamette to Willamette Initiative, focused on connecting the downtown core to the river. Part of that project is to transform 8th Avenue from a predominantly one-way west-bound street with inadequate pedestrian and bicycle amenities into a two-way inviting and accessible path to and from the river and the ongoing development on the Downtown Riverfront property as well as the university area to the east. Construction is underway on a portion of that project, but there are more opportunities to improve the connection within the Plan Area.
- A portion of the Plan Area is within the boundaries of the Willamette Greenway and will be subject to policies protecting riparian areas along the southern bank of the Willamette River.
- The Millrace is an environmental historical feature which is currently not maintained and portions are not accessible for public recreation.

Chapter 3: Expected Impact, Including Fiscal Impact, of the Plan in Light of Added Services or Increased Population

The projects in the 2023 Amendment support the Plan goal to strengthen the economic conditions of the Plan Area. The historic Steam Plant, which is currently planned for redevelopment as a hotel, will be a commercial anchor of the Downtown Riverfront, attracting both residents and visitors to the unique project and creating more job opportunities. The increased residential uses in the Downtown Riverfront will provide increased activity to the businesses in the Plan Area. The projects will also contribute to the goal of enhancing the Plan Area's role as a key location for public and private development and investment. Improvements to right of way will contribute to the goal of reinforcing the Plan Area as a place to live, work, or visit by providing inviting and highly functional spaces for the community to enjoy on a daily basis as well as for special events.

One measure of this goal to strengthen the economic conditions is the expected increase in the taxable property values caused by the projects. Areas adjacent to the Plan Area are also expected to become more valuable. From FY23 through the estimated remaining life of the District ____ [A = FY29, B = FY32, C = FY39] assessed value in the Plan Area is estimated to increase by about ____ [A = \$170 million, B = \$208 million, C = \$553 million].

Potential direct impacts to School District 4J from the 2023 Amendment are residential development projects that will ideally increase the number of people living in the Plan Area. Whether or not those residents have school-aged children is unknown at this time. However, the schools are funded on a per pupil basis, so additional school-aged students could mean additional funding for the schools. The amount of increased residential units will not likely require new school facilities. (See Chapter 9 for a summary of the financial impact that the Riverfront District has on 4J.)

The projects included in the 2023 Amendment, like all development projects, are expected to impact police services, transportation, utilities, and other public services.

City Council selected projects within the Plan Area for the way in which they support planning efforts and strategies, such as Envision Eugene, and adopted policy documents, such as the Eugene Downtown Plan, the Housing Implementation Pipeline, and Climate Action Plan 2.0. Developed with significant public input, the planning documents were based on assumptions about the value of and expected need for higher density of uses and development, with a consequent need for new and improved services and amenities. The Amendment is expected to facilitate improvements within the Plan Area, thereby addressing the goals and policies in these documents. The policies of the Downtown Plan strongly support an active, strong urban core connected to the river, development in the Downtown Riverfront including the Steam Plant, and pedestrian improvements at Broadway and Mill Streets.

The pillars of Envision Eugene that will be addressed by the 2023 Amendment are to provide housing affordable to all income levels and to promote compact development and efficient use of transportation. Specifically, the 2023 Amendment projects are expected to meet more of Eugene's multi-unit housing needs and transform the eastern end of downtown into a mixed-use neighborhood that fosters active, walkable community living and connects to the downtown core. The projects in the Plan do not result in an intensification of development beyond that previously anticipated under the planning documents.

The Agency will use tax increment revenues to carry out the Plan. The use of tax increment revenues will affect the property tax revenues of other taxing jurisdictions that share assessed value with the Plan Area. The property tax impacts are described in Chapter 9.

Chapter 4: Reasons for Selection of the Plan Area

The Plan Area was adopted in 1985 with approximately 209 acres. This area was selected with the intention of diversifying the area's economy by supporting development in an industrial area that would capitalize on research activities of the University of Oregon. The Plan Area was expanded by 34.5 acres in 2004 to achieve objectives outlined in downtown planning documents. The Plan Area was further expanded by approximately 1.9 acres in

2018 to support the redevelopment envisioned in the EWEB Riverfront Master Plan and implementation of the Railroad Quiet Zone.

The five goals of the Plan are to 1) improve the function, condition, and appearance of the Plan Area, 2) eliminate blight and blighting influences, 3) strengthen the economic conditions of the Plan Area, 4) improve connections between the Riverfront Plan Area, the core of downtown, the federal courthouse, and the University of Oregon, and 5) protect or enhance the riparian area.

According to ORS 457.010, “blighted areas” means areas that, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health, or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions:

- (a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial, or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:
 - (A) Defective design and quality of physical construction;
 - (B) Faulty interior arrangement and exterior spacing;
 - (C) Overcrowding and a high density of population;
 - (D) Inadequate provision for ventilation, light, sanitation, open spaces, and recreation facilities; or
 - (E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.
- (b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;
- (c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;
- (d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;
- (e) The existence of inadequate streets and other rights of way, open spaces and utilities;
- (f) The existence of property or lots or other areas that are subject to inundation by water;
- (g) A prevalence of depreciated values, impaired investments, and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;
- (h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare; or
- (i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

A total of ___ properties (___%) out of a total of ___ surveyed in the Riverfront Urban Renewal District are determined to have blighted conditions. In addition to the ___ properties with blighted conditions, ___ locations found in roads, public walkways, and sidewalks also have blighted conditions. The blighted conditions impact the safety, health,

and welfare of the community through potentially unsafe conditions for accessibility through deteriorating public rights-of-way, deficiencies in maintenance of public buildings and open spaces, decreased property values and taxable values, extensive vacancies, and outdated structural designs that are deteriorating. The evidence of blight and blighting influences reduces the economic activity in the area, leading to lowered value and a disincentive to invest. Additional information about blight findings can be found in the Property Analysis Report (Exhibit C to the Ordinance).

Chapter 5: Relationship Between Existing Conditions and Each Project Activity Undertaken in the Plan

All Projects set forth in Section 600 of the Plan are intended to correct the existing deficiencies in the Plan Area as described in this report (see Chapter 2).

The projects in Section 600 of the Plan are:

- 1) Existing Activities, specifically Steam Plant Redevelopment and Downtown Riverfront Affordable Housing; [all spending scenarios]
- 2) Additional Housing; [spending scenarios B and C only]
- 3) Physical Improvements to Address Safety and Comfort; and [spending scenarios B and C only]
- 4) Projects Directed/Initiated by the Agency Board. [all spending scenarios]

These projects will build on the significant efforts undertaken to redevelop the Downtown Riverfront, the former site of EWEB's operations and headquarters. These projects also align with the challenges and opportunities identified in a fall 2022 community outreach effort, known as Downtown Priorities and Projects. That effort looked at a focus area that included part of the Riverfront Urban Renewal Plan Area. It built on community outreach conducted over the previous few years and complementary professional recommendations. The Downtown Priorities and Projects effort led to recommended improvements for Eugene's downtown (which includes a portion of the Plan Area) in six categories: Housing; Public Safety; Social Services; Commercial Activity and Development; Public Spaces and Mobility; and Events and Culture. Staff presented a summary of the Downtown Priorities and Projects recommendations to the Agency Board in January 2023.

A. Existing Activities [all spending scenarios]

Among other existing activities, the two prominent ones are Steam Plant Redevelopment and Downtown Riverfront Affordable Housing.

1. Steam Plant Redevelopment

Redevelopment of the Steam Plant will preserve and reuse a historically significant building, increase public use of the building, and expand access to views of the river. The developer intends to list the building on the National Register of Historic Places. The redevelopment will also improve the building's current status as a blighted condition. After not being used since 2012, the building has become a target of vandalism and theft and has significantly deteriorated. In addition, as a mixed-use building anchored by a hotel and

including retail food and drink establishments, the building will support the creation of dozens of new jobs.

2. Downtown Riverfront Affordable Housing

The property selected for the Downtown Riverfront Affordable Housing project is a vacant parking lot at the northwest corner of 4th Avenue and Mill Street. A housing development would result in a higher and better use of this property, as well as address the City's goals related to housing that is affordable to all income levels. See the next section for general information on how development of more housing in the Plan Area addresses existing conditions.

B. Additional Housing [spending scenarios B and C only]

The Plan Area has long been challenged by underutilized or vacant properties and buildings. These structures create empty spaces between active uses that lack vibrancy, add to a perceived lack of safety, and provide for a weak link between the downtown core and the Willamette River.

Increasing the housing supply addresses these problems. Converting vacant parcels and underutilized commercial buildings to residential uses will fill in empty spaces in the Plan Area. New housing units will attract people who will in turn increase demand for retail goods and services and expand the number of people walking throughout the Plan Area, enhancing vitality and perceptions of safety.

Expanding the Plan Area's housing supply also supports Eugene's efforts to positively impact housing issues and reduce per capita carbon emissions, described in the following documents:

- The Housing Implementation Pipeline (HIP) summarizes the City's goals, efforts, and coordination of housing production across the Eugene community. The HIP has a goal of issuing 6,000 permits for new housing units by the end of FY27 to address the undersupply of housing in Eugene. Increasing the number of housing units in the Plan Area will help support this goal.
- The Climate Action Plan 2.0 (CAP 2.0) identifies strategies that the Eugene community can take to address climate change. The CAP 2.0 states that housing policy is a cornerstone of any City's climate policy, because housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer vehicle trips. Downtown already offers all of these amenities.

An important reason for the lack of housing in the western end of the Plan Area is the relatively high cost of construction in dense areas. Properties in dense areas are often constrained construction sites. The lack of 'elbow room' means more complicated logistics for the builder to manage. The sites often do not have on-site staging areas and have a higher likelihood of needing street/sidewalk closures compared to construction in less dense neighborhoods.

Some properties in the Plan Area have existing structures on them which could be converted from prior commercial uses to residential uses, but the financial feasibility of the project is hampered by the cost of the existing building. In addition, the change of use may trigger requirements for seismic upgrades and Systems Development Charges (SDCs) to cover the cost of adding to infrastructure systems. These costs can render the cost of redevelopment to be equal to the cost of new development. Redevelopment may require paying for an existing building and elevated construction costs.

The availability of incentives and predictability of the funds directly impacts the creation of new housing units. An ongoing fee assistance program that covers fees related to construction of housing would create an incentive for the projects, while also continuing to fund the programs and activities those fees pay for (such as the infrastructure capacity for new growth). For example, the Transportation System Plan and Parks and Recreation System Plan, and their companion SDC project lists, not only provide capacity for new development, they also serve as integral plans to meeting the goals of Envision Eugene, the Climate Recovery Ordinance and the Climate Action Plan 2.0.

C. Physical Improvements to Address Safety and Comfort [spending scenarios B and C only]

Improvements to the public right-of-way benefit workers, visitors, and residents, as well as the community at large with a safe and attractive connection between the downtown core, the Riverfront, and the University area. Blighted conditions in these areas include barren spaces with broken, deteriorated, and poorly lit pedestrian walkways, lack of amenities such as seating or drinking water, and areas that do not meet accessibility standards. The expenditure of urban renewal funds for the spaces will improve or remove blighted conditions, which will in turn provide a healthier and safer place for Eugene residents and visitors.

There are significant new developments occurring on the Downtown Riverfront site and near the Federal courthouse. Existing street crossings and pedestrian walkways that connect downtown to these newly improved areas are narrow and uninviting. For the Plan Area to flourish it should have street connectivity to ensure multiple mobility modes can easily access the Plan Area. Enhancing these public spaces will create an improved environment, so that the on-street experience is pleasant and perceived to be safe. Enhancing connectivity for multiple modes of mobility will encourage individuals to cross streets in the Plan Area.

Street, curb, and sidewalk improvements will improve deteriorated spaces that are uneven and inaccessible. Improvements will make the pedestrian environment safe, accessible, and attractive, which will enhance the pedestrian experience as individuals move from within and through the Plan area. These improvements are consistent with the CAP 2.0, Action T7, which states the City of Eugene will develop a sidewalk infill program and strategy for upgrading unimproved streets and connectivity to parks, shopping, and important community resources.

D. Projects Directed/Initiated by the Agency Board [all spending scenarios]

The east end of downtown, east of Mill Street, has seen significant redevelopment in recent years, including the Wayne L. Morse U.S. Courthouse, Northwest Community Credit Union, the Foundry Building, and new multi-story residential developments, creating a need for residents, employees, and visitors to access this area. This need is expected to continue increasing with the recent opening of the Riverfront Park, the construction of the Downtown Riverfront neighborhood, the redevelopment of the Steam Plant, and the relocation of City Hall. As activity in the area continues to increase, there is a need to evaluate how these areas are accessed and how to accommodate the new demands on the transportation system.

The Downtown Riverfront redevelopment and new Park will significantly increase the need for parking and mobility in this area. The planned housing in the Downtown Riverfront includes parking to serve the needs of the private redevelopment. On-street parking is anticipated to meet most of the standard daily needs of people accessing public amenities, such as the Park, restaurant, and commercial spaces. However, on-street parking will not accommodate all of the parking needs during high demand periods such as nights and weekends, and during special events. In addition, the Steam Plant parcel size is not sufficient to accommodate anticipated parking needs for its future redevelopment into a mixed-use center. While implementation of other mobility options may reduce the need for parking, it is still expected more parking is needed, at least in the medium term.

The Agency is authorized to participate in the effort to reroute the transmission lines that currently run from the electrical tower in the Riverfront Park, south along the river next to the Southern Plaza. Rerouting of the transmission lines would allow removal of the existing tower in the Riverfront Park, opening views at the southern end of the park and in front of the Steam Plant and creating more passive open space in those places. The realignment within Alton Baker Park would move the towers and lines away from the canoe canal creating a safer maintenance environment for EWEB, benefitting wildlife along the canal, and supporting EWEB's long-term resiliency plans.

The Plan Area includes centrally located parks and public facilities that serve the whole community. Urban Renewal funds could be used to support physical improvements to public spaces that benefit the broader community. The South Bank Path runs through the Plan Area, providing connections to the University, Eugene neighborhoods, and Springfield. Franklin Park is located on the east side of the Plan Area and does not have access or recreational facilities.

Investment in public facilities, such as a City Hall or fire station, will benefit the Plan Area by increasing public usage of the area and stimulating additional public and private investment in the District. Strategic development of public facilities on underutilized properties would help address blight in the Plan Area.

Urban renewal funds could also support physical improvements to privately owned properties to improve the look and feel of the Plan Area and enhance the experience of downtown residents, workers, and visitors. The Agency would be stimulating economic activity and bringing positive ground-floor presence to the street by assisting with façade improvements or investing to make properties more marketable for a variety of uses.

Chapter 6: Estimated Total Cost of Each Project or Activity, Sources of Money, and Anticipated Completion Date for Each Project or Activity

This Report on the 2023 Amendment includes the estimated cost of projects to be carried out following the adoption of the amendment. Cost estimates are based on new tax increment revenue resulting from the increase to maximum indebtedness.

Table 10 lists the project activities included in the Plan and estimated costs for each spending scenario. Because elements of each project are yet to occur or will not be known until implemented, there is a range of opportunities within each project. The estimated range gives a sense of scale and scope that could be possible. Below is a short description of each of the projects.

A. Projects

1. Existing Activities - Steam Plant redevelopment [all spending scenarios]

The Steam Plant is part of the Downtown Riverfront property that the Agency purchased from EWEB in April 2018. The building was the oldest of EWEB's operational buildings and is the only remaining industrial structure. Constructed in phases from the 1930s to the 1950s, the 28,000 square foot multi-story masonry building was used to generate standby electrical power and to provide heat to downtown businesses. Steam Plant operations ceased in 2012 and the building has since been vacant.

Following a Request for Qualifications/Proposals process, in 2019 the Agency Board directed the Agency Director to enter into negotiations with the local development team for the redevelopment of the Steam Plant.

Adaptive re-use of the existing building is ambitious, facing extraordinary challenges that include environmental, seismic, and financial obstacles. Because of those obstacles and the cost to address them, the Steam Plant has a negative value and the project is only feasible with the financial support of the Agency and/or the City. In 2022, the Agency Board approved terms for the sale and redevelopment of the Steam Plant that allocated \$1.5 million of Urban Renewal funds for asbestos abatement, system development charges, and permit fees and provides the property at no cost.

The development team estimates that even after accounting for the allocated funds, the planned redevelopment has a remaining financial gap of about \$6.3 million. Assuming the Agency Board will choose to fill the full financial gap, that would make up ____ [A = 42%, B = 25%, C = 14%] of the 2023 Amendment spending limit increase. This project is one of two projects funded in FY26 in the 2023 Amendment.

2. Existing Activities - Downtown Riverfront Affordable Housing [all spending scenarios]

The Affordable Housing project located at the northwest corner of 4th Avenue and Mill Street, also known as “Parcel 2,” in the Downtown Riverfront will need substantial public contribution to compensate for the low rents and to make it financially viable. Affordable Housing subsidies often come from a combination of federal, State, and local financial sources and the financial packages are complex. The neighborhood character of the Downtown Riverfront, first articulated in the EWEB Riverfront Master Plan and continued in subsequent City policies, includes high-quality, urban architecture. These denser, more durable buildings are a more expensive type of construction and higher cost-per-square-foot than more suburban “garden-style” apartments. All of these factors lead to high development costs.

With rising construction costs, site constraints, the desire for the building to be responsive to the urban design context of the Downtown Riverfront while keeping rents affordable, it is expected there will be a need for significant subsidy – likely in the range of \$5 million. Assuming the Agency Board will choose to allocate \$5 million to support the project, that would make up ___ [A = 33%, B = 20%, C = 11%] of the 2023 Amendment spending limit increase. This project is one of two projects funded in FY26 in the 2023 Amendment.

3. Additional Housing [spending scenarios B and C only]

Approximately ___ [B = 19%, C = 30%] of the 2023 Amendment spending limit increase would be allocated to support the creation of new housing.

For Development Fee Assistance, funds would be allocated based on projects meeting criteria approved by the Agency Board. Funds could be allocated to pay up to 100% of development fees. It is assumed it would take about four years from allocating funds to a project to when construction would be completed. Estimating based on development fees for recently completed projects in and near downtown, fees could be approximately \$10,000 per unit. Assuming 50% of the housing funding was allocated for development fee assistance, it is estimated the Agency could support the creation of the following:

- Scenario B: \$2.35 million – about 235 residential units
- Scenario C: \$6.8 million – about 680 residential units

Funds for Development Fee Assistance would be allocated during the Plan period with the final units estimated to be funded by ___ [B = FY30, C = FY31]. Total cost is dependent on the specifics of developments undertaken, and any future adjustment of fee rates during the years ahead.

For **Land Acquisition**, total cost is dependent on the properties being acquired. Approximately half of the funds allocated for housing in Scenarios B and C are estimated to be for land acquisition ([B = \$2.35 million, C = \$6.5 million]). The funding for Acquisition is available in ___ [B = FY25, C = FY25]. As stated in the Plan, Agency Board approval is required before land will be acquired or sold.

4. Physical Improvements to Address Safety and Comfort [spending scenarios B and C only]

It is estimated that approximately ___ [B = 10%, C = 15%] of project funding would be allocated to physical improvement projects that address safety and comfort. Funds would be allocated during the Plan period. Actual costs will depend on projects and priorities. Some of the funding for Physical Improvements to Address Safety and Comfort is available in ___ [B = FY25, C = FY29]. Other funding is available later in the life of the Plan.

5. Projects Directed/Initiated by the Agency Board [all spending scenarios]

It is estimated that approximately ___ [A = 13%, B = 10%, C = 15%] of project funding would be allocated to activities listed in Section 600 D, Projects Directed/Initiated by the Agency Board, which includes, as examples, Parking, Transmission Line Rerouting, Open Space Improvements, Development Support, and Other Public Facilities. Further study is needed to determine costs, feasibility, and timing for these possible projects. Based on 2022 estimates, staff estimates a 75-stall surface parking lot would cost up to \$1.2 million (preliminary cost estimate of \$300,000 to \$450,000 for construction combined with potential land acquisition cost). EWEB's 2018 cost estimate for the transmission line rerouting is about \$1.2 million and staff have had preliminary conversations about the City or Agency potentially contributing funding for the work that would occur on the Downtown Riverfront side of the river (about \$500,000 in the 2018 estimate). Funding for Open Space Improvements, Development Support, and Other Public Facilities will depend on the need and will be administered according to the rules in the Plan.

Some of the funding for Projects Directed/Initiated by the Agency Board is available in ___ [A = FY25, B = FY29, C = FY29]. Other funding is available later in the life of the Plan.

B. Project Delivery Administration

Actions for this activity include program administration (project management, loan and grant administration, support for ongoing investments within the Plan Area, public engagement, financial services, debt issuance and administration); legal services; reporting (budgets, financials); preparation of market, feasibility, or other economic studies; preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies; providing accounting or audit services; providing special rehabilitation, restoration, or renovation feasibility and cost analysis studies; assisting in preparation of the annual financial reports required under Sections 800 and 900 of the Plan; providing property acquisition appraisals; and evaluation of the plan and the success of its activities. Many of the activities are provided through a contract between the City of Eugene and the Agency dated June 15, 2004. The Agency may also acquire, rent, or lease office space and office furniture, equipment, and facilities necessary to conduct its affairs in the management and implementation of this plan.

Projections for district administration assume that once the projects are complete, district administration expenses will be reduced to a level that will be sufficient to run the loan and grant program, support ongoing investments within the Plan Area, and ensure administration of outstanding debt, budget development, annual review of project activities, and financial report preparation.

The bullet points below summarize the projected administration costs, which includes staffing for project delivery, ongoing financial administration, and the loan and grant program. Additional items in the projection include legal and consulting fees necessary to protect the City/Agency and complete the projects, debt issuance cost needed for the projects, and property management. The cost estimates in the below bullets are for the largest maximum indebtedness increase of \$45 million.

- **Project Delivery - Staffing**
 - o Average of 1.2 FTE at an average cost of \$266,000 per year FY25 through FY39; personnel costs are projected to increase 3-4% per year due to inflation and higher health and retirement costs.
- **Project Delivery - Legal costs, public engagement, financial administration, overhead and miscellaneous**
 - o \$155,000 average per year FY25 through FY39; higher in the early years and a smaller amount for maintenance over time.
- **Debt Issuance Costs**
 - o \$100,000 per issuance for a total of \$200,000 across two series of debt; to be determined.

Table 10. List of Project Activities and Estimated Allocations of Tax Increment Revenues

Project Activity	A = \$15 million	B = \$25 million	C = \$45 million
Steam Plant	\$6,300,000	\$6,300,000	\$6,300,000
Downtown Riverfront Affordable Housing	\$5,000,000	\$5,000,000	\$5,000,000
Additional Housing	-	\$4,700,000	\$13,600,000
Physical Improvements		\$2,500,000	\$6,800,000
Projects Directed/Initiated by Agency Board	\$1,900,000	\$2,400,000	\$6,800,000
Debt Issuance Costs	\$100,000	\$100,000	\$200,000
Project Delivery Administration	\$1,700,000	\$4,000,000	\$6,300,000
Total	\$15,000,000	\$25,000,000	\$45,000,000

Source: Tiberius Solutions

* The amounts provided in Table 10 are estimates. The Agency Board will approve actual amounts to be spent on individual projects after reviewing project details. The Agency Board may ultimately approve spending for an individual project above or below the estimates listed in this table; however, the total tax increment spending for the District will not exceed the 2023 cumulative spending limit (maximum indebtedness) of __ [A = \$49.8, B = \$59.8, C = \$79.8] million.

The increased maximum indebtedness from the 2023 Amendment will start funding projects in FY25. Decisions on priorities of funding for projects will be made by the Agency Board at regular Agency Board meetings, all of which are open to the public. Construction of the projects contemplated in the 2023 Amendment is expected to be completed by __ [A = FY26, B = FY31, C = FY31], except for Project Delivery Administration which is expected to continue until debt is fully paid off. Debt issued to fund the projects is estimated to be paid off by __ [A = FY29, B = FY32, C = FY39] depending on future tax increment revenue levels.

Chapter 7: Estimated Amount of Money and Anticipated Year in Which Indebtedness will be Retired or Otherwise Provided For Under ORS 457.420 to 457.460

The total amount of tax increment revenue expected to be collected by the Agency beginning in FY25 to pay off maximum indebtedness is estimated at about ___ [A = \$17.6 million, B = \$28.6 million, C = \$59.3 million]. The projects in the Plan will be funded with a combination of urban renewal tax increment financing under ORS 457 and other sources. The Agency may apply for funding from other federal, state, and local grants in order to complete the projects.

Oregon Revised Statutes require that each urban renewal district that receives property taxes include a “maximum indebtedness” limit in their urban renewal plan. “Maximum indebtedness” is a required spending cap for all property tax expenditures over a period of time. “Maximum indebtedness” is not a legal debt limit; it is more like a spending limit.

Adopting a maximum indebtedness figure does not authorize or obligate the Agency to spend money or enter into debt. Within the maximum indebtedness limitation, the Agency Board has the ability to fund projects over time, either with cash or by issuing debt.

Certain expenditures are included in the maximum indebtedness calculation and certain expenditures are excluded. For instance, cash payments for projects and administrative expenses are included in the calculation, but expenditures made from sources other than tax increment revenues are not included in the spending limit, such as from the loan program (known as River Loans). In addition, interest on debt is not included in maximum indebtedness, nor is the refinancing of existing indebtedness.

The City Council amended the Plan in 2004 to include a maximum indebtedness limit of \$34.8 million. The \$34.8 million figure represented the amount that the Agency was allowed to cumulatively spend in tax increment revenues starting in 2004, excluding existing debt and other expenditures that are excluded from maximum indebtedness as described above.

The 2023 Amendment increases the maximum indebtedness as shown in Table 11 below, adds project categories to the Plan, and includes general updating.

Table 11. Maximum Indebtedness (MI) Calculation

Amendment	Maximum Indebtedness Increases
2004 Plan Amendment	\$34.8M
2018 Plan Amendments (x2)	No increase
2023 Plan Amendment	A = \$15.0M, B = \$25.0M, C = \$45.0M
<i>Total Maximum Indebtedness</i>	A = \$49.8M, B = \$59.8M, C = \$79.8M

Table 13 in Exhibit D includes information about future revenues and expenditures in the Plan Area. The timing and amounts for individual project activities will be determined by the Agency Board and, every other year, during the biennial budget process. Completion dates for individual activities may be affected by changes in the plans of other private or

public partners, local economic and market conditions, changes in the availability of tax increment funds, and changes in priorities for carrying out project activities.

Current projections show that the tax increment revenues should be sufficient to pay for the projects and associated debt by __ [A = FY29, B = FY32, C = FY39]. The District would cease collecting tax increment funds once there are sufficient tax increment funds available to repay all debt issued or obligations created to fund the projects.

These projections of future tax increment revenues account for mandatory revenue sharing (i.e., underlevying) as described in ORS 457.470. In all years after the annual tax increment revenues equal or exceed the greater of 10% of the initial maximum indebtedness of the Plan or a predetermined “transition amount” as defined in ORS 457.470 (1)(d), the Agency must begin to “share” a portion of the increment value with overlapping taxing districts. This results in only a portion of the increment value being used for the purposes of calculating tax increment revenues. This financial forecast anticipates that the Plan will be subject to revenue sharing beginning in FY30, though the timing will depend upon actual collections of tax increment revenues. The maximum amount of annual tax increment revenue for the Riverfront District is anticipated to be 12.5% of the initial maximum indebtedness of the Plan, which would be \$4.35 million.

Chapter 8: Financial Analysis of the Plan with Sufficient Information to Determine Feasibility

The financial analysis of the plan shown in Table 13 in Exhibit D includes the anticipated tax increment revenues over the projected remaining life of the Plan. The anticipated tax increment revenues are based on reasonable projections of new development and appreciation in existing property values. The projection of tax increment revenues is based on the following assumptions:

- Property assessed values will increase by 3% per year, which includes increases on existing property as well as a small amount of new investment in existing Riverfront area properties.
- New taxable development is anticipated during the next several years.
- The Agency Board authorizes a permanent increase in the frozen base of the Plan Area. This would shift some of the taxes being generated within the Plan Area to be out of the portion that generates tax revenue for the Plan Area (the “increment” value) into the portion that generates tax revenue for all of the overlapping taxing districts (the “frozen base” value).

The projections result in urban renewal tax revenues between FY25 and __ [A = FY29, B = FY32, C = FY39] of approximately __ [A = \$17.6 million, B = \$28.6 million, C = \$59.3 million]. Together with other revenues and existing fund balances, these revenues will support __ [A = \$15 million, B = \$25 million, C = \$45 million] of increased maximum indebtedness plus the interest on the debt to fund the 2023 Amendment projects. In addition to the redevelopment projects, the revenues will be sufficient to pay for other obligations, such as project delivery administrative activities, including an allocation of overhead costs. Those costs are projected to increase over time due to inflation and higher health and retirement costs at a rate of about 3-4% per year.

The Agency will also carry a balance equal to two months of operating costs each year, per City financial policy and a debt service reserve account, if required by lenders.

Chapter 9: Fiscal Impact Statement that Estimates the Impact of the Tax Increment Financing, Both Until and After the Indebtedness is Repaid, Upon All Entities Levying Taxes Upon Property in the Plan Area

Taxing bodies that overlap with the Plan Area are affected by the use of tax increment funds to implement the Plan. When a district is first created, the assessed value within the Plan Area is established as the “frozen base.” This is a way of keeping the overlapping taxing districts “whole” as of the date the urban renewal district is created. Property taxes from the overlapping jurisdictions (schools, general governments) are then divided among the jurisdictions that continue to receive taxes on the frozen base. In theory, urban renewal investments will spur additional development and the assessed value of the district will grow above the base. That increase is called the “incremental value” or “excess value.” The Agency receives taxes on the incremental value. This has an impact on the amount of revenue that the overlapping jurisdictions receive, versus what they would have received if there were no urban renewal districts in effect.

A. Impact on Tax Bills

In addition to the impact on the overlapping taxing jurisdictions, urban renewal also makes individual tax bills look different. Urban renewal districts do not impose new taxes; rather, they redistribute taxes from overlapping taxing districts to the urban renewal districts. There are two basic steps to understand how an individual’s tax bill is affected by tax increment financing in Oregon. The first step determines the amount of property taxes that the urban renewal agency should receive, and the second step determines how the taxes are accounted for on property tax statements.

The first step consists of applying the tax rates of the taxing districts (such as the city, county, and school districts) to the incremental value of the urban renewal district. That product is the amount of taxes that the urban renewal agency should receive. The second step determines how to divide or split the tax rates of the taxing districts so that when those “divided rates” are applied to all tax bills in the city, the urban renewal agency receives its share, and the taxing districts receive the remainder. As of July 2023, there were eight urban renewal districts in Lane County, and the calculation is done for each of these districts.

The Lane County Assessor determines how the tax rates for the schools, city, and county are divided between the taxing districts and the urban renewal districts. As an example, the City’s permanent tax rate is \$7.0058 per \$1,000 of assessed value. For the FY23 tax year, the Lane County Assessor divided that tax rate into three pieces: \$6.8480 goes to the City of Eugene, \$0.0793 goes to the Downtown Urban Renewal District, and \$0.0785 goes to the Riverfront Urban Renewal District. This calculation is done for each tax rate on the tax bill.

With the information from the Lane County Assessor about the division of tax rates, an analysis can determine how an individual tax bill is affected by urban renewal division of tax. For the typical Eugene home that the Lane County Assessor calculated for FY23, this taxpayer would pay the same amount of total taxes before or after urban renewal division of taxes. The only difference is that some of the tax revenues go to the urban renewal districts, instead of to the overlapping taxing districts. Table 14 in Exhibit E sets out this calculation for the typical taxpayer in Eugene. As can be seen, **the before and after urban renewal views of this taxpayer's bill are exactly the same.**

B. Impact on Tax Rates

Prior to the 2023 Amendment, the Riverfront Urban Renewal District was a “standard rate plan” under State statutes, which meant that property taxes used to fund urban renewal activities were limited to the permanent tax rates and bonded debt levies. Per updated State statutes, the 2023 Amendment turns the Plan into a “permanent rate plan”, meaning it may only take taxes from the permanent rate levies going forward. Bonded debt levies will no longer be impacted by this urban renewal plan.

C. Impact on Overlapping Taxing District Revenues

A share of property taxes from the “excess value” or “incremental value” is not collected by the overlapping jurisdictions during the period of an active district, which is foregone revenue. The incentive for the overlapping districts to support urban renewal is higher property tax revenues in the long run and potential direct and indirect benefit from the urban renewal funded projects.

The estimated amount of urban renewal taxes to be divided over the remaining term of the Plan (net of discounts, delinquents, etc.) is shown in Table 15 in Exhibit F. As can be seen in the table, in FY25, once this amendment is effective, it is estimated that the City of Eugene would forego about \$1.4 million of revenue because of the Riverfront Urban Renewal District division of tax calculation. In __ [A = FY30, B = FY33, C = FY40] after tax increment financing is terminated, the City of Eugene is estimated to receive \$2.2 million of additional tax revenue per year as shown in Table 12. Lane County is estimated to forego \$254,000 of revenue in FY25 per Table 15, and to benefit by \$399,000 of additional tax revenue per year in __ [A = FY30, B = FY33, C = FY40] after division of tax is terminated as shown in Table 12. The amount of revenue in the future when tax increment is terminated is equal in all scenarios due to ORS 457 mandatory revenue sharing, which limits the amount of tax increment revenue to the Riverfront District to a specific, set amount. For more information about revenue sharing, see Chapter 7.

The impact on school districts from the termination of the urban renewal district is more complicated. Table 15 shows the foregone taxes, excluding any impacts from tax rate compression under Measure 5 and Measure 50 and excluding any impacts from the State school funding formula. Compression occurs when levied property taxes exceed the Measure 5 limits of \$5 per \$1,000 of real market value for education taxes (or \$10 per \$1,000 for general government taxes). If taxes exceed that limit, a property is in “compression” and the taxes are reduced until the limits are met. Table 15 shows that the combined school districts (4J, Lane Community College, and Lane Education Service District) are estimated to forego \$1.1 million of revenue in FY25. Table 12 shows that the

combined school districts will benefit by \$1.7 million of additional annual tax revenue in ____ [A = FY30, B = FY33, C = FY40] after the division of tax is terminated. This is not the complete story, however.

The impact on K-12 schools from the division of tax calculation for urban renewal districts is largely an impact on the State's budget because schools are mainly funded on a per-pupil funding formula (rather than by the level of property tax dollars generated within their boundaries). The State determines how much money must be allocated for the education of each pupil across the state. If the money is not available from local property taxes, the State will make up the difference. If more funds are available through local school property taxes, the State would have additional dollars to allocate as it chooses. In other words, the State can choose to allocate any extra money to education or to some other budgetary priority. If the State chooses to keep the money in education, some of that money would return to schools and education service districts based on the applicable statewide school funding formula and the rest would be distributed to school and education service districts across Oregon.

The Lane County Assessor conducted an analysis of the impact of the Riverfront Urban Renewal District on School District 4J's local option levy, including the impacts of tax rate compression in FY23. The analysis, which is included as Table 16 in Exhibit G, shows that the Riverfront Urban Renewal District currently provides 4J an estimated net benefit of \$45,000 per year. Table 16 shows the impact of tax rate compression in the education category for an additional 143 properties that would occur if the Riverfront District were not collecting division of tax revenue.

This analysis concludes that 4J is better off financially if the Riverfront Urban Renewal District continues to collect tax increment funds than it would be if tax increment financing were terminated. The reason is that taxes that are currently counted under the "general government" category for Measure 5 tax rate limitations (i.e., the "school property tax dollars" that now go to urban renewal) would move into the "education" category. When that happens, the education category of taxes must be reduced for a number of individual properties within the City because schools are already collecting as much as they can under Measure 5 limits for those properties. State law says that local option levy proceeds are the first to be reduced in the event of compression.

In order to understand the Lane County Tax Assessor's analysis for 4J impact for FY23, there are two factors to consider:

1. Revenue from 4J's permanent levy would increase by approximately \$866,000, for a net gain of approximately \$26,000 after applying the State school funding formula. (4J receives about 3% of the total State-wide funding.) This is the best-case scenario that assumes all else is equal, and the State decides to provide more funding for schools as a result of having more property tax revenue available.
2. 4J would lose about \$71,000 of local option levy proceeds (after discounts and delinquencies) if the Riverfront District no longer collects tax increment funds because of compression. The State funding formula does not apply to local option levies, so the full impact of this reduction would be felt in 4J's budget. Both of these

estimates are based on FY23 tax roll information and would vary in future years with changes in market conditions.

In summary, 4J would experience an ongoing loss in its budget of about \$45,000 annually as a result of terminating tax increment collections in the Riverfront District. Lane Education Service District is also funded through the State School Fund and would experience similar impacts as 4J on the permanent rate levy, however, Lane Education Service District does not have a local option levy. Lane Community College is also funded on a formula according to classes taken, not directly through permanent rate property taxes.

The financial analysis in this Report accounts for mandatory revenue sharing as previously described in Chapter 7. The financial analysis also assumes that the Agency Board will authorize a permanent increase in the frozen base of the Plan Area to \$110,395,364. This shifts some of the taxes being generated within the Plan Area to be out of the portion that generates tax revenue for the Area (the “increment” value) into the portion that generates tax revenue for all of the overlapping taxing districts (the “frozen base” value). This allows for a portion of the increased assessed value within the Plan Area to be shared with overlapping taxing districts including the City of Eugene. The City of Eugene permanent rate levy is the largest tax rate impacted by the Plan Area and thus the City’s General Fund would receive the largest share of increased revenue from the frozen base. The frozen base increase will generate an estimated \$800,000 per year for all of the overlapping taxing districts combined starting in FY25; the City’s General Fund will receive approximately half of the total amount, or about \$400,000 per year. This will reduce the annual tax increment revenue directed to the District.

Table 12 shows the impacts to taxing districts in FY40, which is the first year after the Riverfront District is expected to terminate taking division of taxes in scenario C (\$45 million). Some definitions help with the understanding of this table:

- Frozen Base is the total assessed value of the District at the time it was established, plus any voluntary increases by the Agency. ‘Revenue from Frozen Base’ is the tax revenue from that assessed value.
- Excess Value is the growth in assessed value in the District from the time it was established, also known as ‘increment.’ ‘Revenue from Excess Value Used’ is the tax revenue received by the urban renewal agency from the excess value. This column represents the estimated new revenue that overlapping taxing districts would receive in FY40 upon termination of Riverfront District division of taxes (excluding the aforementioned State school fund and compression impacts).
- ‘Revenue from Excess Value Shared’ is the taxes received by the taxing districts from the excess value that was subject to revenue sharing. The excess value becomes subject to revenue sharing (i.e., not subject to the division of tax) in all years after the annual tax increment revenues equal or exceed the greater of 10% of the initial maximum indebtedness of the Plan or a predetermined “transition amount” as defined in ORS 457.470 (1)(d).
- ‘Total Revenue at District Termination’ reflects the full taxes from the assessed value of the properties within the District at termination of the District.

Table 12. Estimated Revenue in FY40 After Termination of Riverfront Urban Renewal District

Taxing District	Type	Tax Rate per \$1,000 of AV	Revenue from Frozen Base	Revenue from Excess Value Used	Revenue from Excess Value Shared	Total Revenue at District Termination
General Government						
City of Eugene	Permanent	7.0058	\$773,000	\$2,185,000	\$3,135,000	\$6,093,000
Lane County	Permanent	1.2793	\$141,000	\$399,000	\$572,000	\$1,112,000
Upper Willamette Soil & Water	Permanent	0.0700	\$8,000	\$22,000	\$31,000	\$61,000
Education						
Eugene SD 4j	Permanent	4.7485	\$524,000	\$1,481,000	\$2,125,000	\$4,130,000
Lane Community College	Permanent	0.6191	\$68,000	\$193,000	\$277,000	\$538,000
Lane ESD	Permanent	0.2232	\$25,000	\$70,000	\$100,000	\$195,000
Total:		13.9459	\$1,539,000	\$4,350,000	\$6,240,000	\$12,129,000

Source: Tiberius Solutions

Note: This table shows gross revenues before subtracting discounts and delinquencies, which are estimated to be 5%.

Chapter 10: Relocation Report

A. Requirement

An analysis of the existing residences or businesses required to relocate permanently or temporarily as a result of Agency actions under ORS 457.170.

Response

No specific relocation activity is identified in the Plan. If urban renewal assistance results in relocation requirements, a relocation plan will be developed for that purpose. Relocation activities and assistance would be provided in accordance with ORS 35.500 through 35.530.

B. Requirement

A description of the methods to be used for the temporary or permanent relocation of persons living in and businesses situated in, the Plan Area in accordance with ORS 35.500 through 35.530.

Response

No specific relocation activity to be initiated by the Agency is identified in the Plan. If urban renewal assistance results in relocation requirements, a relocation plan will be developed for that purpose. Relocation activities and assistance would be provided in accordance with ORS 35.500 through 35.530.

C. Requirement

An enumeration, by cost range, of the existing housing units in the Plan Area to be destroyed or altered and new units to be added.

Response

No specific existing housing units are proposed to be removed by actions of the Plan.

D. Requirement

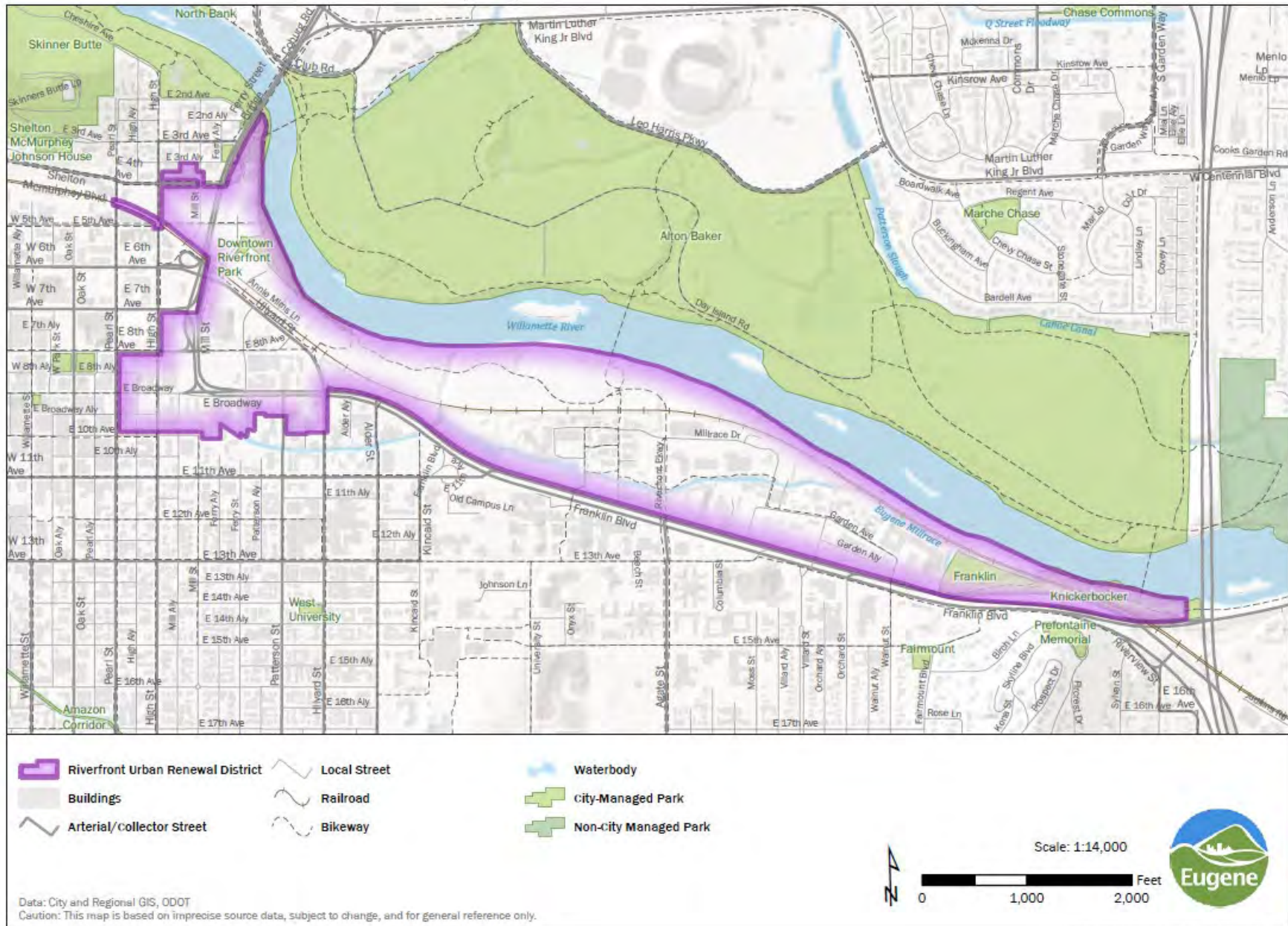
A description of new residential units which are likely to be constructed within the Plan Area.

Response

Some new residential units are expected to be constructed within the Plan Area.

Chapter 11: Appendix

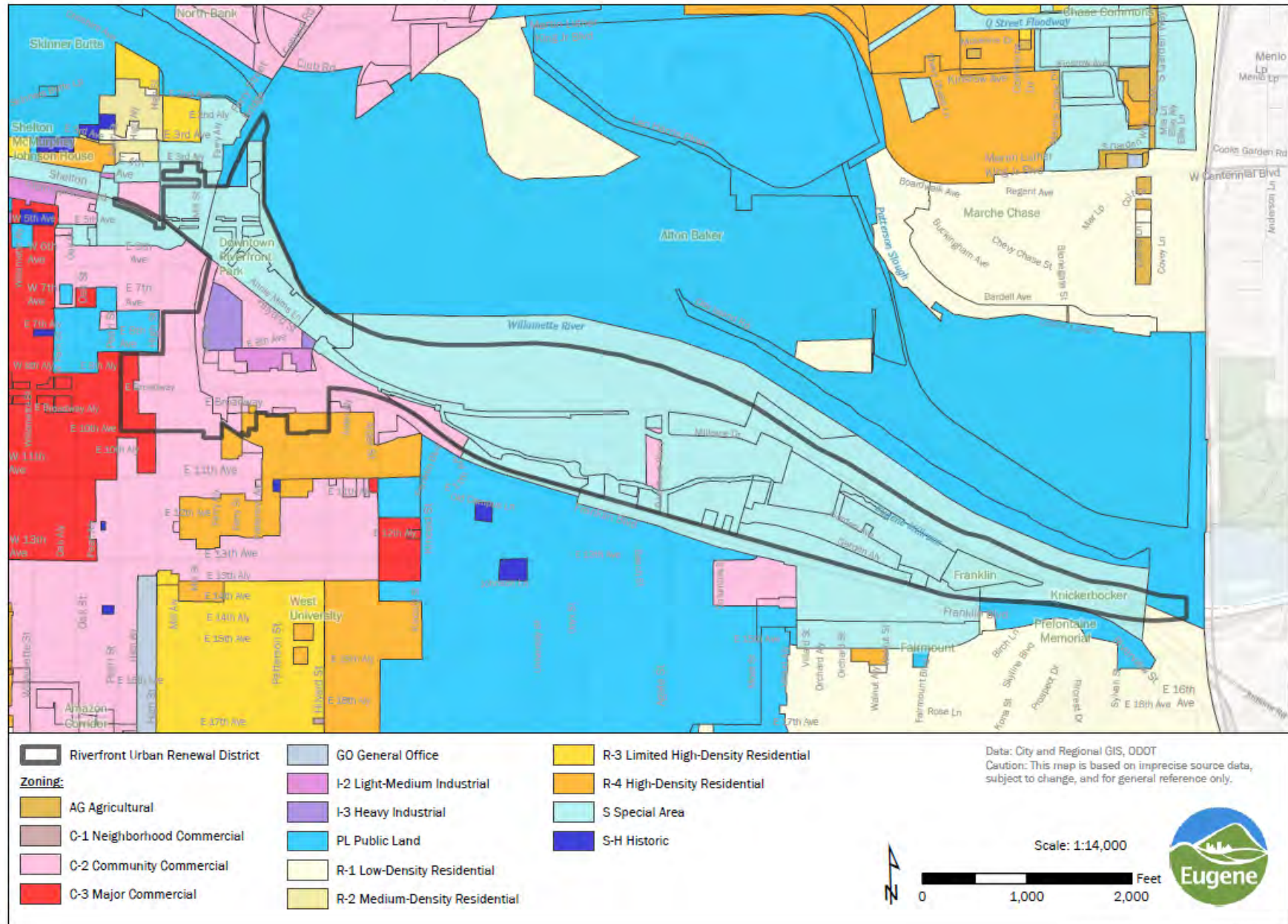
Exhibit A:	Plan Area Map
Exhibit B:	Zoning District Map
Exhibit C:	Census Boundaries Map
Exhibit D:	Table 13. – Projected Revenues and Expenditures for the Plan Area
Exhibit E:	Table 14. – Impact of Urban Renewal on an Individual Tax Bill
Exhibit F	Table 15. – Estimated Division of Tax Impact of the Plan on Overlapping Taxing Jurisdictions, FY25 – FY39
Exhibit G:	Table 16. – Estimated Impact of Riverfront District Tax Increment Collections on Overlapping Jurisdictions, FY23 Tax Data (Including the impact of State school funding formula and Measure 5/50 tax rate compression)



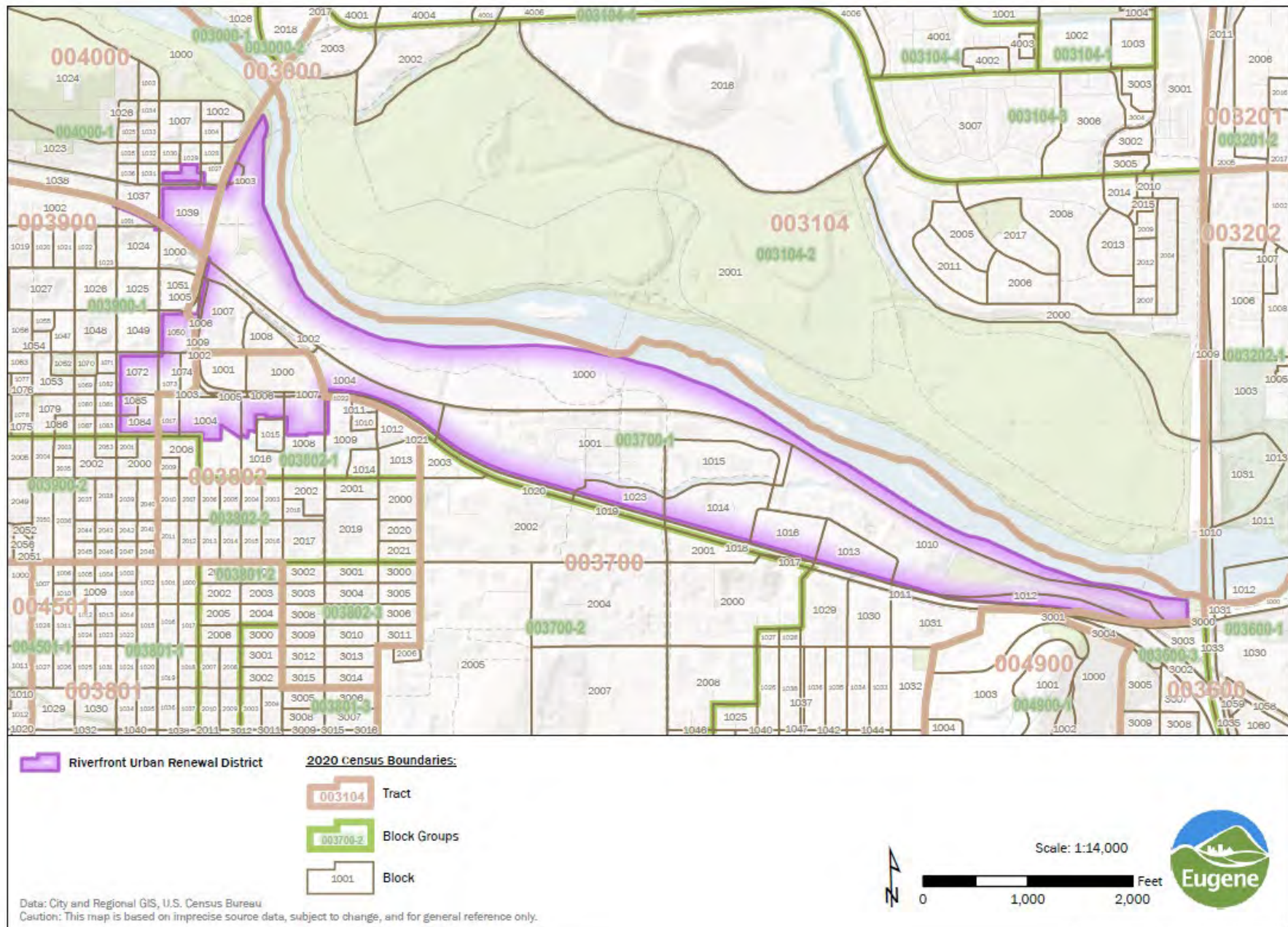
7/18/2023 PWE Ad-hoc #5R2306_1202

Report Exhibit B – Zoning District Map

Attachment A



Report Exhibit C – Census Boundaries Map



Report Exhibit D:

Table 13. Projected Revenues and Expenditures for the Plan Area (page 1)

Table 13 shows estimated revenues, expenditures, and allocation to projects over the life of the Plan (project timing may vary). This table reflects Scenario C, a \$45 million increase in maximum indebtedness. Scenario A (\$15 million) would terminate in FY29, and Scenario B (\$25 million) would terminate in FY32. See Table 10 for project allocations under each scenario.

	Total	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Resources								
Beginning Working Capital	9,351,000	5,041,000	139,000	1,031,000	364,000	929,000	2,367,000	
Interest Earnings	139,000	47,000	25,000	1,000	5,000	2,000	5,000	12,000
Tax Increment Revenues	59,286,000	2,773,000	3,240,000	3,377,000	4,064,000	4,238,000	4,195,000	4,194,000
Bond/Loan Proceeds	26,700,000		5,700,000			21,000,000		
Total Resources	95,476,000	12,172,000	14,006,000	3,517,000	5,100,000	25,604,000	5,128,000	6,573,000
Requirements								
Debt Service								
Existing Debt Service	7,942,000	1,324,000	1,323,000	1,324,000	3,547,000	424,000		
New Debt Service	39,516,000		497,000	497,000	2,328,000	2,328,000	2,328,000	2,328,000
Subtotal	47,458,000	1,324,000	1,820,000	1,821,000	4,044,000	2,752,000	2,328,000	2,328,000
Existing Maximum Indebtedness								
Additional Housing	848,000	848,000						
Subtotal	848,000	848,000						
New Maximum Indebtedness								
Steam Plant	6,300,000	6,300,000						
Downtown Riverfront Affordable Housing	5,000,000		5,000,000					
Additional Housing	13,607,000	2,167,000				7,800,000		3,640,000
Physical Improvements	6,800,000					6,800,000		
Projects Initiated by Agency Board	6,800,000					6,800,000		
Debt Issuance Costs	200,000		100,000			100,000		
Project Delivery Administration	6,293,000	621,000	647,000	665,000	692,000	424,000	434,000	338,000
Subtotal	45,000,000	2,788,000	12,047,000	665,000	692,000	21,924,000	434,000	3,978,000
Funded by Program Income								
River Loans	2,068,000							
Additional Housing	103,000							
Subtotal	2,170,000							
Ending Fund Balance		5,041,000	139,000	1,031,000	364,000	929,000	2,367,000	268,000
Total Requirements	95,476,000	12,172,000	14,006,000	3,517,000	5,100,000	25,604,000	5,128,000	6,573,000
Annual Impact on Maximum Indebtedness	45,848,000	8,769,000	7,120,000	1,556,000	20,000	22,487,000	1,867,000	1,867,000
Cumulative Maximum Indebtedness Used to Date		42,721,000	49,841,000	51,397,000	51,417,000	73,904,000	75,771,000	77,638,000

Source: Tibertus Solutions

Report Exhibit D:

Table 13. Projected Revenues and Expenditures for the Plan Area (page 2)

	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039
Resources								
Beginning Working Capital	268,000	1,821,000	1,803,000	1,527,000	1,240,000	945,000	643,000	326,000
Interest Earnings	1,000	9,000	9,000	8,000	6,000	5,000	3,000	2,000
Tax Increment Revenues	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	3,842,000
Bond/Loan Proceeds	-	-	-	-	-	-	-	-
Total Resources	4,463,000	6,024,000	6,006,000	5,729,000	5,440,000	5,145,000	4,840,000	4,170,000
Requirements								
<i>Debt Service</i>								
Existing Debt Service								
New Debt Service	2,328,000	3,899,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	3,842,000
Subtotal	2,328,000	3,899,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	3,842,000
<i>Existing Maximum Indebtedness</i>								
Additional Housing								
Subtotal								
<i>New Maximum Indebtedness</i>								
Steam Plant								
Downtown Riverfront Affordable Housing								
Additional Housing								
Physical Improvements								
Projects Initiated by Agency Board								
Debt Issuance Costs								
Project Delivery Administration	315,000	323,000	285,000	295,000	301,000	308,000	320,000	328,000
Subtotal	315,000	323,000	285,000	295,000	301,000	308,000	320,000	328,000
<i>Funded by Program Income</i>								
River Loans								
Additional Housing								
Subtotal								
Ending Fund Balance	1,821,000	1,803,000	1,527,000	1,240,000	945,000	643,000	326,000	
Total Requirements	4,463,000	6,024,000	6,006,000	5,729,000	5,440,000	5,145,000	4,840,000	4,170,000
Annual Impact on Maximum Indebtedness	1,867,000	295,000						
Cumulative Maximum Indebtedness Used to Date	79,505,000	79,800,000	79,800,000	79,800,000	79,800,000	79,800,000	79,800,000	79,800,000

Source: Tiberius Solutions

Note: The current Plan is projected not to reach the existing maximum indebtedness limit by \$848,000 at the end of FY24. The Plan Amendment will allow more time to collect enough tax increment revenue to reach the existing maximum indebtedness limit. It is anticipated that these funds will be used towards housing, but the actual allocation will be made during the budgeting process.

Report Exhibit E:

Table 14. Impact of Urban Renewal on an Individual Tax Bill

Taxing District	Taxes	Taxes Directed To:			Taxes	Difference
	Before UR Reallocation	Taxing Districts	Downtown UR District	Riverfront UR District	After UR Reallocation	
Education Taxes						
Eugene School District 4J	\$1,131.55	\$1,100.34	\$15.68	\$15.54	\$1,100.34	(\$31.22)
Eugene School District 4J LOL	357.45	357.45	0.00	0.00	357.45	0.00
Lane Community College	147.53	144.22	1.67	1.64	144.22	(3.31)
Lane Education Service District	53.19	52.00	0.60	0.60	52.00	(1.19)
Total	\$1,689.72	\$1,654.00	\$17.94	\$17.78	\$1,654.00	(\$35.72)
General Government Taxes						
City of Eugene	\$1,669.46	\$1,631.86	\$18.90	\$18.71	\$1,631.86	(\$37.60)
City of Eugene Library LOL	37.20	37.20	0.00	0.00	37.20	0.00
City of Eugene Parks & Rec LOL	41.11	41.11	0.00	0.00	41.11	0.00
Lane County	304.85	298.01	3.43	3.41	298.01	(6.84)
Lane County 4-H/Extension LOL	6.67	6.67	0.00	0.00	6.67	0.00
Lane County Public Safety LOL	131.06	131.06	0.00	0.00	131.06	0.00
Upper Willamette Soil & Water	16.68	16.35	0.17	0.17	16.35	(0.33)
Eugene UR Downtown District	0.00	0.00	0.00	0.00	40.44	40.44
Eugene UR Riverfront District	0.00	0.00	0.00	0.00	50.28	50.28
Total	\$2,207.04	\$2,162.26	\$22.50	\$22.28	\$2,252.98	\$45.94
Bonded Debt Taxes						
City of Eugene Bond I	\$1.02	\$1.02	\$0.00	\$0.00	\$1.02	\$0.00
City of Eugene Bond II	184.94	182.87	0.00	2.07	182.87	(2.07)
Eugene School District 4J Bond II	532.67	525.37	0.00	7.29	525.37	(7.29)
Lane Community College Bond II	53.09	52.50	0.00	0.60	52.50	(0.60)
Lane Community College Bond III	25.31	25.05	0.00	0.26	25.05	(0.26)
Total	\$797.03	\$786.81	\$0.00	\$10.22	\$786.81	(\$10.22)
Total Taxes	\$4,693.78	\$4,603.06	\$40.44	\$50.28	\$4,693.78	\$0.00

Source: City of Eugene from Lane County Assessment & Taxation, Table 4e, Detail of Urban Renewal Plan Areas by Taxing District, Tax Year 2022-23.

Note: Calculations based on assessed value of \$238,297 for typical (i.e., median) Eugene home per Lane County Assessor media release October 2022. The 2023 Amendment turns the Plan into a "permanent rate plan", meaning it may only take taxes from the permanent rate levies going forward. Bonded debt levies will no longer be impacted by this urban renewal plan.

Report Exhibit F:**Table 15. Estimated Division of Tax Impact of the Plan on Overlapping Taxing Jurisdictions, FY25 – FY39**

FY	City of Eugene	Lane County	Upper Willamette Soil & Water	Eugene School District 4J	Lane Community College	Lane Education Service District	Total
2025	1,393,000	254,000	14,000	944,000	123,000	44,000	2,773,000
2026	1,628,000	297,000	16,000	1,103,000	144,000	52,000	3,240,000
2027	1,697,000	310,000	17,000	1,150,000	150,000	54,000	3,377,000
2028	2,042,000	373,000	20,000	1,384,000	180,000	65,000	4,064,000
2029	2,129,000	389,000	21,000	1,443,000	188,000	68,000	4,238,000
2030	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,195,000
2031	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2032	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2033	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2034	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2035	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2036	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2037	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2038	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2039	1,930,000	352,000	19,000	1,308,000	171,000	61,000	3,842,000
Total:	29,783,000	5,438,000	298,000	20,186,000	2,632,000	949,000	59,286,000

Source: Tiberius Solutions

Notes:

1. Property tax collections for all years is projected to be 95%.
2. Analysis does not include impact on School District 4J's local option levy, which currently benefits from the existence of the urban renewal districts. Additionally, the impact on schools is really an impact on the State's budget because schools are mainly funded on a per-pupil funding formula rather than by the level of property tax dollars generated within their boundaries. See Chapter 9 "Impact on Overlapping Taxing District Revenues" section for more information and Exhibit G – Table 16.
3. Existing property values are projected to increase 3% per year.
4. The final year for each scenario assumes only a partial year of tax increment collection is needed to reach maximum indebtedness.

Report Exhibit G:

Table 16. Estimated Impact of Riverfront District Tax Increment Collections on Overlapping Jurisdictions, FY23 Tax Data (Including the impact of State school funding formula and Measure 5/50 tax rate compression)

Taxing District	Levy	<u>With</u> Riverfront Tax Increment ¹	<u>Without</u> Riverfront Tax Increment ¹	Difference	Estimated Revenue If Riverfront District Ends Tax Increment Collection ²
EDUCATION					
Eugene School District 4J	Permanent Rate	68,469,322	69,375,908	906,586	26,000 ³
Eugene School District 4J	Local Option Levy (LOL)	24,906,721	24,831,879	(74,842)	(71,000)
Lane Community College	Permanent Rate	10,973,980	11,090,774	116,794	112,000
Lane Education Service District	Permanent Rate	3,956,579	3,998,913	42,334	40,000
Total Education		\$108,306,602	\$109,297,474	\$990,872	\$107,000
GENERAL GOVERNMENT					
City of Eugene	Permanent Rate	125,004,018	126,436,974	1,432,956	1,366,000
City of Eugene	Library LOL	2,849,477	2,849,477	-	-
City of Eugene	Parks and Rec LOL	3,148,847	3,148,847	-	-
Lane County	Permanent Rate	22,828,924	23,089,963	261,039	249,000
Lane County	4-H/Extension LOL	1,105,267	1,105,267	-	-
Lane County	Public Safety LOL	21,710,714	21,710,714	-	-
Upper Willamette Soil & Water	Permanent Rate	1,252,248	1,265,026	12,778	12,000
Eugene Urban Renewal Downtown	Urban Renewal	2,877,334	2,877,334	-	-
Eugene Urban Renewal Riverfront	Urban Renewal	3,530,764	-	(3,530,764)	(3,370,000)
Total General Government		\$184,307,593	\$182,483,602	(\$1,823,991)	(\$1,743,000)
BONDS					
City of Eugene	Bond I	78,494	78,494	-	-
City of Eugene	Bond II	14,008,436	14,167,252	158,816	152,000
Eugene School District 4J	Bond II	32,865,721	33,321,880	456,159	436,000
Lane Community College	Bond II	4,017,756	4,063,351	45,595	44,000
Lane Community College	Bond III	1,916,777	1,936,838	20,061	19,000
Total Bonds⁴		\$52,887,184	\$53,567,815	\$680,631	\$651,000
TOTAL		\$345,501,379	\$345,348,891	(\$152,488)	(\$985,000)

Source: City of Eugene Notes:

1. Data provided by Lane County Assessment & Taxation, tax year 2022-23.

2. Revenue estimates adjusted for discounts, delinquencies, State school funding formula, and compression.

3. Assumes that legislature allocates the additional property taxes to schools throughout the State and 4J receives approximately 3% of the total.

4. The 2023 Amendment turns the Plan into a “permanent rate plan”, meaning it may only take taxes from the permanent rate levies going forward. Bonded debt levies will no longer be impacted by this urban renewal plan.

EXHIBIT C: Property Analysis Report**Riverfront Urban Renewal Amendment:
Documentation of Blighted Areas**

September 2023

In the summer of 2023, public and private properties within the Riverfront Urban Renewal District were evaluated by City of Eugene staff for conditions of blight, as defined by ORS 457.010. This Property Analysis Report provides a summary of staff's findings. A more detailed report with photos and descriptions of examples of blight is provided in Attachment 2 to this Property Analysis Report. Maps showing the area included in this analysis are provided as Attachment 1 to this Property Analysis Report. Properties and locations reviewed for characteristics of "blight" as the term is defined in ORS 457.010(1), are listed in Attachment 3 to this Report.

1 SUMMARY OF FINDINGS

A total of 184 tax lots are located in the Riverfront Urban Renewal District. Eighty-two percent (or 151) of the 184 tax lots surveyed are determined to have blighted conditions. Fifty-two percent (or 97) of the tax lots in the District were considered to be very blighted because they have a ratio of Improvement Value to Land Value of 2:1 or less. To better describe the current uses of these tax lots, for the purposes of this analysis, the tax lots with blighted conditions were consolidated based on uses, resulting in a total of 69 properties that have at least one tax lot with very blighted conditions (e.g., a building and its parking lot on two different tax lots would be considered one "property"). In addition to the tax lots surveyed, 20 locations in rights-of-way, roads, public walkways, and sidewalks also demonstrate blighted conditions. Blight conditions are so prevalent and consistent in the Plan Area that the City Council concludes that the entire Riverfront Urban Renewal Plan Area is blighted. The blighted conditions impact the safety, health, and welfare of the community through: potentially unsafe conditions for accessibility through deteriorating public rights-of-way; deficiencies in maintenance of public buildings and open spaces; decreased property values and taxable values; extensive vacancies; and outdated structural designs that are deteriorating. The evidence of blight and blighting influences reduces the economic activity in the Plan Area, leading to lowered value and a disincentive to invest.

Urban renewal funds that are directed at improving or reducing the blighted conditions will attract positive activity in the Riverfront Urban Renewal District, stimulate economic development and private investment, promote the continued revitalization of the Downtown Riverfront, and enhance the value of the area as a whole. As the number of businesses and opportunities for investment increases, existing businesses, and development, including restaurants, retail, and housing, will also benefit, leading to improved conditions and higher property values within the Riverfront Urban Renewal District.

This survey of properties was performed August and September 2023, following three and a half years of COVID-19 pandemic related issues, including significant increases in material, labor, and financing costs. Properties throughout the City of Eugene, including properties in the Riverfront Urban Renewal District, were heavily impacted by the necessary restrictions put in place in response to the pandemic and the current economic issues of inflation and tightening of financial lending. These restrictions have happened in a tiered process with businesses only recently opening more fully to serve customers. Vandalism and unsanctioned camping have become increasingly prevalent in the downtown core area, which includes the western part of the Riverfront District. This impacts the business community along with those wishing to visit the Riverfront District, increasing

the risk for continued blighting influences. The current state of the economy and impact of the duration of the pandemic were taken into consideration with this inventory.

2 INFORMATION ABOUT THIS REPORT

The determination of blight for a particular property is an indication of the character of the area and substantiation of the need for reinvestment and improvement in the District; it is not an indication that a specific property is targeted for improvement or for demolition. Even though not every property in the Riverfront Urban Renewal District is determined to be “blighted,” the City concludes that overall, the area within the Riverfront Urban Renewal District is blighted due to the number of properties with blighted conditions. This conclusion is supported by substantial evidence, as discussed below. Information related to surveyed properties was gathered primarily from visual surveys of the building exteriors and property, and of public rights-of-way; however, information collected does also include staff knowledge of particular sites.

This analysis presents information on the conditions of 69 properties that include at least one tax lot considered to be very blighted. This analysis also includes an evaluation of 20 right-of-way locations with blighted conditions. The Blight Findings Matrix (Attachment 3) includes a row for each of these properties and right-of-way locations, corresponding to numbered locations on the maps in Attachment 1. The matrix includes columns relating to each of the criteria in ORS 457.010(1), and described below. For a determination that a property is “blighted,” only one of the criteria evaluated needs to be met. The final column on the table indicates whether there are property characteristics that make it “blighted” under the definition/criteria of ORS 457.010(1). Attachment 2 is a detailed report with photos and descriptions of examples of blight in the Riverfront Urban Renewal District.

3 GENERAL FINDINGS

Properties were evaluated against nine categories of blight included in the statutory definition of “blighted areas” in ORS 457.010(1). The categories are located in ORS 457.010(1)(a) through (1)(i). ORS 457.010(1)(a) includes five sub-categories (A-E) related to whether a building is “unfit” or “unsafe” to occupy or for living, commercial, industrial, or other purposes. ORS 457.010 does not elaborate on what “unfit” or “unsafe to occupy” means, nor does it state that the building must be literally unusable or uninhabitable. **The City concludes that a building meets the criteria under ORS 457.010(1)(a)(A) – (E) if it has conditions that indicate that the structure is “unfit” for its intended purpose or “unsafe to occupy,” even if the building is in fact occupied and otherwise habitable.** These conditions are described below.

Conditions of Blight

Note: Properties are identified by number in Attachments 1-3 to this Report. Where properties are offered as examples of the conditions of blight listed below, they are identified by name or address and by number for ease of cross-reference with the Attachments.

ORS 457.010(1)(a)

“The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions”.

ORS 457.010(1)(a)(A): Defective design and quality of physical construction

The Steam Plant (#14) and 967 Patterson (#61, recently demolished after Fire Marshal's Office deemed it unsafe) have been determined to be structures that are unfit for their intended purposes or unsafe to occupy because of "*defective design and quality of physical construction.*"

ORS 457.010(1)(a)(B): Faulty interior arrangement and exterior spacing

None of the properties surveyed were determined to be unfit or unsafe to occupy based on "*faulty interior arrangement and exterior spacing.*"

ORS 457.010(1)(a)(C): Overcrowding and a high density of population

None of the properties surveyed were determined to contain structures that are unfit for their intended purpose or unsafe to occupy due to "*overcrowding and a high density of population.*"

ORS 457.010(1)(a)(D): Inadequate provision for ventilation, light, sanitation, open spaces, and recreation facilities

None of the properties surveyed were determined to be unfit or unsafe to occupy based on "*inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.*"

ORS 457.010(1)(a)(E): Obsolescence, deterioration, dilapidation, mixed character or shifting of uses

Four properties, the Steam Plant (#14), Former Greyhound Station (#33), Motel 66 (#56), and 967 Patterson (#61) were determined to be unfit or unsafe to occupy based on "*obsolescence, deterioration, dilapidation, mixed character or shifting of uses.*" due to building deterioration and extended vacancy.

ORS 457.010(1)(b): An economic dislocation, deterioration or disuse of property resulting from faulty planning

Four properties were determined to be blighted due to "*economic dislocation, deterioration or disuse of property resulting from faulty planning.*" These are the properties identified as the Steam Plant (#14), Former Greyhound Station (#33), Motel 66 (#56), and 967 Patterson (#61) in the Attachments to this Report. These properties were identified as blighted based on this criterion due to prior environmental contamination, extended vacancy, deterioration, and damage. These properties have had maintenance issues that led to deterioration of the quality of the property, impacting the District.

ORS 457.010(1)(c): The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development

The grouping of three properties North of Broadway/Franklin Boulevard, and East of Hilyard (#3, #16, and #26) were classified as blighted due to the "*division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.*" These properties comprise multiple tax lots that are a variety of sizes and held in ownership by the City and University.

Two City-owned vacant parcels at the intersection of Broadway and Hilyard (#69), are too small to build on and surrounded by the former Motel 66 (#56), which also consists of two parcels of irregular size.

ORS 457.010(1)(d): The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions

None of the properties surveyed are characterized by the existence of *“property or lot layouts in disregard of contours, drainage or other physical characteristics of the terrain and surrounding conditions”*.

ORS 457.010(1)(e): The existence of inadequate streets and other rights of way, open spaces, and utilities

A total of 20 locations and/or properties were determined to be blighted based on the criterion: *“the existence of inadequate streets and other rights of way, open spaces and utilities”* (#69-89). Of these, 18 are locations in various rights-of-way (ROW), such as sidewalks, pedestrian walkways, alleys, or crosswalks. Locations were classified as meeting this criterion if there were extensive breaks in the sidewalk resulting in an uneven surface, large holes in the pavement, or crosswalks with holes and uneven ramps; all of which contribute to lack of accessibility. See Attachment 2 for photos of these locations.

ORS 457.010(1)(f): The existence of property or lots or other areas that are subject to inundation by water

None of the properties surveyed are characterized by the existence of property or lots or other areas that are subject to inundation by water.

ORS 457.010(1)(g): A prevalence of depreciated values, impaired investments, and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered

151 tax lots constituting 82% of total tax lots in the District were determined to meet the blight criterion: *“a prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered”*.

Specifically, properties with very depreciated values were classified as blighted. Depreciated values are defined in this Report as those tax lots with a ratio of 4:1 or less of Property Improvement Value to Land Value. Tax lots with a ratio of 2:1 or less were considered to be very blighted. The 69 properties included in Attachment 3 consist of at least one tax lot determined to be very blighted. Tax data for the year 2022 was used for this calculation.

The depreciation ratio is based on staff research in 2010 comparing analyses completed by other communities in Oregon, including Springfield, Tillamook, and Portland.

ORS 457.010(1)(h): A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare

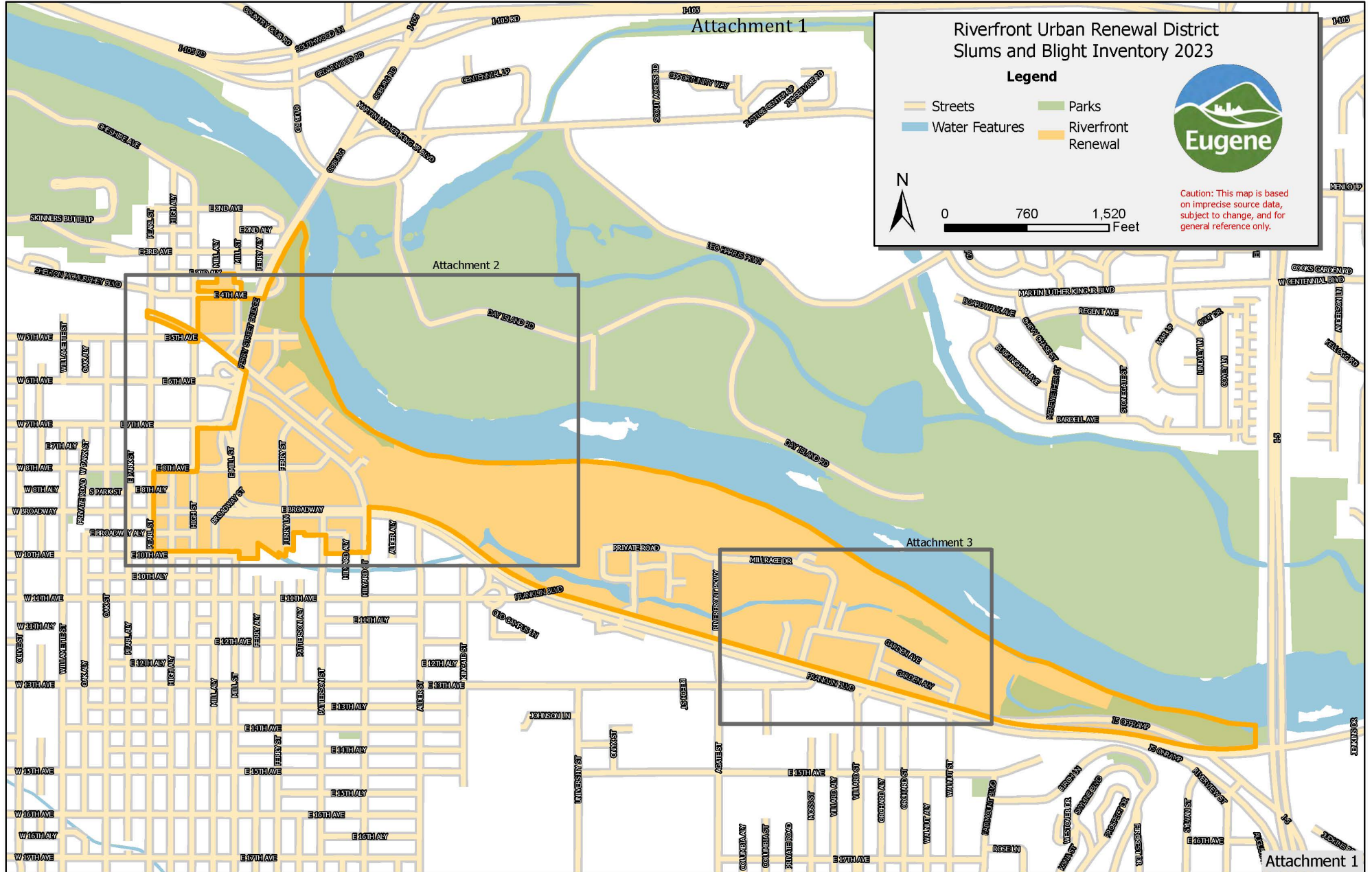
Nine properties were determined to be blighted based on the following criterion: *“a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare”*. These properties are identified as 8th and Pearl parking lot (#1), Franklin Boulevard parking lots (#3, #16, and #26), Moss Street and Garden Avenue parking lot (#12), the Steam Plant (#14), the former Greyhound Station (#33), City Hall (#47), and 961 Patterson Street (#61) in the Attachments to this Report. These properties were classified as blighted under this criterion due to extended vacancies and/or property damage, all of which negatively contribute to the surrounding community.

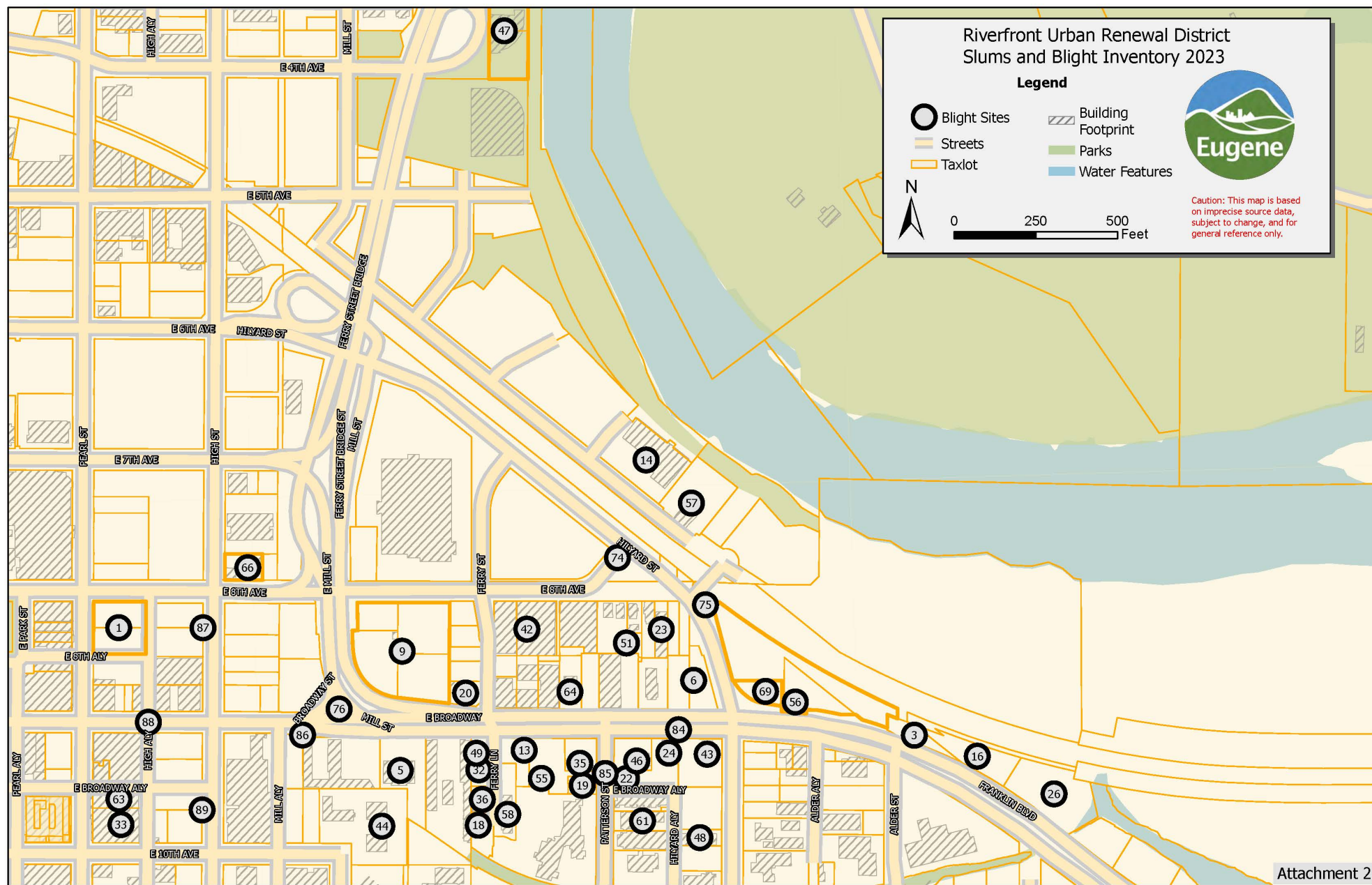
ORS 457.010(1)(i): A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere

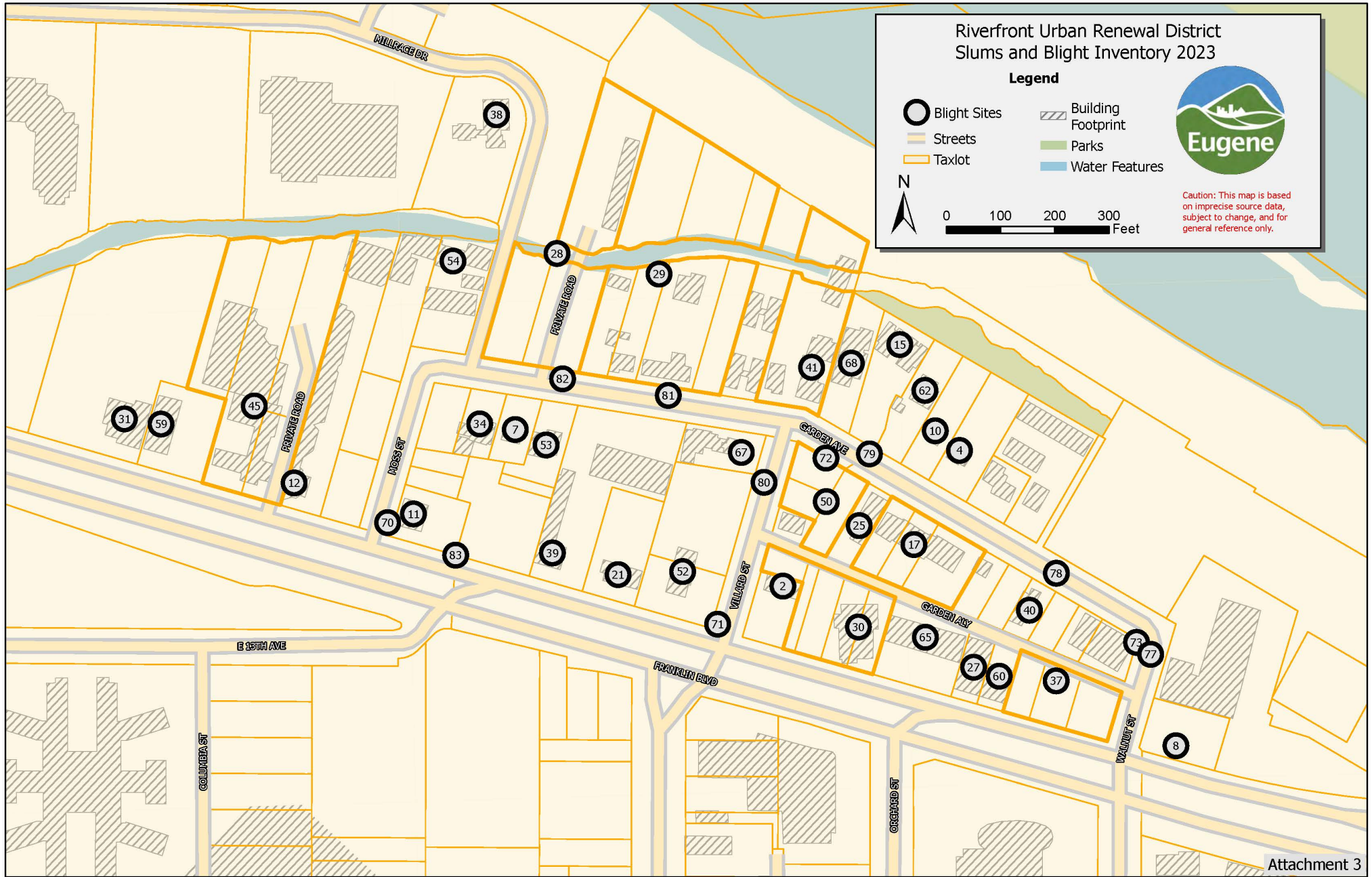
Eight properties were determined to be blighted based on the criterion: *“a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere”*. This determination was based on a review of the properties’ state of disrepair and lack of apparent maintenance including vegetation overgrowth, rusted materials, graffiti, garbage, and potential contamination. Property in these conditions and the continued deterioration of those properties add to current costs of maintenance and public services. The properties found to comply with this criterion are identified as the 8th Avenue and Pearl Street parking lot (#1), Franklin Boulevard parking lots (#3, 16, #26), the Moss Street and Garden Avenue parking lot (#12) and the Steam Plant (#14), the former Greyhound Station (#33), and 967 Patterson Street (#61) in the Attachments to this Report.

4 CONCLUSION

The City Council finds that 151 tax lots (82% of tax lots in the Riverfront Urban Renewal District) demonstrate blighted conditions consistent with ORS 457.010(1). Of those 151 blighted tax lots, 97 tax lots (53%) were considered to be very blighted. In addition, 20 locations in roads, public walkways, and sidewalks within the Plan Area demonstrate blighted conditions. Due to the high property depreciation value, the state of disrepair of buildings, inefficient utilization of properties, and the state of disrepair of right-of-way pedestrian infrastructure within the Plan Area, the City Council finds that the entire area of the Riverfront Urban Renewal District is blighted.







Attachment 2

Riverfront Urban Renewal District Blight Survey**Detailed Property Report 2023**

This attachment provides documentation and additional information about properties in the Riverfront Urban Renewal District (District) that were determined to have blighted conditions.

This attachment provides additional information on notable blighted properties and right-of-way locations in the Riverfront Urban Renewal District.

To assist the user with reading this report a list of definitions are provided below:

- **Property:** This corresponds to the property location on the maps included in Attachment 1 and the matrix included in Attachment 3.
- **Name:** This is the main business name, address, or descriptor for the property. There may be multiple businesses on a property.
- **Determination of Blight:** This is the finding of blight associated with the property. This finding will correspond with Attachment 3 to Exhibit C.
- **Depreciation Ratio:** Using data from the Lane County Tax and Assessment office, a mathematical calculation creates a ratio from the improvement values to land values, where the improvement value for a property is divided by the land value for a property. If there are multiple tax lots for an identified property, then the values for each tax lot were totaled to create this ratio. Tax data is from tax year 2022 and derived from regional geographic information systems (GIS).
- **Tax lot(s):** These are the tax lot(s) associated with that property.
- **Property Notes:** The property notes are the observations collected during inventory, and do not necessarily indicate blight.

- **Property: #1**
- **Name:** 8th and Pearl Parking Lot
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.05
- **Tax lot(s):** 1703311402100, 1703311402200
- **Property Notes:** The property is currently a public, permitted parking owned by the City of Eugene. The asphalt has seen some degradation and needs some maintenance.



- **Property:** #3 and 16
- **Name:** City-owned Parking Lots along Franklin Boulevard
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.10 and 0.05
- **Tax lot(s):** 1703322405100, 1703322400101
- **Property Notes:** These properties has depreciated values. The property is currently a permitted parking owned by the City of Eugene. Asphalt is uneven and grass is overgrown.



- **Property: #4**
- **Name:** Offices, 1991 Garden Avenue
- **Determination of Blight:** Depreciated Value
- **Depreciation Ratio:** 0.51
- **Tax lot(s):** 1703333210400
- **Property Notes:** Property has depreciated values. Building is in need of maintenance.



- **Property: #10**
- **Name:** Offices, 1973 Garden Avenue
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 0.50
- **Tax lot(s):** 1703333210300
- **Property Notes:** Property has depreciated values. Building is in need of maintenance. Building is currently vacant.



- **Property: #14**
- **Name:** Steam Plant
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.23
- **Tax lot(s):** 1703322203000
- **Property Notes:** Property has depreciated values. Building is long vacant. Lots vandalism and graffiti. Building is in significant state of disrepair.



- **Property: #19**
- **Name:** 950 Patterson Street
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 1.13
- **Tax lot(s):** 1703322306100
- **Property Notes:** Property has depreciated values. Property needs maintenance, including parking area in front of building.



- **Property: #22**
- **Name:** Housing, 937 Patterson Street
- **Determination of Blight:** Depreciated value, graffiti
- **Depreciation Ratio:** 0.74
- **Tax lot(s):** 1703322306400
- **Property Notes:** Property has depreciated values. Fence on edge of property has graffiti. Property is in need of maintenance.



- **Property: #26**
- **Name:** University of Oregon-owned Parking Lot on Franklin Boulevard
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.01
- **Tax lot(s):** 1703322400102
- **Property Notes:** The property has depreciated values. The property is currently a parking lot owned by the University of Oregon. The asphalt has seen some degradation and needs some maintenance.



- **Property: #29**
- **Name:** Apartments, 1853 Garden Avenue
- **Determination of Blight:** Depreciated Value
- **Depreciation Ratio:** 0.25
- **Tax lot(s):** 1703332300600, 1703332300800, 1703332300900, 1703332301000
- **Property Notes:** Property has depreciated values. Property needs maintenance, including parking area in front of building.



- **Property: #33**
- **Name:** Former Greyhound Bus Station and Parking Lot
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.16
- **Tax lot(s):** 1703311408300, 1703311408000
- **Property Notes:** Property has depreciated values. Building is currently vacant and in need of maintenance.



- **Property:** #35
- **Name:** 7-11 (590 E. Broadway)
- **Determination of Blight:** Depreciated value
- **Depreciation Ratio:** 1.26
- **Tax lot(s):** 1703322306200
- **Property Notes:** Property has depreciated value.



- **Property: #40**
- **Name:** Apartments, 2050 Garden Avenue
- **Determination of Blight:** Depreciated value
- **Depreciation Ratio:** 1.05
- **Tax lot(s):** 1703333200400
- **Property Notes:** Property has depreciated values.



- **Property:** #49
- **Name:** Restaurant, 490 E Broadway
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 1.62
- **Tax lot(s):** 1703322304100
- **Property Notes:** Property has depreciated values.



- **Property:** #54
- **Name:** Apartments, 1805 Garden Avenue
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 0.80
- **Tax lot(s):** 1703332301700
- **Property Notes:** Property has depreciated values.



- **Property:** #56
- **Name:** Former Motel 66
- **Determination of Blight:** Shifting Use from Motel to Parking Lot, Economic Dislocation & Disuse, Depreciated Value , All windows boarded up, Graffiti on all sides, Active Camping on Property
- **Depreciation Ratio:** 0.40
- **Tax lot(s):** 1703322401600, 1703322401601
- **Property Notes:** Property has depreciated values. Building is current vacant and boarded up. Property is used for a private parking lot.



- **Property: #59**
- **Name: EWEB Substation**
- **Determination of Blight:**
- **Depreciation Ratio: 0.11**
- **Tax lot(s): 1703322200803**
- **Property Notes: Depreciated Value**



- **Property:** #61
- **Name:** Vacant lot, 967 Patterson Street
- **Determination of Blight:** Deemed Unsafe, Dilapidated, Economic Dislocation, ROW in poor condition, Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.04
- **Tax lot(s):** 1703322307100
- **Property Notes:** Property has depreciated values. Building was deemed Unsafe by Fire Marshal's Office after multiple fires and was demolished. Site is now vacant.



- **Property:** #69
- **Name:** City-owned Vacant Parcels, northeast corner of Broadway and Hilyard Street
- **Determination of Blight:** Graffiti, Trash, Vacant, Lots of irregular form
- **Tax lot(s):** 1703322401602, 1703322401700
- **Property Notes:** Properties are currently vacant with overgrown shrubbery and garbage. Graffiti on adjacent wall. Properties are adjacent to the vacant Motel 66 property.



- **Property:** #70
- **Location:** Intersection of Franklin Boulevard and Moss Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Inadequate crosswalk and possible accessibility issues



- **Property:** #71
- **Location:** Intersection of Villard Street and Franklin Boulevard
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Damaged sidewalk, uneven surface



- **Property:** #72
- **Location:** Intersection of Villard Street and Garden Avenue
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Uneven sidewalk, overgrown shrubbery



- **Property:** #73, 77, and 78
- **Location:** Intersection of Garden Avenue and Walnut Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Uneven asphalt, degraded sidewalk



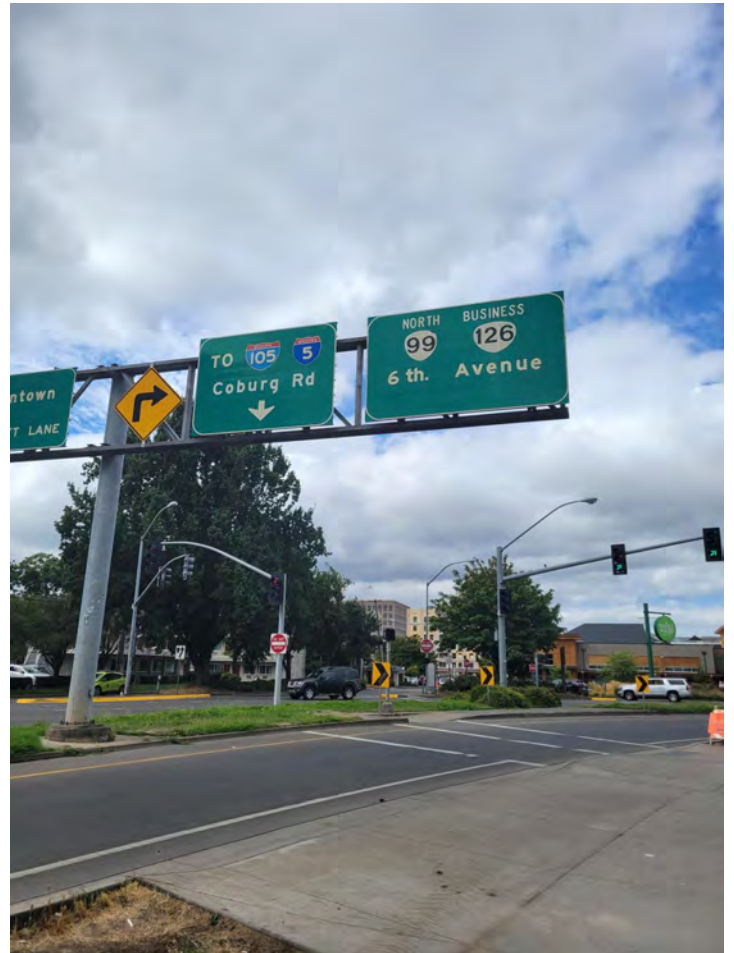
- **Property:** #74
- **Location:** Intersection of 8th Avenue and Hilyard Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Garbage remaining in railroad right-of-way, damaged wayfinding sign with graffiti



- **Property:** #75
- **Location:** 8th Avenue and Hilyard Street, City right-of-way behind Motel 66,
- **Determination of blight:** Graffiti behind motel 66
- **Property Notes:** Graffiti on wall behind the Motel 66 property. Property is vacant with overgrown shrubbery. Needs maintenance.



- **Property:** #76
- **Location:** Broadway and Mill intersection
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Inadequate sidewalk accessibility (light pole in middle of sidewalk). Unsafe and substandard road crossing.



- **Property:** #79
- **Location:** Sidewalk – Garden Avenue between Villard and Walnut
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken pavers, Uplifted sections.



- **Property:** #80
- **Location:** Sidewalk – Both sides of Villard Street between Garden Avenue and Franklin Boulevard
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #81 & 82
- **Location:** Sidewalk – Garden Ave between Moss Street and Villard Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #83
- **Location:** Sidewalk - North side of Franklin Blvd, near Moss Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #84
- **Location:** South side of E Broadway between Patterson and Hilyard
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #85
- **Location:** Both sides of Patterson St between Broadway and E 11th Ave
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #86
- **Location:** 444 E. Broadway
- **Determination of Blight:** Inadequate ROW, Graffiti on Utility Boxes in ROW
- **Property Notes:** Above ground electrical box covered in graffiti



- **Property:** #87
- **Location:** Sidewalk – West side of High Street between Broadway and 8th Ave
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Pavers uplifted by tree roots, Broken pavers



- **Property:** #88
- **Location:** Sidewalk – Both sides of street of Broadway between High Alley and High Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Pavers uplifted by tree roots, Broken pavers, Utility access raised above grade



- **Property:** #89
- **Location:** 975 High Street – Both sides of street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Pavers uplifted by tree roots, Broken pavers, Vegetation in ROW



Map ID	Taxlot	Address/Use	Depreciation Value (Improvement to Land Ratio)	(A) Bldg unsafe or unfit to occupy: Defective design and quality of physical construction.	(B) Bldg unsafe or unfit to occupy: Faulty interior arrangement and exterior spacing.	(C) Bldg unsafe or unfit to occupy: Overcrowding and a high density of population.	(D) Bldg unsafe or unfit to occupy: Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.	(E) Bldg unsafe or unfit to occupy: Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.	(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning.	(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.	(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions.	(e) The existence of inadequate streets and other rights of way, open spaces and utilities.	(f) The existence of property or lots or other areas that are subject to inundation by water.	(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.	(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.	(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services else-where.	Right-of- Way
1		829 Pearl St - Parking Lot (City-owned)	0.05	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
	1703311402100		0.05														
	1703311402200		0.05														
2	170333201500	1917 Franklin Blvd - Auto shop	0.03	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
3	1703322405100	Franklin Blvd - Parking Lot (City-owned)	0.10	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
4	1703333210400	1991 Garden Ave - House	0.51	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
5	1703322303901	440 E Broadway - Apartments	0.73	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
6	1703322300300	685 E Broadway - Goodwill Boutique	0.14	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
7	1703333208900	1824 Garden Ave - House	0.03	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
8	1703333100700	2115 Franklin Blvd - Dutch Bros.	0.06	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
9		Broadway & Mill - Apartments (new)	0.13	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703322303000		0.00														
	1703322303001		0.15														
	1703322303003		0.01														
	1703322303100		0.23														
10	1703333210300	1973 Garden Ave - Offices	0.50	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
11	1703333209500	1809 Franklin Blvd - Track Town Pizza	0.95	No	No	No	No	No	No	No	No	No	No	Yes			N
12	1703333209100	Moss St & Garden Ave - Parking lot	0.10	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
13	1703322304600	510 E Broadway - Burrito Boy	0.10	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
14	1703322203000	Steam Plant	0.23	Yes	No	No	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	N
15	1703332302200	1933 Garden Ave - Apartments	1.39	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
16	1703322400101	Franklin Blvd - Parking Lot (City-owned)	0.05	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
17		1976 Garden Ave - Offices	1.56	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703333200800		0.83														
	1703333200801		1.69														
	1703333200802		1.89														
18	1703322304400	996 & 998 Ferry Ln	0.90	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
19	1703322306100	950 Patterson - Apartments	1.13	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
20	1703322302400	485 E Broadway - Dispensary	0.55	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
21	1703333208701	1861 Franklin Blvd - Pig & Turnip Restaurant	0.35	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
22	1703322306400	935 Patterson Ave - Apartments	0.74	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
23	1703322300700	642 E 8th Ave - Martial Arts Studio	0.47	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
24	1703322306600	652 E Broadway - Manola's Thai Cuisine	0.41	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
25	1703333200900	1966 Garden Ave - Offices	0.56	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
26	1703322400102	Franklin Blvd - Parking Lot (UofO-owned)	0.01	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
27	1703333202300	2025 Franklin Blvd - Auto Shop	0.54	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
28		1841 Garden Ave - Apartments	1.29	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703332301100		1.28														
	1703332301200		1.31														
29		1883 Garden Ave - Apartments	0.25	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703332300600		1.27														
	1703332300800		0.00														
	1703332300900		0.03														
	1703332301000		0.02														
30		1933 Franklin Blvd - Empire Buffet	0.81	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703333201400		0.14														
	1703333201600		0.10														
	1703333201700		0.10														
	1703333201800		1.43														
	1703333201900		1.50														
31		1655 Franklin Blvd - Best Western	2.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703321401000		2.80														
	1703321400900		1.75														
32	1703322304200	942 Ferry Ln - Office	0.52	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
33		987 & 995 Pearl St - Former Greyhound Station	0.16	No	No	No	No	Yes	No	No	No	No	No	Yes	Yes	Yes	N
	1703311408300		0.06														
	1703311408000		0.25														

Map ID	Taxlot	Address/Use	Depreciation Value (Improvement to Land Ratio)	(A) Bldg unsafe or unfit to occupy: Defective design and quality of physical construction.	(B) Bldg unsafe or unfit to occupy: Faulty interior arrangement and exterior spacing.	(C) Bldg unsafe or unfit to occupy: Overcrowding and a high density of population.	(D) Bldg unsafe or unfit to occupy: Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.	(E) Bldg unsafe or unfit to occupy: Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.	(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning.	(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.	(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions.	(e) The existence of inadequate streets and other rights of way, open spaces and utilities.	(f) The existence of property or lots or other areas that are subject to inundation by water.	(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.	(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.	(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services else-where.	Right-of- Way
34	1703333209000	1814 Garden Ave - House	0.16	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
35	1703322306200	590 E Broadway - 7-11	1.24	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
36	1703322304300	962 Ferry Ln - House	0.69	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
37		2091 Franklin Blvd - Gas Station	1.02	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703333202500		0.56														
	1703333202600		2.15														
	1703333202700		0.27														
38	1703321402400	1900 Millrace Dr - UofO	0.59	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
39	1703333208700	1859 Franklin Blvd - Hotel	1.22	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
40	1703333200400	2050 Garden Ave - Apartments	1.05	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
41		1901 Garden Ave - Apartments	0.37	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703332300301		0.65														
	1703332300400		0.32														
42	1703322302100	540 E 8th Ave - Lane 5 Cross Fit	0.72	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
43	1703322306700	686 E Broadway - Elk Horn Brewery	0.89	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
44	1703322303601	399 E 10th Ave - Hult Plaza Offices	0.25	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
45		1715 Franklin Blvd - Offices	1.65	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703321400300		0.02														
	1703321400400		0.51														
	1703321400500		2.96														
	1703321400600		1.71														
46	1703322306601	610 E Broadway - Chula's Restaurant	0.81	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
47		502 E 4th Ave - City Hall	5.99	No	No	No	No	No	No	Yes	No	No	No	No	Yes	Yes	N
	1703293302900		5.75														
	1703322200100		9.95														
	1703293302700		0.03														
	1703293302901		1.48														
48	1703322307300	978 Hilyard St - Apartments	0.85	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
49	1703322304100	490 E Broadway - Moi Poki	1.62	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
50		Garden Ave & Villard St - Parking Lot	0.15	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
50	1703333201000		0.14														
50	1703333201200		0.16														
50	1703333201300		0.16														
51	1703322301200	600 - 610 E 8th Ave - Apartments	0.19	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
52	1703333208600	1895 Franklin Blvd - Starbucks	0.63	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
53	1703333208800	1840 Garden Ave - Apartments	0.32	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
54	1703332301700	1805 Garden Ave - Apartments	0.80	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
55	1703322304900	540 E Broadway - Travelers Inn	1.55	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
56		755 E Broadway - Former Motel 66	0.43	No	No	No	No	Yes	Yes	No	No	No	No	Yes	No	No	N
	1703322401600		0.40														
	1703322401601		0.44														
57	1703322200803	777 Annie Mims Ln - EWEB Substation	0.11	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
58	1703322304700	963 Ferry Ln - Apartments	0.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
59	1703321400700	1675 Franklin Blvd - Wild Goat	0.22	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
60	1703333202400	2045 Franklin Blvd - Auto Shop - Dispensary	0.87	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
61	1703322307100	967 Patterson St - Vacant Lot	0.04	Yes	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	N
62	1703333210200	1953 Garden Ave - Apartments	1.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
63	1703311407900	957 Pearl St - Eugene Asian Market	1.77	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
64	1703322301500	579 E Broadway - Pizza Hut	1.37	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
65	1703333202000	2001 Franklin Blvd - Retail	0.64	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
66		313 E 8th Ave, 797 & 795 High St - Apartments	1.07	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
66	1703311112900		2.03														
66	1703311113000		1.07														
67	1703333208500	1884 Garden Ave - Apartments	1.08	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
68	1703332300200	1923 Garden Ave - Apartments	0.89	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
69		Broadway & Hilyard - Vacant lot	0.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703322401602		0.00														
	1703322401700		0.00														

Map ID	Taxlot	Address/Use	Depreciation Value (Improvement to Land Ratio)	(A) Bldg unsafe or unfit to occupy: Defective design and quality of physical construction.	(B) Bldg unsafe or unfit to occupy: Faulty interior arrangement and exterior spacing.	(C) Bldg unsafe or unfit to occupy: Overcrowding and a high density of population.	(D) Bldg unsafe or unfit to occupy: Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.	(E) Bldg unsafe or unfit to occupy: Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.	(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning.	(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.	(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions.	(e) The existence of inadequate streets and other rights of way, open spaces and utilities.	(f) The existence of property or lots or other areas that are subject to inundation by water.	(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.	(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.	(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services else-where.	Right-of- Way
70		n/a Sidewalk: Poor - Moss St & Franklin Blvd		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
71		n/a Sidewalk: Poor - Villard St & Franklin Blvd		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
72		n/a Sidewalk: Poor - Villard St & Garden Ave		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
73		n/a Sidewalk: Poor - Garden & Walnut		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
74		n/a Inadequate Intersection & Graffiti - 8th & Hilyard		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
75		n/a Graffiti behind Motel 66		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
76		n/a Intersection - Broadway & Mill		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
77		n/a Sidewalk: Poor - Garden Ave & Walnut St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
78		n/a Sidewalk: Poor - Walnut St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
79		n/a Sidewalk: Poor - Walnut St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
80		n/a Sidewalk: Poor - Villard St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
81		n/a Sidewalk: Poor - Garden Ave		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
82		n/a Sidewalk: Critical - Garden Ave		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
83		n/a Sidewalk: Poor - Franklin Blvd		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
84		n/a Sidewalk: Poor - E Broadway		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
85		n/a Sidewalk: Poor - Patterson St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
86		n/a Graffiti - E Broadway on Utilty in ROW		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
87		n/a Sidewalk: Critical - High St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
88		n/a Sidewalk: Poor - NW corner of High St & E Broadway		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y
89		n/a Sidewalk: Critical - Across from 975 High St		No	No	No	No	No	No	No	No	Yes	No	No	No	No	Y

Preliminary Project Implementation Information

To be eligible for Urban Renewal funds, a project must be included in the proposed Plan amendment. However, additional work and research is needed for each of the proposed projects to move forward. This document provides preliminary information on implementation steps should Council approve the proposed 2023 Amendment to the Riverfront Urban Renewal Plan included in Exhibit A to the proposed ordinance in Attachment A.

Proposed Project Focus Areas

A. Existing Projects [All 3 spending scenarios]

The proposed Plan amendment includes continuation of two existing activities:

1) Steam Plant

Summary: The Steam Plant is part of the Downtown Riverfront property that the Agency purchased from EWEB in April 2018. Preservation and adaptive re-use of the historic building has long been a community-wide goal. Following a competitive selection process, the Agency Board chose to move forward with a local development team. The team's proposal includes a ground floor accessible to the community and a hotel on the upper floors that provide the fiscal foundation for the project.

Adaptive re-use of the building is ambitious, facing extraordinary challenges that include environmental, seismic, and financial obstacles. The Agency Board approved terms for the disposition and redevelopment of the Steam Plant in 2022, allocating \$1.5 million to support the project. The team estimates that even after accounting for the Urban Renewal funds and their other investment funds, the planned preservation and redevelopment has a remaining financial gap, estimated at \$6.3 million.

Implementation if Plan is approved: If the Agency Board would like to allocate additional funds to the Steam Plant redevelopment, they will need to approve revised development agreement terms. Staff estimates revised terms could be ready by early 2024.

2) Downtown Riverfront Affordable Housing

Summary: The Downtown Riverfront lot reserved for Affordable Housing is on the northwest corner of Mill Street and 4th Avenue. The terms approved by the Agency Board in May 2020 for redevelopment of the Downtown Riverfront call for the Affordable Housing project to consist of not less than 75 units of housing rented to households with income at or below 60% of area median income.

The project will need substantial public contribution to compensate for the low rents and to make it financially viable. Affordable Housing subsidies often come from a combination of Federal, State, and local financial sources and the financial packages are complex. The neighborhood character of the Downtown Riverfront, first articulated in the EWEB Master Plan and continued in subsequent City policies, includes high-quality, urban architecture. These denser, more durable buildings are a more expensive type of construction and higher cost-per-square-foot than more suburban "garden-style" apartments. All of these factors lead to high development costs.

With rising construction costs, site constraints, the desire for the building to be responsive to the urban design context of the Downtown Riverfront while keeping rents affordable, it is expected there will be a need for significant subsidy to make a project feasible – likely in the range of \$5 million.

Implementation if Plan is approved: The Agency would consider a disposition process for the site including a possible Request for Proposals, project criteria, and financial assistance. Staff estimates this project could be brought to the Agency Board in spring of 2024.

B. Additional Housing [Spending scenarios B and C only]

In order to support the creation of new housing (in addition to Downtown Riverfront Affordable Housing above) in the Riverfront Urban Renewal District, the proposed 2023 Plan Amendment adds two eligible activities:

1) Development Fee Assistance

Summary: Under this program, Urban Renewal funds would be used to pay for development fees that result in the creation of new housing. Development fees paid by the Agency may include System Development Charges (SDCs), permit fees, and other government-imposed development fees. Eligible projects would include new housing either in new construction or redevelopment of existing buildings.

An important reason for the lack of housing in the Plan Area is the relatively high cost of construction in dense areas. Payment of development fees would help offset construction costs and make projects more financially feasible, while also continuing to fund the programs and activities those fees pay for (such as infrastructure capacity for new growth).

Implementation if Plan is approved: This activity is included in the 2023 Amendment to the Downtown Urban Renewal Plan and staff is currently working on drafting a program for the Agency Board's consideration. Staff has begun the process of drafting the program scope, including any eligibility criteria, for Agency Board consideration, feedback, and approval.

Staff estimates bringing an initial program scope to the Agency Board in early 2024. In addition, the Agency Board would allocate funds for this program as part of the standard budgeting process. Funds would be allocated based on meeting the established criteria and available funds.

2) Real Property Acquisition

Summary: Under this program, Urban Renewal funds could be used to acquire real property to support the creation of new housing in the Plan Area. Offering real property for reduced or no cost can help offset construction costs and make projects financially feasible. In addition, targeting underutilized properties in the Plan Area would support efforts to revitalize the Plan Area, including the eastern area of downtown.

Implementation if Plan is approved: Staff would begin developing a strategy for this project. Staff could identify a process to acquire property, for example, by identifying strategically located properties and conducting negotiations with the property owner. Staff could also identify publicly owned properties that have redevelopment potential. To dispose of properties at reduced costs, staff could identify a process and criteria to select qualified developers. Agency Board action is required before the acquisition or disposition of any real property in the Plan Area.

C. Physical Improvements to Address Safety and Comfort [Spending scenarios B and C only]

Summary: Under this focus area, the Agency would be able to use Urban Renewal funds to make physical improvements to public spaces in the right-of-way in the Plan Area to create safe, accessible, and welcoming spaces for users. Improvements could include street, curb, alley, and sidewalk improvements; streetscape projects; and pedestrian, bike, and multi-modal improvements.

Improvements to the public right-of-way benefit workers, visitors, and residents, as well as the community at large with safe and attractive connections between the downtown core, the Riverfront, and the University area. In addition to improving the quality of public spaces, improvements to street, curbs, and sidewalks can accomplish other City goals related to public safety, alternative, low carbon transportation, local economic development, and events and culture.

Implementation if Plan is approved: Right-of-way improvement projects would be implemented on an as-needed basis. Any project that costs more than \$250,000 would require Agency Board approval. Community Development staff would work with other City divisions and private partners to determine needs and priorities and to coordinate implementation.

D. Projects Directed/Initiated by the Agency Board [All 3 spending scenarios]

The projects included in this section are examples of possible projects that have been previously discussed by the Agency Board or City Council. All activities listed here require Agency Board direction for the project to move forward. This category can also include projects not explicitly mentioned here.

1) Parking and Mobility

Summary: This focus area would allow for Urban Renewal funds to be used on the development of parking and mobility infrastructure in the Plan Area.

Implementation if Plan is approved: Agency Board direction is needed for this work to move forward. Should the Agency Board want to pursue a parking or mobility project, further study is needed to determine type, location, design, cost, feasibility, and timing. The Agency Board would have multiple opportunities to review specifics before deciding whether to pursue a parking and/or mobility project.

2) Transmission Lines Rerouting

Summary: This focus area would allow for Urban Renewal funds to be used to support EWEB in the effort to reroute the transmission lines that service the Willamette Substation and currently run from the electrical tower in the Riverfront Park.

Implementation if Plan is approved: Agency Board direction is needed for this work to move forward. Should the Agency Board want to consider supporting rerouting of the transmission lines, staff would work with EWEB to bring back information on updated costs, design, and timing for Agency Board consideration.

3) Open Space Improvements

Summary: This focus area allows for the use of Urban Renewal funds for revitalization of Open Spaces and Parks within the Plan Area. This could include improvements along the South Bank Bike Path or enhancement of other designated open space areas.

Implementation if Plan approved: Agency Board direction is needed for this work to move forward. Further study is needed to determine design, costs, priorities, feasibility, and timing.

4) Other Development Support

Summary: To support development and commercial activities within the Plan Area, especially the revitalization of vacant storefronts and underutilized property, the Agency would be able to offer financial assistance for physical improvements to privately owned properties, such as renovating ground-floor storefronts or underutilized commercial spaces. Incentivizing improvements to buildings can lead to an enhanced experience for residents, workers, and visitors. Updated commercial spaces could stimulate economic activity and bring positive ground-floor presence to the street.

Urban Renewal funds could be used to acquire real property to support commercial activity in the Plan Area. Offering real property for reduced or no cost can help offset construction costs and make projects financially feasible, which could catalyze positive commercial activity.

Implementation if Plan approved: Staff would begin developing a strategy for these activities. Staff could identify a process to competitively offer funds for renovation (i.e., a Request for Proposals) or a simple application process, with clearly identified criteria. Such a program could be used to complement the existing River Loans Program, offering grants in combination with loans. Staff would begin the process of drafting the program scope for Agency Board consideration, feedback, and approval.

If the Agency chooses to acquire and dispose of property for commercial redevelopment, staff could identify strategically located properties and conduct negotiations with property owners. To dispose of properties at reduced costs, staff could identify a process and criteria to select qualified developers. Agency Board action is required before the acquisition or disposition of any real property in the Plan Area.

5) Other Public Facilities

Summary: This allows Urban Renewal funds to be used to support the development of public facilities including City Hall, police and fire facilities, libraries, recreation centers, conference facilities, and community centers. These facilities will benefit the Plan Area by increasing public usage of the area, by enhancing protective services, and by stimulating additional public and private investment in the Plan Area.

Implementation if Plan approved: Agency Board direction is needed for this work to move forward. Further study is needed to determine design, costs, priorities, feasibility, and timing.

Spending Scenarios

The proposed Plan amendment (Exhibit A to the ordinance in Attachment A) includes three possible spending scenarios for Council consideration. Table 1 shows the increase to the District's total spending limit (i.e., maximum indebtedness) and the estimated number of years for the District to reach that new limit for the three proposed scenarios.

Table 1. Summary of Proposed Spending Limit Increases

Spending Scenario	Spending Limit Increase	Estimated extension
A	\$15 million	5 years (FY29)
B	\$25 million	8 years (FY32)
C	\$45 million	15 years (FY39)

Table 2 shows the estimated funds that would be available to the three proposed project focus areas for the three proposed spending scenarios. Chapter 6 in the draft Report (Exhibit B to the ordinance in Attachment A) provides detailed information about cost estimates. The dollar figures in Table 2 are estimates and actual amounts will depend on future Agency Board decisions on specific projects. The proposed Plan amendment does not specify funding allocation to the different projects, giving the Agency Board and staff the ability to shift funds and processes to respond to shifting economic conditions.

Table 2. Estimated Amounts Available for Project Focus Areas

Proposed Project Focus Areas	Spending Scenario		
	A	B	C
Existing Activity: Steam Plant	\$6.3 million	\$6.3 million	\$6.3 million
Existing Activity: Downtown Riverfront Affordable Housing	\$5.0 million	\$5.0 million	\$5.0 million
Additional Housing	-	\$4.7 million	\$13.6 million
Physical Improvements	-	\$2.5 million	\$6.8 million
Projects Directed/Initiated by Agency Board	\$1.9 million	\$2.4 million	\$6.7 million
Debt Issuance Costs	\$0.1 million	\$0.1 million	\$0.2 million
Project Delivery Administration¹	\$1.7 million	\$4.0 million	\$6.3 million
Total	\$15 million	\$25 million	\$45 million

1: Includes cost of project delivery, legal and consulting fees, and property management costs

Spending scenario A is focused on completion of two outstanding Downtown Riverfront projects: the Steam Plant redevelopment and the Downtown Riverfront Affordable Housing project. Scenario A estimates most of the increased spending limit will be allocated toward these projects but does allow for the Agency Board to use remaining funds on any eligible projects it would choose to initiate.

Spending scenarios B and C include completion of the two outstanding Downtown Riverfront projects but also includes the same focus areas from the Downtown Urban Renewal Plan Amendment: Housing, Physical Improvements to Address Safety and Comfort, and Projects Directed/Initiated by the Agency Board. These focus areas emerged from the Downtown Priorities

and Projects public engagement effort from early 2023 and would contribute to improvements in and connections to the downtown core.

Spending scenarios B and C estimate that approximately half of the Additional Housing funds would be allocated for Development Fee Assistance. Based on development fees for recently completed multi-unit projects in and near downtown, staff estimates fees will be about \$10,000 per unit. Under scenarios B and C, it is estimated the Agency could support the creation of about 235 (B) or 680 (C) new housing units through the Development Fee Assistance program. This does not take into account real property acquisition for housing.

Riverfront Urban Renewal District - Technical Details

Urban Renewal Basics

In Oregon, Urban Renewal is enabled by ORS 457 and is used to help cities and counties implement plans to revitalize specified areas within their jurisdiction. An Urban Renewal district has a Plan that documents planned investments and infrastructure improvements that stimulate private investment, leading to economic vitality and livability. Urban Renewal districts have an Agency Board and in Eugene, the City Council has the role of the Agency Board.

Tax Increment Revenue

The primary revenue source for Urban Renewal is tax increment revenue. Tax increment revenue comes from taxable property value increases since the district was created. These increased property values generate tax increment revenue, which is directed to the District. When an Urban Renewal district is first created, the assessed value within the District boundaries is established as the “frozen base.” If any boundary expansions subsequently occur, the assessed value within the expansion area is added to the District’s existing frozen base. The Agency may also voluntarily increase the frozen base. Any new property taxes generated within that area through increased taxable value is called the “incremental” or “excess” value. Overlapping taxing jurisdictions continue to receive property taxes on the frozen base, while the Urban Renewal Agency receives property taxes related to the incremental value. This is called the “division of tax” method of raising revenue in an urban renewal district.

An Urban Renewal Plan identifies planned investments, their estimated costs, and expected tax increment revenue. The Plan sets a spending limit, known as the “maximum indebtedness.” When an Urban Renewal District is established, taxing jurisdictions that overlap the district forgo some of the tax revenue they would otherwise collect from that area. Overlapping jurisdictions regain that revenue stream once the District expires. To the extent that the District 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.

Although school property taxes are reduced as a result of urban renewal division of tax, in Oregon the net impact on an individual school system’s operating budget is complicated because schools are funded by the state on a per-pupil basis. The state determines how much money must be allocated for the education of each pupil across the state. If the money is not available from local property taxes, the state will make up the difference. An additional factor is the impact of compression, which results in 4J experiencing a net benefit as a result of the Urban Renewal districts in Eugene. (See explanation below in “fiscal implications” section.)

Eligible Uses of Tax Increment Revenue Funds

To be eligible for tax increment funds, projects must be included in the Urban Renewal Plan. The identified projects in the Plan, however, can be specific (such as ‘high-speed fiber’), or broad (such as ‘infrastructure’). Section 700 of the Riverfront Urban Renewal Plan requires Agency Board approval of projects over \$250,000.

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The Urban Renewal Agency must determine the scope and types of projects that are included in the Urban Renewal 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 Agency;
- Construction or reconstruction of streets, utilities, and site improvements;
- Relocation of individuals living in the Agency; and
- Carry out work which a housing authority is authorized to perform (under ORS 456.055 to 456.235).

Some Urban Renewal 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.

Process to Amend the Riverfront Urban Renewal Plan

If Council wishes to continue to use Urban Renewal as a redevelopment tool in the Riverfront District, it will need to approve a substantial Plan amendment, known as a "Type 1" amendment. A Type 1 amendment requires multiple steps and public outreach, which would take approximately four to six months from when the Agency Board (Council) starts the amendment process. The steps include:

1. Agency Board directs the Agency Director to prepare a draft of an amendment to the District Plan. This step initiates the staff work to draft the Plan and to conduct an analysis of blight in the District.
2. Agency Board holds a work session to start the Plan amendment process. Staff provides a draft proposed Plan amendment for the work session.
3. Notify overlapping taxing districts and the general public.
 - Notify overlapping taxing districts that amendments are proposed and inform them of the proposed hearing date. Districts receive a copy of the draft Plan amendment and are given 45 days to provide written comments.
 - Solicit concurrence from overlapping districts. (A Type 1 amendment requires concurrence.)
 - Mail out postcards to the general public and place materials and proposals on the City website.
4. Planning Commission reviews and comments on the proposed amendment.
5. City Council Public Hearing on the ordinance amending the Plan.
6. Council work session to review overlapping taxing district recommendations, comments from the public, and the Planning Commission recommendation.
7. Council meeting to consider the ordinance amending the Plan.

In order to amend the Riverfront Urban Renewal Plan to retain the current level of tax increment revenues, Council would need to approve any amendment by December 2023. This estimate would allow for the 30-day referral period and, if referred, the necessary amount of time for the amendment to be placed on the May 2024 ballot.

Fiscal Implications – If the Riverfront Urban Renewal Plan is amended with an increase to the spending limit

The Riverfront District generates approximately \$3.4 million in tax increment revenue per year as of FY23. The annual revenue will continue to be directed to the District, and that revenue will continue to grow, up to certain limits as described in the following section and Chapter 7 of the Report (Exhibit B to Attachment A). Table 1 below shows estimates of tax revenue from the overlapping districts as of FY23.

Table 1. Division of Tax Impact on Overlapping Taxing Jurisdictions as of FY23, Estimate of Current Property Taxes, Net of Discounts and Delinquencies

Taxing District	Type of Tax	Riverfront
Education Taxes		
Eugene School District 4J	Permanent Rate	\$928,000
Eugene School District 4J	Local Option Levy (LOL)	0
Lane Community College	Permanent Rate	120,000
Lane Education Service District	Permanent Rate	44,000
Total		\$1,092,000
General Government Taxes		
City of Eugene	Permanent Rate	\$1,366,000
City of Eugene	Library LOL	0
City of Eugene	Parks and Rec LOL	0
Lane County	Permanent Rate	249,000
Lane County	4-H/Extension LOL	0
Lane County	Public Safety LOL	0
Upper Willamette Soil & Water	Permanent Rate	12,000
Total		\$1,627,000
Bonded Debt Taxes		
City of Eugene	Bonded Debt	\$152,000
Eugene School District 4J	Bonded Debt	436,000
Lane Community College	Bonded Debt	63,000
Total		\$651,000
Total Taxes		\$3,370,000

Source: Lane County Assessment & Taxation, Table 4e, Detail of Urban Renewal Plan Areas by Taxing District, Tax Year 2022-23.

Note: Although local property taxes to schools are reduced as a result of the division of taxes, school budgets are only minimally reduced, all else being equal, because schools are funded through a per-pupil formula from the state, and any loss in local property taxes is made up by an increase in state funding. This chart does not take into account any effects of Measure 5 compression on education taxes.

Fiscal Implications – Revenue Sharing

If the Riverfront Urban Renewal Plan is amended with an increase to the spending limit, the annual collection of tax increment revenue will eventually hit a cap per a newer state-mandated requirement in ORS 457.470, known as revenue sharing. This annual cap does not affect the overall Plan spending limit, but rather it is a cap on the amount of tax increment revenue the District can collect in any one year. When the cap is reached, the annual tax increment revenue will plateau and remain flat in each subsequent year until the total spending limit of the Plan is realized. (Tax revenue beyond the annual cap would be directed to the overlapping taxing districts.) The practical impact of the annual cap is that it would take longer to collect enough tax increment revenue to reach the spending limit of the Plan.

The financial forecast in the proposed Plan Amendment estimates that if amended, the Plan will be subject to revenue sharing beginning in FY30, though the actual timing will depend upon actual collections of tax increment revenues. See Chapter 7 in the Report (Attachment B) for more information about revenue sharing in the financial forecast.

Fiscal Implications – *if the District no longer collects revenue from the division of tax*

If the District no longer collects revenue from the division of tax, the tax increment revenue will be directed to the overlapping taxing districts. Under this scenario, the City's General Fund would receive approximately 41% of what the Riverfront District collects (\$1.4 million per year as of FY23). Lane County would receive approximately 7% (\$249,000 per year as of FY23). Approximately 28% (\$928,000 per year as of FY23) would be collected on behalf of School District 4J, although it is important to note that if the Urban Renewal district no longer collects tax revenue, the impact to School District 4J's overall budget *would be negative*:

- **4J's permanent rate.** Schools in Oregon are primarily funded on a statewide per-pupil funding formula, rather than by the level of tax dollars generated within school district boundaries. If the local property tax revenue does not meet the per-pupil level, the state makes up the difference. If we assume a constant school funding formula and all else remains equal, staff estimate that 4J loses around \$26,000 annually as a result of permanent rate tax dollars diverted to the City's Riverfront Urban Renewal District, much less than the amount of property tax revenue that flows to the District.
- **4J's Local Option Levy.** The Riverfront District generates no revenue from the local option levy. However, it indirectly impacts the revenue generated by the levy, due to compression. The Urban Renewal District diverts permanent rate tax dollars out of the education category and into the general government category, which causes reduced compression in the education tax rate category for some properties. The end result is that 4J receives around \$71,000 more revenue from the local option levy annually because of the compression relieved by the Riverfront Urban Renewal District. The state funding formula does not apply to local option levies, so 4J realizes the full benefit of this increase.

The net impact to 4J of the District ceasing to collect revenue from the division of tax is a decrease of approximately \$45,000.

Increasing the Frozen Base

Under Oregon law, an Urban Renewal Agency has the authority to voluntarily increase the frozen base. The 2023-2025 Adopted Biennial Budget assumes an additional \$400,000 of property tax revenue annually for the City's General Fund, starting in FY25, which would be provided by an increase to the Riverfront Urban Renewal District's frozen base of assessed value. This can be accomplished through Agency Board action following City Council adoption of the Riverfront Urban Renewal Plan amendment. The financial analysis contained in the draft Report on the Plan amendment assumes the Agency Board will increase the frozen base assessed value from \$50.6 million to \$110.4 million. This frozen base increase will generate an estimated \$800,000 per year for all of the overlapping taxing districts combined starting in FY25 if the Plan is amended; the City's General Fund will receive approximately half of the total amount, or about \$400,000 per year. This will reduce the annual tax increment revenue directed to the District by the same estimated \$800,000 per year.

