



City Council

500 E 4th Ave., Suite 302

Eugene, OR 97401

541-682-5010 • 541-682-5414 Fax

www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

September 11, 2024

12:00 p.m. CITY COUNCIL WORK SESSION

City Council Wednesday work sessions are held using virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

Meeting of September 11, 2024; Her Honor Mayor Lucy Vinis Presiding

Councilors

Matt Keating, President

Emily Semple

Alan Zelenka

Greg Evans

Randy Groves, Vice President

Lyndsie Leech

Jennifer Yeh

Mike Clark

12:00 p.m. CITY COUNCIL WORK SESSION

1. WORK SESSION: Climate-Friendly Areas
2. WORK SESSION: Wildfire and Medical Services Update

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



Work Session: Climate-Friendly Areas

Meeting Date: September 11, 2024
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number 1
Staff Contact: Leah Rausch
Contact Telephone Number: 541-682-5476

ISSUE STATEMENT

This work session is an opportunity for the City Council to receive an update on the Climate-Friendly Areas selection and a supporting redevelopment analysis, ask questions, provide feedback, and discuss next steps. No action is requested.

BACKGROUND

In 2020, Governor Kate Brown issued an executive order directing state agencies to take actions to reduce and regulate greenhouse gas emissions and mitigate the impacts of climate change while also centering the needs of Oregon's most vulnerable communities. In response, the Oregon Land Conservation and Development Commission (LCDC) developed the new Climate-Friendly and Equitable Communities (CFEC) requirements for cities to help meet these goals through changes to local transportation and housing planning systems and community design.

The key elements of the CFEC implementation include:

- Reform parking requirements
- Prepare for a future with more electric vehicles
- Designate Climate-Friendly Areas
- Plan for more climate-friendly transportation options
- Plan for compact, walkable design
- Center the voices of underserved communities
- Monitor housing and transportation outcomes and adjust over time

Based on the State's direction, Eugene started a multi-year effort in 2022 to advance City goals regarding climate action, housing production, and transportation. Updates on [Eugene's CFEC implementation efforts](#) are available in this [February 2024 memo to City Council](#).

Given the intertwining goals between citywide urban growth planning and CFEC requirements, the City of Eugene is integrating Climate-Friendly Areas designation within the Urban Growth Strategies project for a more cohesive approach to housing and growth management planning. [Urban Growth Strategies](#) will identify the tools, actions, policies, and land needed for the next 20 years to support housing and living wage jobs in Eugene.

Staff provided an overview of Urban Growth Strategies at a joint meeting of the Planning Commission and City Council on [May 15, 2024](#). An update on Urban Growth Strategies work is available as Attachment A.

Climate-Friendly Areas

This work session will be focused on the City's implementation of the Climate-Friendly Areas component of the state's CFEC rules. The CFEC rules require Eugene to adopt regulations facilitating walkable mixed-use development in designated Climate-Friendly Areas (CFAs) within urban growth boundaries. A Climate-Friendly Area is intended to be an area where most people can meet their daily needs without relying on a car. The CFEC rules envision Climate-Friendly Areas as a type of mixed-use center that includes jobs, services, and higher density housing, as well as great walking, biking, and transit infrastructure.

Specifically, the CFEC rules ([OAR 660-012-0310 to -0325](#)) require that the City:

- Complete, and submit to the state, a study that identifies and evaluates the most promising locations for CFAs, called "Suitable CFAs."
- Designate one or more CFAs zoned to accommodate at least 30 percent of Eugene's current and future housing need.
- Maintain the 30 percent zoned capacity within designated CFAs as a part of the housing planning process, revisiting CFA designation every eight years moving forward.
- Adopt development regulations for designated CFAs, including minimum residential densities, building heights, outright permitted uses, and other requirements to encourage walkable, compact development.
- Adopt a map of CFAs and include policies to implement CFAs within the City's comprehensive plan.
- Complete a multi-modal transportation gap analysis to identify and prioritize improvements for walking, biking, and transit facilities in CFAs.
- Complete an engagement-focused equity analysis to understand the benefits and burdens of CFA designation and to advance fair and equitable outcomes for people from underserved populations.
- Implement strategies to avoid or mitigate housing displacement resulting from CFA designation as a part of the City's Housing Production Strategy.

As noted above, the first phase of designating Climate-Friendly Areas was to complete a study. In December 2023, the [City of Eugene submitted the CFA Study](#) to the Oregon Department of Land Conservation and Development (DLCD), identifying nine Suitable CFAs. Eugene's CFA Study is primarily a technical analysis of specific areas in Eugene that can support certain required development regulations as well as provide high-quality active transportation facilities, parks access, and more. The CFA Study also considers the risk of housing displacement of people from underserved communities. The CFA Study does not include recommendations for which areas to designate.

The City of Eugene has a long history of planning for mixed-use centers in alignment with the more recently developed state goals of Climate-Friendly Areas. The [Envision Eugene Community](#)

[Vision](#) calls for focusing future growth, particularly higher density housing and investments, in and near mixed-use centers and along key corridors.

New chapters of the Envision Eugene Comprehensive Plan will include policies to focus future growth and investment in and near mixed-use centers and along key corridors. Climate-Friendly Areas are a specific type of mixed-use center, directed by the state's CFEC rules. It is not expected or desirable for all identified mixed-use centers to be designated CFAs. Eugene's vision for centers allows for a flexible and comprehensive citywide framework to be implemented over time. Comprehensive Plan policies for centers are intended to acknowledge the unique needs of different areas and the variety of tools the City has to implement this vision.

Redevelopment Analysis

To inform Climate-Friendly Areas selection, staff sought to better understand the market feasibility of various types of higher density residential development, including mixed-use development and residential redevelopment. Additionally, staff expected that the minimal required regulatory changes to in Suitable CFAs would need to be paired with financial incentives to encourage more of this type of development. EConorthwest, the City's technical consultant for Urban Growth Strategies, completed a redevelopment analysis to provide a better understanding of the impact of financial incentives in the selected study areas. Attachment B is a summary of EConorthwest's approach to the redevelopment analysis along with key findings. Attachment C provides the results of the analysis. At this work session, staff from EConorthwest will provide the Council with a high-level overview of the results of the redevelopment analysis.

Climate Friendly Areas Selection/Options

The CFA Study evaluates an initial, but not necessarily comprehensive, group of Suitable CFAs. The final Climate-Friendly Areas may be a few or many of those identified in the Study but may also include other areas as directed by City Council and informed through additional engagement and analysis. Based on the results of the CFA Study and redevelopment analysis, staff have developed three possible options for CFA selection, outlined in Attachment D.

The three options identified by staff are:

- **Option 1: State Minimum Requirements.** To meet the minimum state requirements for CFA designation, the City could designate the existing, contiguous mixed-use and higher density zones, as identified in Attachment D (map on page 4) around downtown Eugene, as well as the commercial center on Lower Coburg Road.
- **Option 2: Most Promising for Redevelopment.** In addition to the areas in Option 1, the City could designate as CFAs the promising core commercial centers that have existing higher density, mixed-use development or the potential for redevelopment of this type. These additional core commercial centers include the Valley River Center area, commercial areas along South Willamette, and the Santa Clara Station area, identified in Attachment D (map on page 8).
- **Option 3: Requires Additional Investment and Incentives.** In addition to the areas identified in Options 1 and 2, the City could choose to designate as CFAs certain transit corridors that may have potential for higher density, mixed-use development. These areas, as identified in Attachment D (map on page 11), include the 6th/7th Avenue Corridor and

West 11th Avenue Corridor and would require additional investment and financial incentives to support the intended outcomes for CFAs.

At this work session, staff will walk through each of the proposed options, including the opportunities and constraints associated with each, as well as provide a summary of feedback from the Planning Commission. Staff will ask the City Council to provide feedback on the three options.

Next Steps

At an upcoming work session in November 2024, City Council will be asked to provide direction on a preferred CFA option for City implementation (either as proposed or with changes), as required by the state's CFA adoption schedule. Additional work sessions in 2025 will include implementation of Council's direction through other Urban Growth Strategies work.

A preferred CFA option is necessary to inform other elements of Urban Growth Strategies, as well as the development of land use code and plan amendments. City Council will be asked to initiate the formal adoption process for Urban Growth Strategies at the beginning of 2026. Adoption of land use plan and code amendments designating Eugene's Climate-Friendly Areas must be complete by December 31, 2026. After adoption, the City will monitor and potentially increase areas designated as CFAs during future urban growth planning.

RELATED CITY POLICIES

While the CFEC rules are a directive of the State, Eugene has a long history of supporting efforts to address climate change, housing production, and transportation. There is overlap between the CFEC goals and rules in several City plans and projects that have been approved or adopted by City Council and which support compact development, climate resiliency, increasing the share of trips made by non-auto modes, and removing barriers to equity and housing affordability. Key related plans include:

- [Envision Eugene Comprehensive Plan](#)
- [Eugene 2035 Transportation System Plan](#)
- [Housing Implementation Pipeline \(HIP\)](#)
- [Eugene's Community Climate Action Plan \(CAP\) 2.0](#)
- [City of Eugene 2023-2026 Strategic Plan](#)

PREVIOUS COUNCIL DIRECTION

None.

COUNCIL OPTIONS

Information only.

CITY MANAGER'S RECOMMENDATION

None.

SUGGESTED MOTION

None.

ATTACHMENTS

- A. Urban Growth Strategies Update Memo (August 21, 2024)
- B. Redevelopment Analysis Summary Memo (August 20, 2024)
- C. Redevelopment Analysis Results (slide deck)
- D. Climate-Friendly Areas Options Memo (August 20, 2024)

FOR MORE INFORMATION

Staff Contact: Leah Rausch, Senior Planner
Telephone: 541-682-5476
Staff E-Mail: LRausch@eugene-or.gov



Memorandum

Date: August 21, 2024
To: Mayor and City Council
From: Terri Harding, Planning Division
 Leah Rausch, Planning Division
 Heather O'Donnell, Planning Division
 Rebecca Gershow, Planning Division

Subject: Urban Growth Strategies Update

This memo provides a high-level update on Urban Growth Strategies. City Council held a joint work session with the Eugene Planning Commission on [May 15, 2024](#), to receive an update on this multi-year effort. On September 11, 2024, City Council will have a work session on Climate-Friendly Areas designation, a component of Urban Growth Strategies as well as Climate-Friendly and Equitable Communities (CFEC) rules implementation. Climate-Friendly Areas designation will be addressed in more detail during the September work session; this written update will focus on the other components of Urban Growth Strategies work.

At the beginning of 2024, Eugene initiated a multi-year urban growth boundary analysis update and collaborative effort that integrates state-required urban growth planning, equitable community engagement, and Council-directed policy work, which has been given the umbrella project name of [Urban Growth Strategies](#). Urban Growth Strategies builds off the [Envision Eugene Community Vision](#) to identify the tools, actions, policies, and land needed for housing, jobs, and other urban uses in Eugene for the next twenty years.

Urban Growth Strategies includes three key phases:

1. Identify the **needs and priorities** of community members for **housing, jobs, and access to community resources** in Eugene.
2. Complete a **technical analysis of land needed** for jobs, housing, and other urban uses (such as parks, schools, and infrastructure).
3. Integrate the results of community engagement and technical analysis to **develop and update the policies** guiding land use planning in Eugene.

For more information, see the project webpage at www.eugene-or.gov/UrbanGrowth.

State Rulemaking

House Bill 2001 (2023) directs the Land Conservation and Development Commission (LCDC) to adopt and amend rules related to housing and urbanization, Statewide Planning Goals 10 (Housing) and 14 (Urbanization). The goal of this rulemaking is to implement the Oregon Housing Needs Analysis (OHNA) Program which redirects the implementation of Goal 10 towards a more comprehensive framework. The OHNA emphasizes the role of local actions in promoting housing production, affordability, and choice.

LCDC is directed by House Bill 2001 (2023) to adopt rules in three major subject areas:

1. Housing Needs and Production



2. Housing Capacity and Urbanization
3. Housing Accountability Framework

As a part of the OHNA, the state will now allocate a comprehensive housing need to cities on an annual basis, beginning January 1, 2025. The new housing need allocations account for not only population growth but also for people experiencing homelessness, for cities' existing underproduction (deficit) of housing, for housing that will be lost to second or vacation homes, and housing needed to accommodate expected demographic changes. This new statewide approach is expected to result in housing needs for cities that are significantly larger than using the previous methodology, which only accounted for population growth.

Staff are participating in one of the Technical Advisory Committees for rulemaking, focused on Housing Capacity and Urbanization, as well as monitoring rulemaking and actively providing feedback to the Department of Land Conservation and Development (DLCD) on the draft rules. [More information on rulemaking is available on DLCD's website.](#)

Project Timeline

As the state drafts updated rules for urban growth boundary planning, staff continue to consult with DLCD and City attorneys to determine the best approach to complete this work. Staff anticipate the project timeline will shift slightly but will prioritize continuing the work that is the most likely to impact housing and employment production in the short term. Staff structured the project timeline to start work as soon as possible on housing production, including completing the Housing Production Strategy, designating Climate-Friendly Areas, and other land use efficiency measures, while also using the new, more comprehensive housing need allocation.

Community Engagement

The project's [Community Engagement Plan](#) (CEP) outlines the tools and strategies staff are using to engage the Eugene community, with a specific focus on reaching people from underserved populations. The plan builds on and advances the Envision Eugene Community Vision and includes a variety of opportunities for the community to engage in Urban Growth Strategies. The CEP is designed to reach a broad spectrum of community members and includes targeted outreach to engage those most impacted by tools, actions and regulatory changes, people with relevant experience, and subject-matter experts.

In 2024, community engagement is focused on two phases of work: housing needs and priorities, and policy outcomes. Project staff are committed to leveraging limited resources for community engagement and reducing the burden on community organizations often asked to engage in City projects. Project staff are working closely with the City's Office of Equity and Community Engagement to coordinate engagement activities.

Recent Updates

Since the approval of the CEP, City staff have started community engagement activities with the general public, subject-matter experts, community members of color, and service providers. Engagement so far has included:

- Monthly communication and project updates through the [EUG Planning Newsletter](#) and on the project [Engage Eugene](#) page
- Development of an online, interactive mapping activity (250+ entries) and community



survey (172 responses)

- Housing and Development Working Groups (2 meetings reaching 45 individuals)
- Event with Black, Indigenous, and People of Color community members (reaching 29 individuals)
- Listening sessions reaching people from underserved communities (2 events reaching 25 individuals)
- Community Open House (reaching nearly 150 individuals)
- Community presentations and tabling, with a priority placed on reaching underserved and underrepresented community members (15 events reaching over 250 individuals)
- Meetings with the [Envision Eugene Technical Advisory Committee](#) (4 meetings)
- Presentations to other City boards, committees, and commissions, including the Mayor's Youth Advisory Council, Sustainability Commission, and Active Transportation Committee
- Interviews with local developers, housing, and compact development partners (12 interviews)
- Interviews with housing and human services providers, led by the City's Community Development Division for the dual purpose of soliciting feedback on needs and priorities to inform both Urban Growth Strategies and the Consolidated Plan update (6 meetings reaching 37 individuals)

For more information on community engagement, contact Terri Harding at 541-682-5635 or tharding@eugene-or.gov.

Housing Needs and Priorities

To advance this phase in 2024, staff are actively working on the following deliverables:

- **Housing Production Strategy (HPS):** A report that summarizes and prioritizes tools and actions to address housing needs and to facilitate increased housing production, affordability, and choice.
- **Redevelopment Analysis:** An analysis of specific study areas to estimate redevelopment potential on key corridors and incentives for mixed-use development.
- **Land Use Efficiency Measures:** Tools the City can implement so that residential and employment lands can be used more efficiently – allowing or encouraging more housing and jobs than previously expected. This will include designation of Climate-Friendly Areas, among other tools.

Recent Updates

The HPS is a new, state-required, 8-year adopted work plan to address Eugene's local housing needs. Project staff are coordinating closely with City subject-matter experts and housing producers to identify the highest priority actions to include in the HPS. At the end of September, staff will bring a draft set of actions to stakeholders for refinement and prioritization. Staff continue to prioritize understanding housing needs and priorities through community engagement activities. The results of community engagement will inform the actions in the HPS, especially related to advancing more fair and equitable housing outcomes.

Alongside the HPS, staff are developing and refining promising efficiency measures for both residential and employment lands. Efficiency measures will include those adopted after the current UGB was adopted in 2017, such as the middle housing code amendments. Project staff are working



with subject-matter experts to understand and quantify the impact these measures have on the land supply, supported by the data collected through the Growth Monitoring Program.

One known land use efficiency measure will be Climate-Friendly Areas designation, part of CFEC rules implementation. To support designation, staff worked with a technical consultant to analyze redevelopment potential in certain study areas. City Council will receive any update on the results of the redevelopment analysis and implications for CFA designation on September 11, 2024. More detail is available in the materials for the work session.

For more information on housing needs and priorities, contact Leah Rausch at 541-682-5476 or lrausch@eugene-or.gov.

Technical Analysis of Land Needs

To advance this phase in 2024, staff are actively working on the following deliverables:

- **Economic Opportunities Analysis (EOA):** An analysis of Eugene's economic trends, economic development potential, forecasted employment growth, and needs for future economic growth.
- **Buildable Lands Inventory:** An inventory of Eugene's existing land supply for housing, employment, parks, and other public needs, identifying vacant or underdeveloped lots and their estimated capacity for future development.

Recent Updates

A technical analysis of land needs and available land supply for housing, jobs, parks, schools and other urban uses will be required as part of Urban Growth Strategies. Technical analysis for employment needs has begun while the City waits for the housing need allocation to be issued by the state in 2025. The City's consultants have been gathering data for the EOA including on employment trends, employment growth, and employment development.

Regarding land supply, the redevelopment analysis mentioned in the Housing Needs and Priorities section above will eventually help inform the amount of additional housing and jobs capacity that can be expected from redevelopment. Additionally, staff have begun early scoping and coordinating with utility providers and other public entities (schools, etc.) regarding serviceability of Eugene's land supply and needs forecast for other public uses.

For more information on the technical analysis of land needs, contact Heather O'Donnell at 541-682-5488 or hodonnell@eugene-or.gov.

Policy Outcomes

To advance this phase in 2024, staff are actively working on the following deliverables:

- **Envision Eugene Comprehensive Plan (EECP) Phase II:** Continues development and adoption of a Eugene-specific comprehensive plan that implements the vision outlined in Envision Eugene and supported by contemporary community input. The Envision Eugene Comprehensive Plan is the overarching policy document for land use planning within Eugene's UGB. Policies will reflect updated land needs and implement priority tools and actions identified through Urban Growth Strategies work.



- **Land Use Designation Map:** This parcel-specific map will clarify and define land use designations and policies for land within Eugene's urban growth boundary. The map, designation descriptions, and accompanying policies will be a component of the EECF.

Recent Updates

Staff are integrating the results of community engagement, research, analysis to develop and update the policies guiding land use planning in Eugene. Six new chapters of the **Envision Eugene Comprehensive Plan** are currently under development for City Council adoption consideration in 2026. Subject-matter experts and community members are helping draft goals and policies for the following six chapters:

- Community Engagement
- Housing
- Compact Development and Urban Design
- Community Health and Livability
- Public Facilities and Services, and
- Land Use

Urban Growth Strategies community engagement (described in the section above) is helping inform this policy work, with an emphasis so far on housing and compact development. One highlight is a policy framework being developed around [mixed-use centers](#), to expand upon the Climate-Friendly Areas work at a local level. Housing and Development Working Group meetings will be held this fall to review draft policies, with additional engagement activities through Spring 2025.

Staff are working on a parcel-specific **Land Use Designation Map** for the Envision Eugene Comprehensive Plan, designed to clarify and replace the outdated 2004 Eugene-Springfield Metro Plan Diagram. The research phase is nearing completion, and staff have developed a draft webmap that will be an easily, accessible way for the public to view the map and provide feedback. Additionally, outreach to property owners and interested parties is beginning to gather feedback. This updated map, utilizing modern mapping tools, will clarify future land use for each property within the Eugene urban growth boundary, streamline land use research, and enhance the City's ability to monitor Eugene's buildable land supply and development trends.

For more information on policy outcomes, contact Rebecca Gershow at 541-682-8816 or rgershow@eugene-or.gov.

DATE:	8/20/24
TO:	Eugene Planning Commission and City Council
FROM:	Becky Hewitt, Mackenzie Visser and Scott Goodman, EConorthwest
SUBJECT:	Overview of Redevelopment Analysis for Eugene Urban Growth Strategies

Introduction

As part of the Eugene Urban Growth Strategies project, EConorthwest (ECO) is evaluating redevelopment potential within selected study areas where redevelopment with a mix of uses is aligned with City policy goals.¹ The redevelopment analysis is intended to inform multiple components of the City's current planning efforts, including:

- ◆ Climate-Friendly Areas (CFA) Designation: evaluating which "Suitable" CFAs have the greatest potential for (re)development with a mix of uses and how potential regulatory changes and incentives could impact that potential;
- ◆ Housing Capacity Analysis (HCA) and Economic Opportunities Analysis (EOA): informing estimates of the amount of market-feasible housing and commercial redevelopment that could occur within specific target areas over the 20-year planning horizon;
- ◆ Envision Eugene Comprehensive Plan: informing policy development for the housing and compact development chapters;
- ◆ Housing Production Strategy (HPS): testing whether potential regulatory changes and incentives could support development of single-unit attached and multi-unit housing; and
- ◆ Land use efficiency measures: informing estimates of the potential additional development capacity that could result from applying the selected land use efficiency measures. Understanding the potential capacity from land use efficiency measures is a required step prior to considering urban growth boundary expansion.

The redevelopment analysis was informed by interviews with local developers and input from the Envision Eugene Technical Advisory Committee (EETAC).

This memo provides a summary of the approach to and findings from the redevelopment analysis.

¹ In this memo, "redevelopment" refers to tear down of existing development and replaced with development that has greater capacity.



Approach

ECONorthwest used real estate pro forma analysis to assess financial feasibility for prototypical developments (“prototypes”)—illustrative, hypothetical developments that do not represent any specific individual project, but are informed by the scale, density, and form of recent development in Eugene and similar communities. The pro forma model takes into consideration expected market rents in each study area, estimated development costs (including construction costs, fees, and other cost factors) for each prototype, and typical investment return requirements to make development “pencil.” It also incorporates existing and potential financial incentives, such as the Multiple Unit Property Tax Exemption (MUPTE) program.²

Because redevelopment (often) requires a developer to be able to afford to acquire and tear down an existing building, and the value of the existing properties can vary substantially within a study area and between different study areas, this pro forma analysis uses a metric called “residual land value” to evaluate potential feasibility for redevelopment. Residual land value (RLV), or “land budget,” estimates what a developer could pay for land after accounting for potential income, costs, and investment returns. This RLV or land budget can then be compared to the value of existing properties³ in each study area to understand whether redevelopment is likely to be feasible in that area.

Because redevelopment is more likely to occur on comparatively lower-value properties within an area that has similar market conditions, the analysis initially uses the 10th percentile of existing property values (normalized by site area per square foot) in each study area as a reference point (i.e., a value threshold that 10 percent of properties are lower than).⁴

- ◆ If the RLV is higher than this 10th percentile value, it is more likely that redevelopment will be feasible, because at least 10 percent of properties in the study

² The Multi-Unit Property Tax Exemption (MUPTE) is a tool that can shift a proposed housing development to being financially feasible. It is a state-enabled program designed to be an incentive of redevelopment of residential properties in city centers and along transit corridors. In Eugene, the City Council has authorized the use of MUPTE in the downtown area. MUPTE allows new multi-unit housing (5 or more units) to avoid property taxes on the value of new residential construction for up to 10 years. The property continues to generate taxes for the land value during the exemption period.

³ The value of existing properties is based on tax assessor estimates of real market value. These estimates are an imprecise indicator of market value and are often low relative to observed sale prices; however, they are readily available for most properties, and provide a rough indication of property value.

⁴ The 10th percentile is selected as an indicator based on ECONorthwest’s experience and professional judgement. It is not an absolute indicator of redevelopment feasibility, but rather a way of comparing the RLV for a given area to the range of existing property values in that area to get a rough idea of whether redevelopment may be feasible without determining feasibility for each parcel individually. Using a lower threshold (e.g., 5th percentile) might capture only a single property in some study areas and would be more likely to be impacted by outliers and data quality issues in the parcel data. Using a higher threshold (e.g., 20th percentile) might make it appear that redevelopment is not feasible in a given area because it would miss lower value properties that could be feasible for redevelopment.



area have an estimated value lower than the development's land budget (on a per-square-foot basis).

- ◆ If the RLV is positive but below this 10th percentile value, it suggests that development would only be feasible on very low value sites or vacant land (less than 10 percent of the sites in the area, or possibly none of the sites) without additional financial support.
- ◆ If the RLV is negative, the development is likely infeasible unless a developer receives additional subsidies or incentives.

This is illustrated further in Slides 10 and 11 in the attached slide deck.

STUDY AREAS

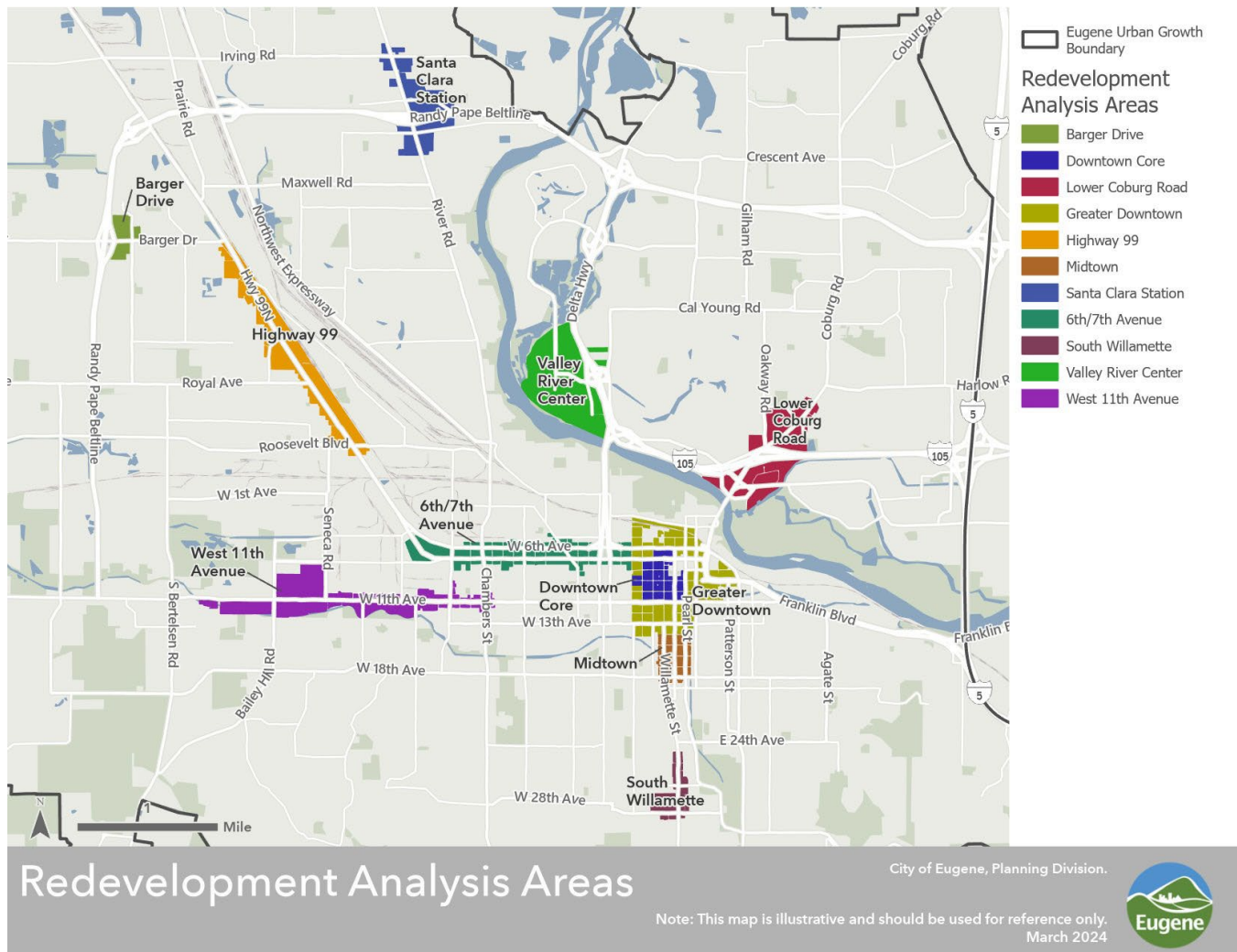
The twelve study areas are outlined on the map below. The targeted study areas largely align with areas identified as "Suitable" CFA locations in the City's CFA Study, with a few modifications, including:

- ◆ Removing any areas that were less compatible with CFA designation or would require more significant regulatory changes.
- ◆ Removing three areas that are already redeveloping under current conditions.
- ◆ Segmenting larger Suitable CFAs into sub-areas.
- ◆ Adding the Valley River Center area and the Barger Drive area, which were not identified as Suitable CFAs but have similar zoning.

The Feasibility Analysis Results section of the slide deck includes maps and a brief description of each individual area.



Exhibit 1: Redevelopment Analysis Study Areas



DEVELOPMENT TYPES

ECO tested a range of development prototypes in each area. For the purposes of this analysis, we have categorized the prototypes by relative density:

MODERATE DENSITY

- ◆ Townhouses: four to six attached units with individual garages with density estimated at roughly 22 dwelling units per net acre.
- ◆ Garden apartments: three-story walk-up apartments (without elevators) on a larger site, with large setbacks, surface parking, landscaped areas, and outdoor amenities (such as a pool). These are estimated at roughly 30 dwelling units per net acre.
- ◆ Compact walk-up apartments: three-story walk-up apartments that are denser than the garden apartments (estimated at roughly 50 dwelling units per net acre), with



minimal setbacks, landscaping, and surface parking to the side or rear of the building.

LIMITED HIGH DENSITY

- ◆ Elevator apartments: five- and six-story apartments with a mix of surface and tuck-under parking, estimated at roughly 100 and 120 dwelling units per net acre, respectively. Like the compact walk-up apartments, these apartments have minimal setbacks and landscaping.
- ◆ Mixed-use developments: five-, six-, and seven-story apartments with structured parking and small retail spaces (3,000 to 6,000 square feet) on the ground floor. These are estimated at roughly 90, 105, and 130 dwelling units per net acre, respectively.

HIGH DENSITY

- ◆ Student-oriented apartments: 12-story buildings with structured parking and many larger (four-bedroom) units that are more common for units leased by the bedroom, estimated at roughly 475 dwelling units per net acre.

COMMERCIAL

- ◆ Storefront commercial developments: single-story, small (2,500 square foot) tenant spaces positioned directly adjacent to sidewalks with minimal setbacks or landscaping and only on-street parking.
- ◆ Free-standing commercial buildings: medium-size commercial buildings (10,000 to 20,000 square feet) with surface parking and some setbacks and landscaping.

POLICY VARIABLES

The analysis tests the potential for redevelopment in the selected study areas under existing zoning and incentives, including the existing Multiple Unit Property Tax Exemption (MUPTE) program downtown.⁵ It also tested the potential impact of additional development incentives that are under consideration or that Council could consider in future:

- ◆ Potential expansion of MUPTE into study areas outside of downtown. This was used to test the impact of a relatively effective financial incentive that the City has experience with; it does not imply that the City will expand MUPTE or that the program would be identical to the existing program. For analysis purposes, this MUPTE incentive was assumed to apply only to compact walk-up apartments,

⁵ The analysis looks at the 10-year tax exemption available through MUPTE. The analysis does not consider the process for review and approval, which is proposed to be streamlined through an upcoming pilot project.



elevator apartments, and mixed-use developments and was tested in all study areas where the incentive is not currently available.

- ◆ Fee assistance for system development charges (SDCs) and permit fees associated with a development in the Downtown Core and Greater Downtown area. This roughly reflects the downtown fee assistance that is currently under consideration as a part of the Downtown Core Housing Initiative, which proposes to pay for SDCs, building permit fees, and other government-imposed fees using funds from Eugene's Downtown and Riverfront Urban Renewal Districts. The incentive was assumed to apply to all development types except student-oriented housing.

Key Findings

OVERVIEW

Key findings include:

Existing conditions: Under existing conditions, the Greater Downtown and Lower Coburg Road/ Ferry Street Bridge areas are the most likely to support higher density development and vertical mixed-use projects. The Santa Clara Station, Valley River Center, and West 11th areas are the most likely to see horizontal mixed-use redevelopment.

Financial incentives: The analysis suggests that expanding MUPTE (or a similar financial incentive) could increase the chances of multi-unit redevelopment in certain study areas. If an additional financial incentive such as MUPTE were offered more broadly, Midtown, South Willamette, and the Valley River Center areas could potentially also see higher density, vertical mixed-use projects. Additional financial incentives could also support horizontal mixed-use development in 6th/ 7th Avenue and Highway 99 areas.

Higher density: Overall, higher density generally increases a project's feasibility in higher-rent areas but does not increase project feasibility in lower-rent areas because of the increased construction costs relative to additional (lower) rental income.

Ground floor retail: Adding ground-floor retail space to development generally decreases feasibility relative to an entirely residential project in the market conditions for these study areas because of the increase in costs. However, in some situations where ground floor residential is particularly undesirable or where the ground floor commercial can make the residential component more desirable, a project may be better off to include ground floor commercial even if the commercial component itself does not cover its costs.

Additional investments: Developer interviews and input from the Envision Eugene Technical Advisory Committee (EETAC) suggest that investments to make the areas more walkable and address the factors that are making many of the areas less desirable for housing could also increase the potential for redevelopment. This could include measures such as



streetscape improvements or road design improvements (i.e., narrowing lanes, traffic calming, reconfiguring parking, or adding biking lanes) to improve the pedestrian environment, supporting local businesses that draw people to the area, or investing in parks and trails.

REDEVELOPMENT POTENTIAL BY STUDY AREA

Greater Downtown

Redevelopment potential: possible for higher density housing types without additional incentives

This area has relatively strong market conditions. Elevator and student-oriented apartments are the most feasible development types, even though student-oriented apartments are ineligible for MUPTE. (Student-oriented apartments would primarily be feasible in areas closer to the University.) Higher density, multi-unit housing is also more feasible than many other prototypes in this area. If fee assistance were available, it could help make higher density and mixed-use development more feasible as redevelopment.

Downtown Core

Redevelopment potential: low without additional incentives

Market conditions are weaker in this area than in the Greater Downtown area overall. Many development types have positive land budgets but are not feasible enough for redevelopment because of the area's high existing property values. Fee assistance could increase feasibility but might not be enough to support large increases in redevelopment potential.

6th/ 7th Avenue Area

Redevelopment potential: low, even with additional incentives

Few development types are feasible due to relatively weak market conditions, but free-standing commercial, infill townhouses, and compact walk-up apartments are closest. Even if MUPTE or a similar financial incentive were available, it likely would not have enough impact to make development over five stories feasible, though it could improve the feasibility of compact walk-up apartments to some extent. In interviews, developers expressed concerns that this area feels too auto-oriented and not welcoming to pedestrian activity. This makes it challenging to develop mixed-use or competitive residential development. Public realm improvements would help make the area more attractive for development.



West 11th Ave Area

Redevelopment potential: low, even with additional incentives

Like the 6th / 7th Avenue area, few development types are likely feasible for redevelopment, but free-standing commercial, infill townhouses, garden apartments, and compact walk-up apartments are closest. Based on developer and EETAC input, adjacent moderate density residential areas may be more desirable for housing and have more potential for residential development. Even if MUPTE were available, it likely would not have enough impact to make development over five stories feasible but could support compact walk-up apartments. Public realm improvements would help make this area more attractive for redevelopment.

Midtown Area

Redevelopment potential: low without additional incentives

While the market is relatively strong in this area and land budgets are generally positive across many development types, the existing property values are also relatively high, and properties are small. This means relatively few opportunities for redevelopment, and greater challenges for larger-scale redevelopment that would have to aggregate multiple properties. However, the analysis suggests that if MUPTE or a similar financial incentive were available, it could make higher density multi-unit housing redevelopment more feasible.

South Willamette Area

Redevelopment potential: low without additional incentives

Like Midtown, land budgets are generally positive across development types but likely not high enough to afford existing property values. However, the analysis suggests that MUPTE or a similar incentive could make higher density multi-unit housing redevelopment more feasible if it were available in this area.

Lower Coburg Road & Ferry Street Bridge Area

Redevelopment potential: possible on limited sites for a range of housing types

This area is considered relatively desirable for development. Several types of development, including higher density multi-unit housing and some mixed-use development, may be feasible on a limited number of lower-value sites. The analysis suggests that MUPTE or a similar financial incentive could be enough to increase the chances of feasible multi-unit housing redevelopment.



Valley River Center Area

Redevelopment potential: possible on limited sites for moderate density housing types, higher density possible with additional incentives

Certain types of moderate density developments analyzed (townhouses and compact walk-up apartments) may be feasible on lower-value sites; for example, if some of the parking lots surrounding the mall were redeveloped. The analysis suggests that MUPTE or a similar financial incentive could increase the chances that higher density multi-unit housing and mixed-use redevelopment could be feasible.

Santa Clara Station Area

Redevelopment potential: likely for moderate density housing types and commercial, higher density possible with additional incentives

Townhouses, free-standing commercial, and three-story apartments are most likely to be feasible out of the development types. The market currently is not likely to support higher density housing or vertical mixed-use in this area. However, if MUPTE or a similar financial incentive were available it could increase the chances that higher density multi-unit housing redevelopment would be feasible.

Highway 99 Area

Redevelopment potential: low, but possible for moderate density housing types and commercial on limited sites

Few prototypes are likely to be feasible given the area's challenging market conditions, but with low existing property values, some redevelopment may be possible on lower-value sites. This could include free-standing commercial buildings, infill townhouses, and compact walk-up apartments. If MUPTE were available in this area, it might not have enough impact to make development over five stories feasible but could make compact walk-up apartment redevelopment more feasible.

Barger Drive Area

Redevelopment potential: low

Existing property values are high compared to what's feasible for redevelopment, but free-standing commercial, infill townhouses, and compact walk-up apartments are closest to being feasible. Like Highway 99, if available, MUPTE likely would not have enough impact to make high-density housing redevelopment feasible but could make compact walk-up apartment redevelopment more feasible.



Next Steps

This phase of the analysis evaluated the feasibility of a range of development types in each study area. This analysis will inform estimates of the baseline redevelopment capacity and the potential 20-year capacity that would result from potential land use efficiency measures in later stages of the Urban Growth Strategies project. City staff anticipate bringing capacity estimates to a future work session on land use efficiency measures in 2025.





Redevelopment Analysis
Summary of Results
August 2024



Presentation Outline

- ▶ Previous findings and analysis approach
- ▶ Redevelopment analysis findings by prototype and area
- ▶ Next steps





Analysis Approach

Development Prototypes, Market Research, and Interview Themes

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Previous Work

- ▶ Finalized development prototypes and areas to analyze
- ▶ Market research into potential revenues, construction costs, and land values
- ▶ Developer interviews





Developer Interview Themes

Amenities matter

- River is an amenity
- Downtown is not
- Busy major roads deter housing
- Bus Rapid Transit (EmX) has some value, but limited

Development is tough right now

- High construction costs
- High interest rates
- Condo construction remains a challenge (liability)

Reducing parking ratios is challenging

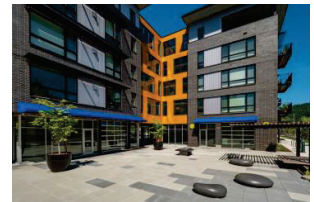
- Demand to store cars, even if driving less
- Concern about neighborhood push-back
- <1 space per unit, >0.5 spaces per unit





Types of (Re)Development We're Testing

- ▶ Store-front commercial (small, no parking or setbacks)
- ▶ Free standing commercial (building with parking lot)
- ▶ Townhouses (infill & larger sites)
- ▶ Garden apartments (3 stories)
- ▶ Compact walk-up apartments (3 stories)
- ▶ Elevator apartments (5-6 stories)
- ▶ Mixed-use (5-7 stories)
- ▶ Student-oriented housing (12 stories)

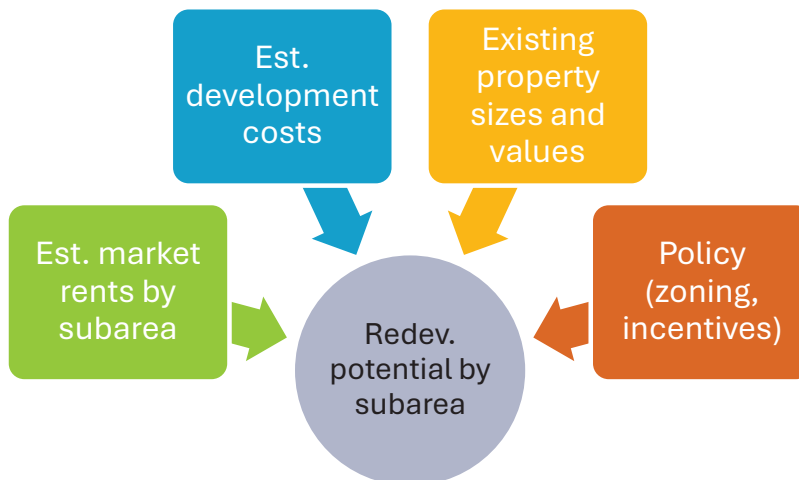


Note: Images are for illustrative purposes only





Development Feasibility Analysis





Variables We're Testing for Impacts

Regulations

- Outright permitting for certain CFA uses
- Minimum density
- Single-unit attached in C-3 downtown core

Financial Incentives

- **MUPTE** (streamlined version downtown and/or **potentially expanded to new areas**)
- **Fee assistance downtown**

Market

- Changes that make areas more desirable?





Intro to Feasibility Results

Measuring & Comparing Feasibility

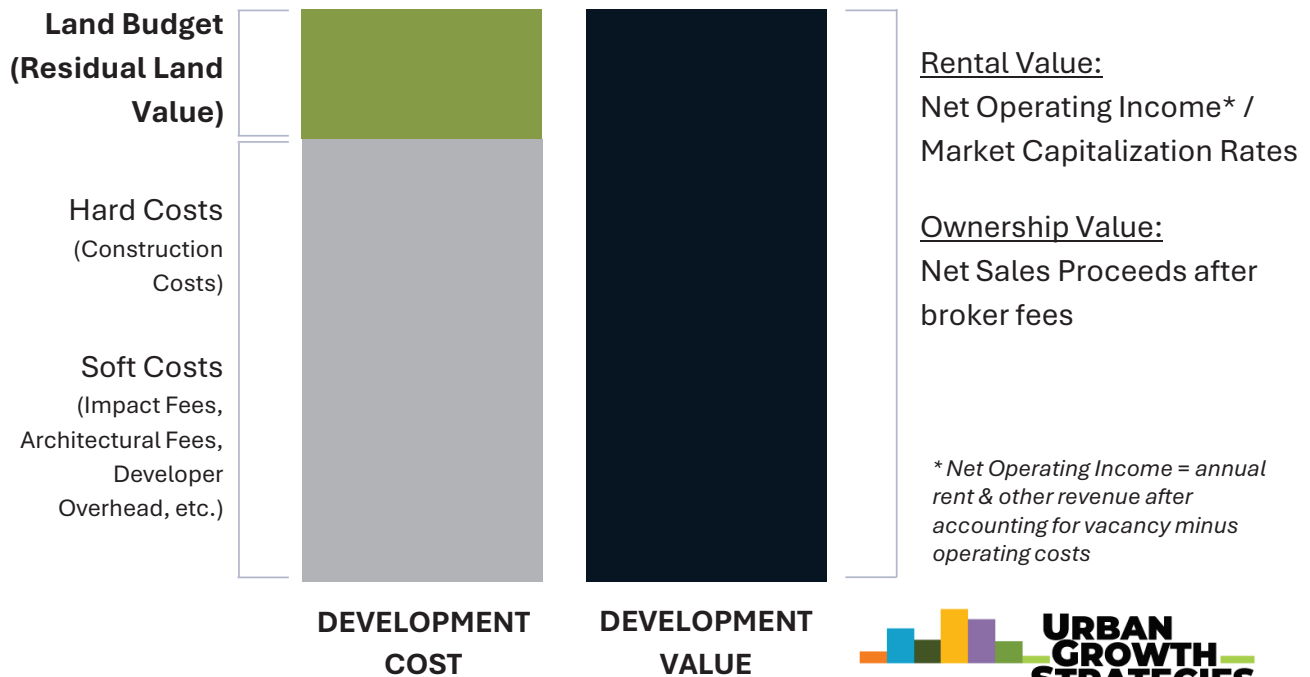
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How we're measuring feasibility: Residual Land Value

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Development Example (feasible)

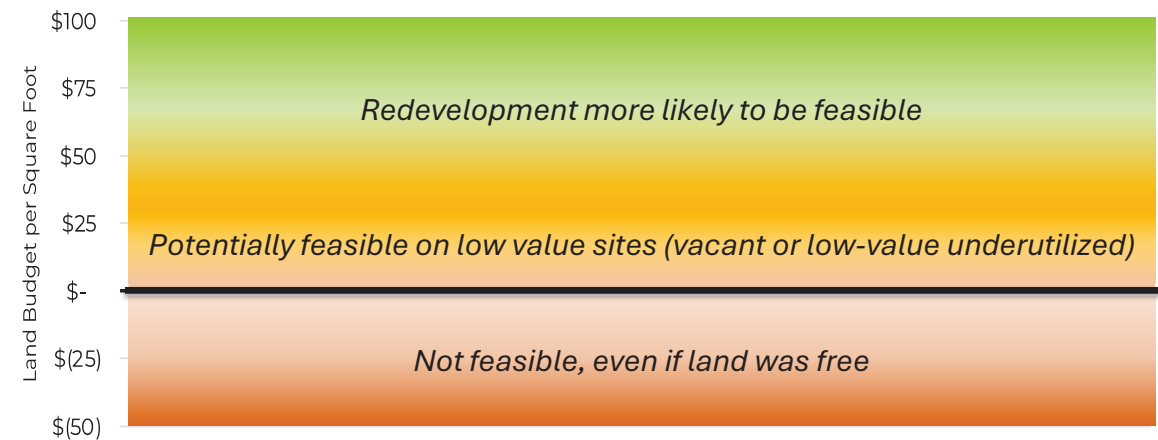




Land budget informs where (re)development may be feasible

How does land budget compare to market value of existing uses on a given site?

Can a potential development afford to buy the site and (re)develop it?





Feasibility Analysis Results

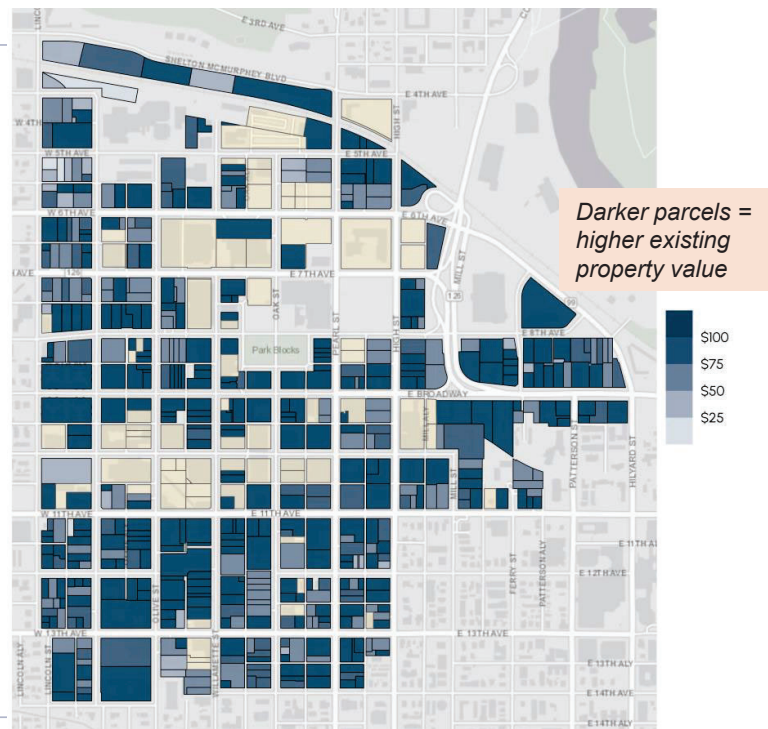
What development types are most feasible in each area?

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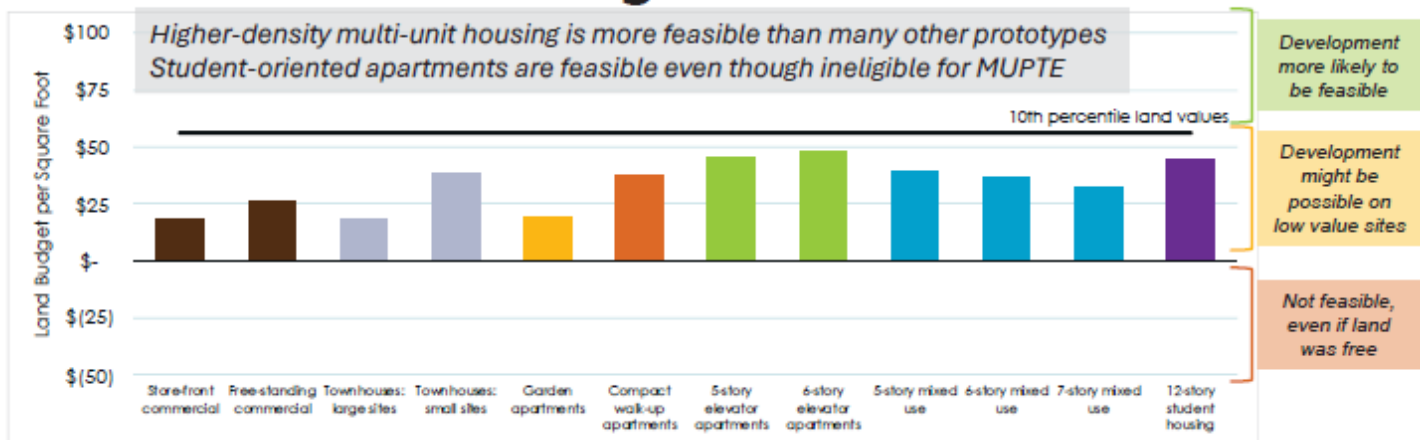
Downtown Core & Greater Downtown

- ▶ Perception issues associated with people experiencing homelessness
- ▶ Commercial rents not that high except 5th Street Market
- ▶ Not seen as an attraction





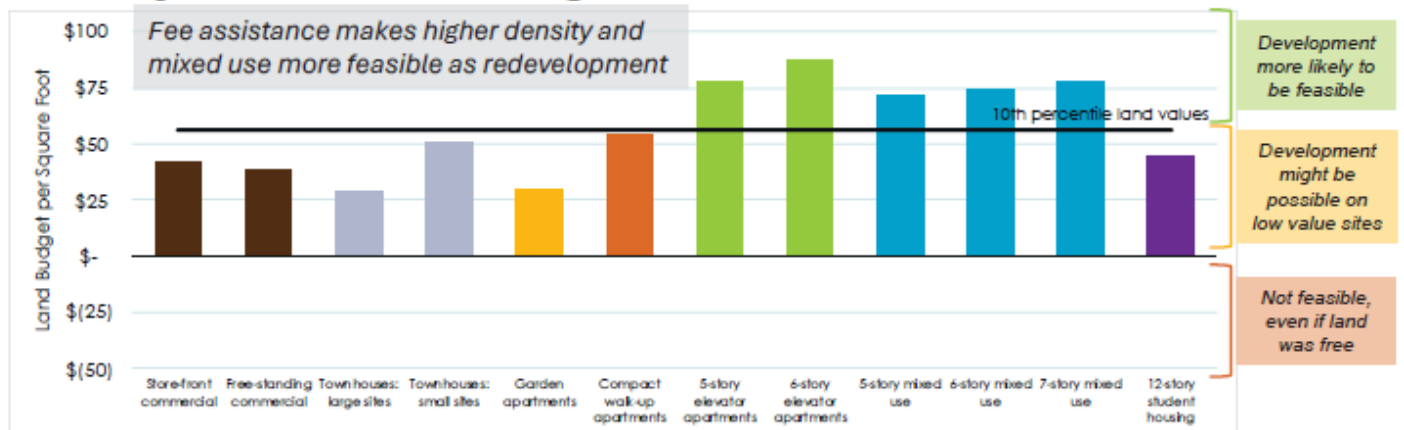
Greater Downtown Baseline: with Existing MUPTE





Greater Downtown

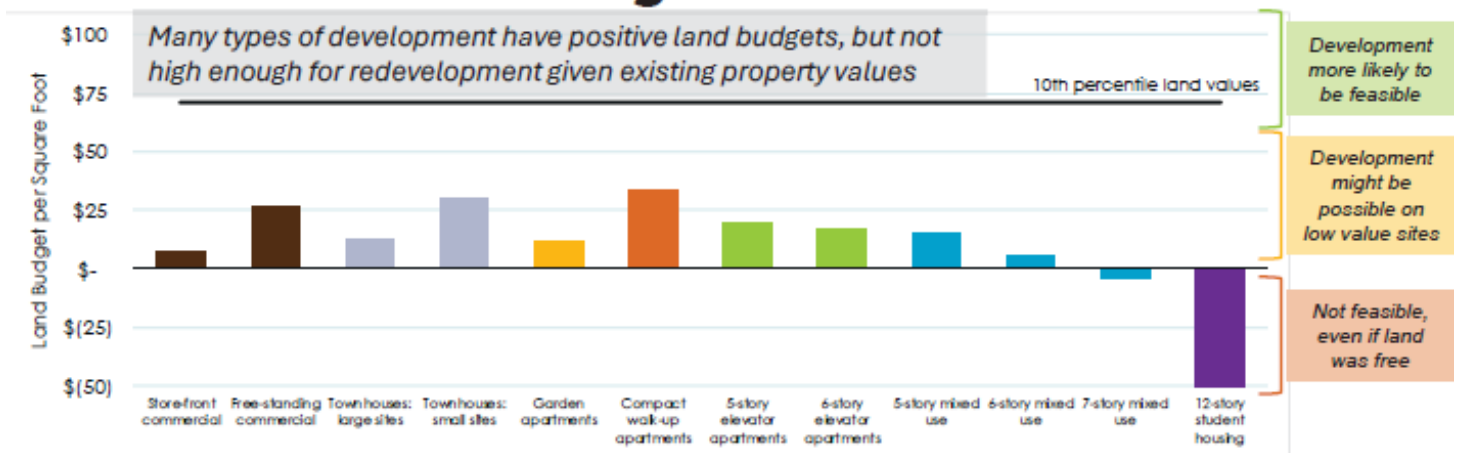
Policy test: with Existing MUPTE + Fee Assistance





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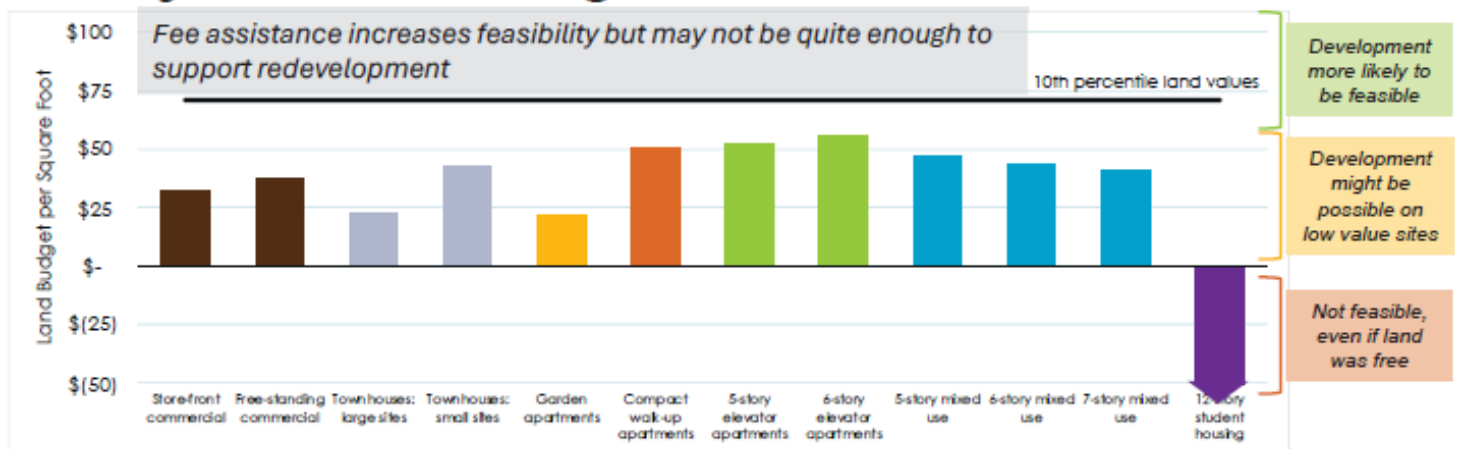
Downtown Core Baseline: with Existing MUPTE





Downtown Core

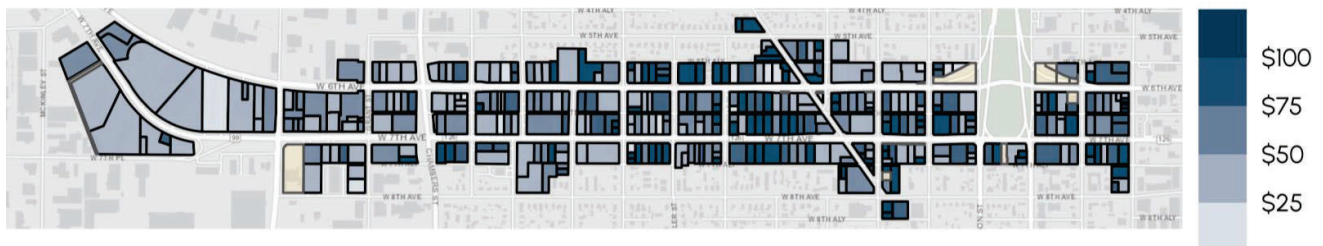
Policy test: with Existing MUPTE + Fee Assistance





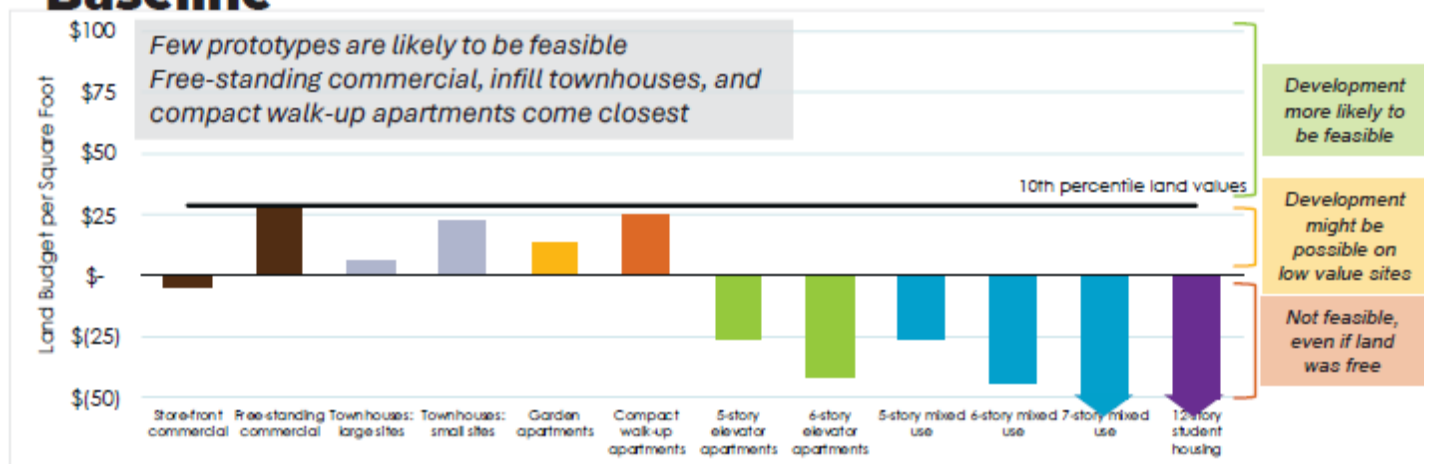
6th / 7th Avenues

- ▶ Auto-oriented, “gritty”
- ▶ Wide, busy street
- ▶ Some opportunities with BRT
- ▶ Skepticism about redevelopment potential





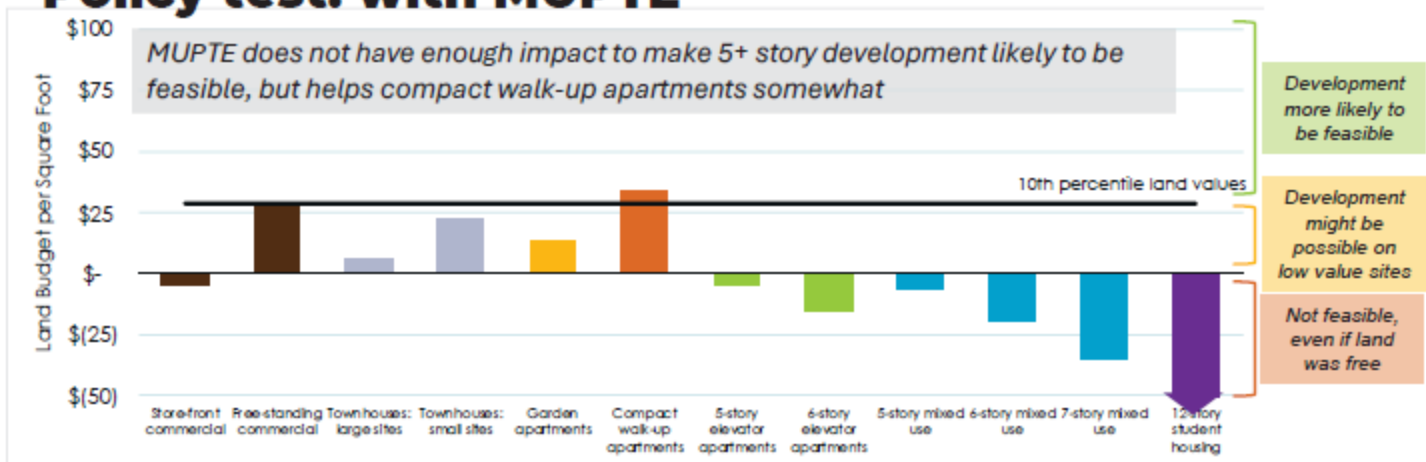
6th / 7th Avenue Baseline





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6th / 7th Avenue Policy test: with MUPTE



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West 11th Avenue

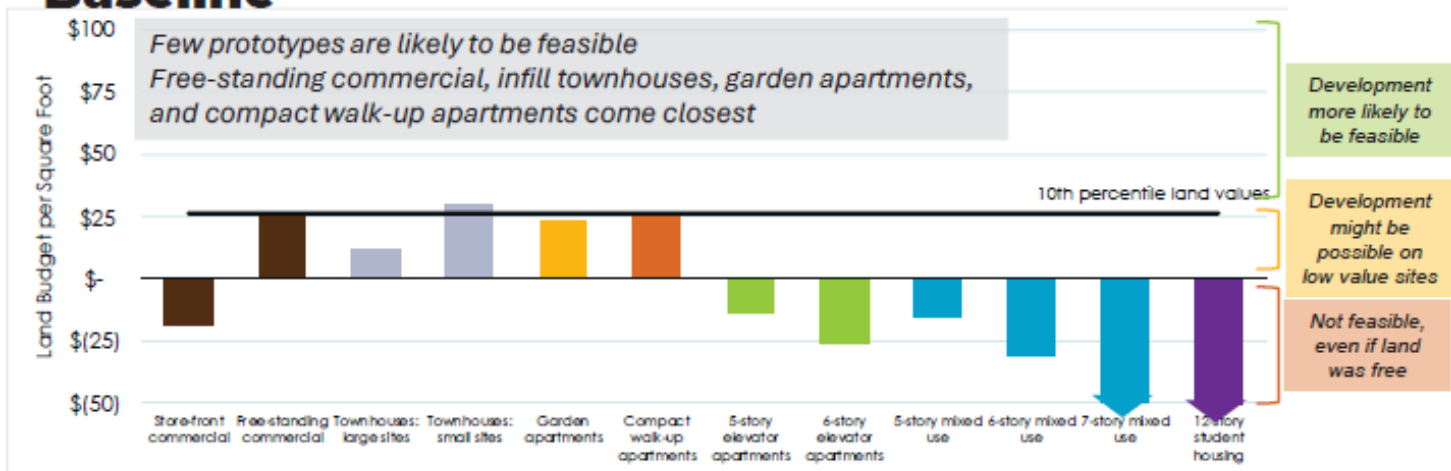
- ▶ Not walkable, lots of traffic
- ▶ Existing viable commercial operations & some larger industrial employers – not compatible with residential
- ▶ South side, especially south of creek, better for housing





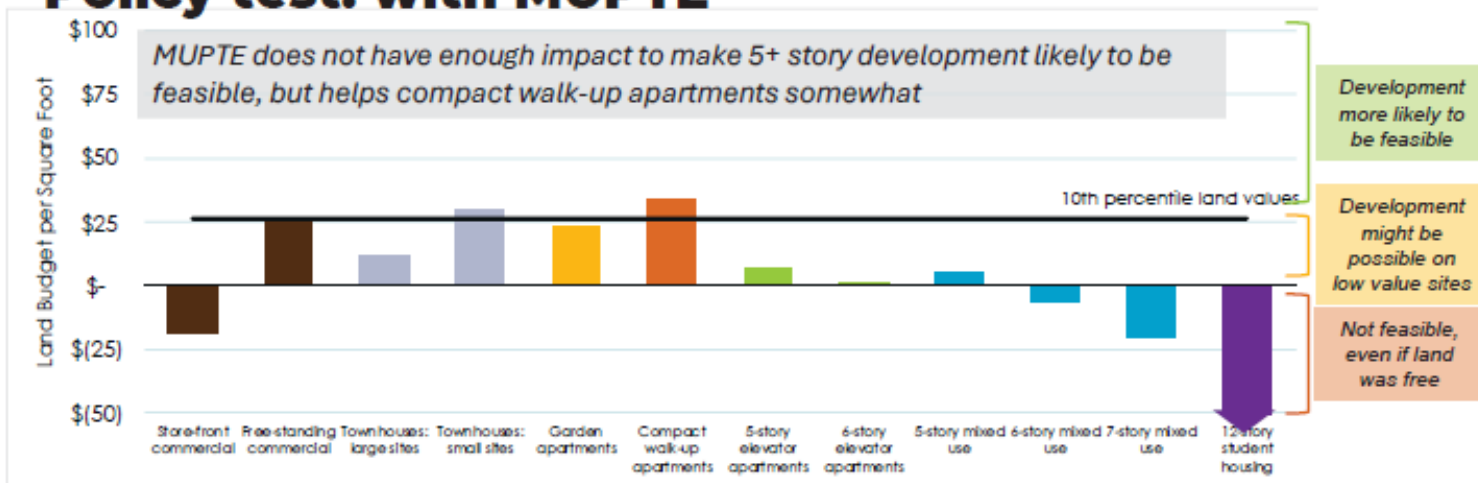
22

West 11th Avenue Baseline





West 11th Avenue Policy test: with MUPTE

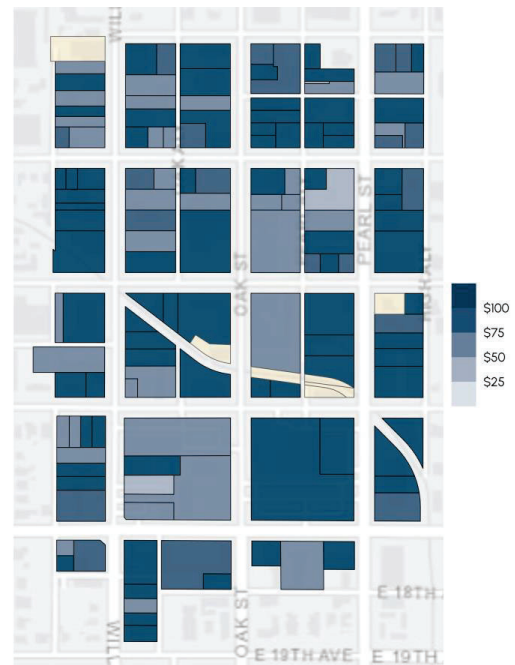


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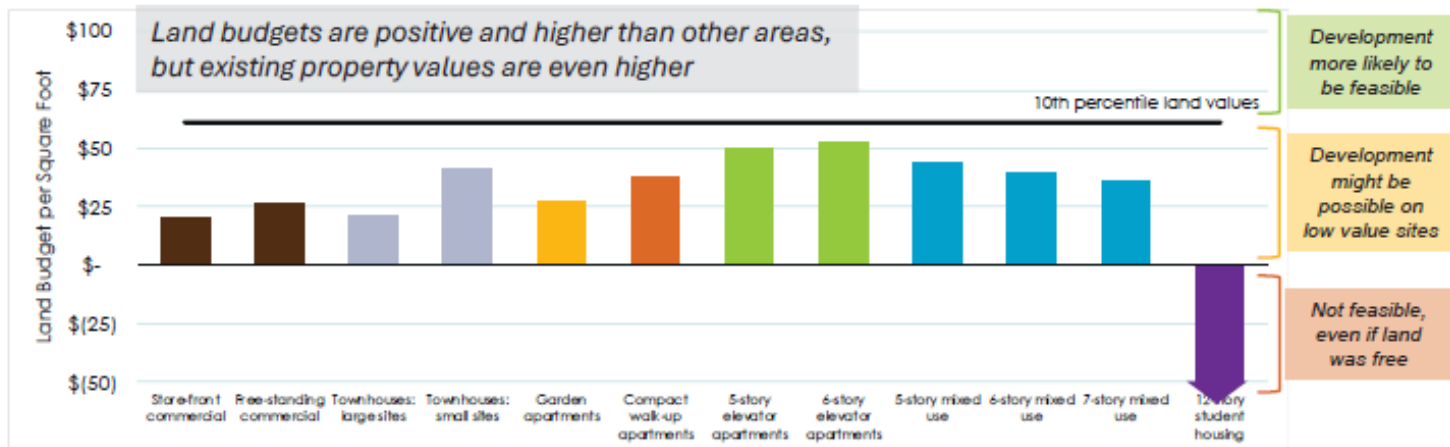
Midtown

- ▶ More desirable than downtown core
- ▶ Has grown in popularity
- ▶ Successful reuse of some older buildings
- ▶ Stronger retail area





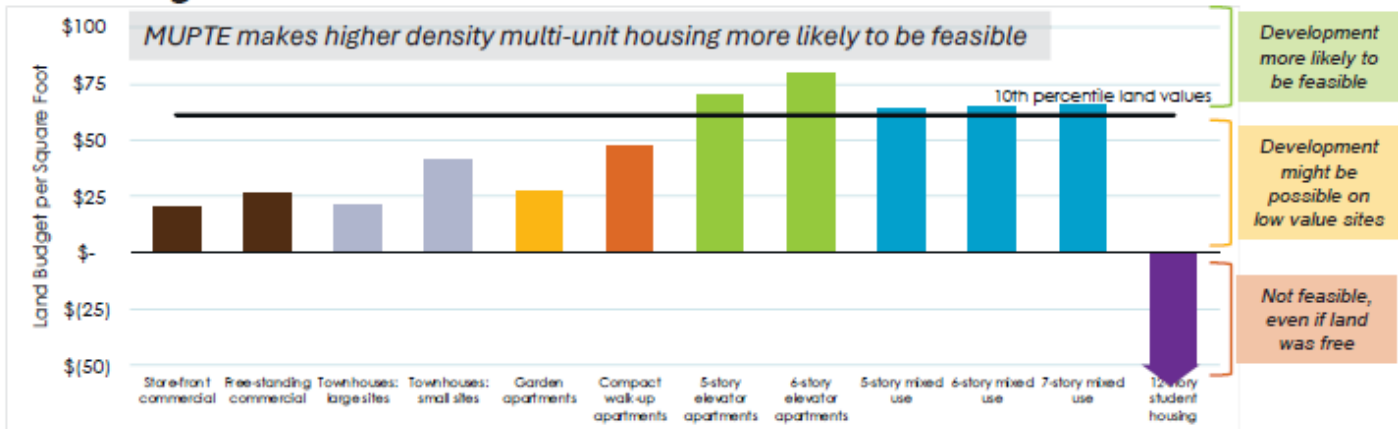
Midtown Baseline



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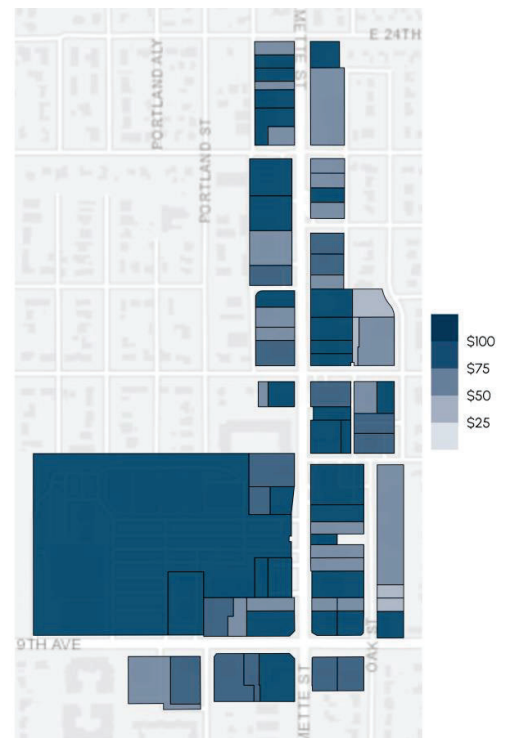
Midtown Policy test: with MUPTE





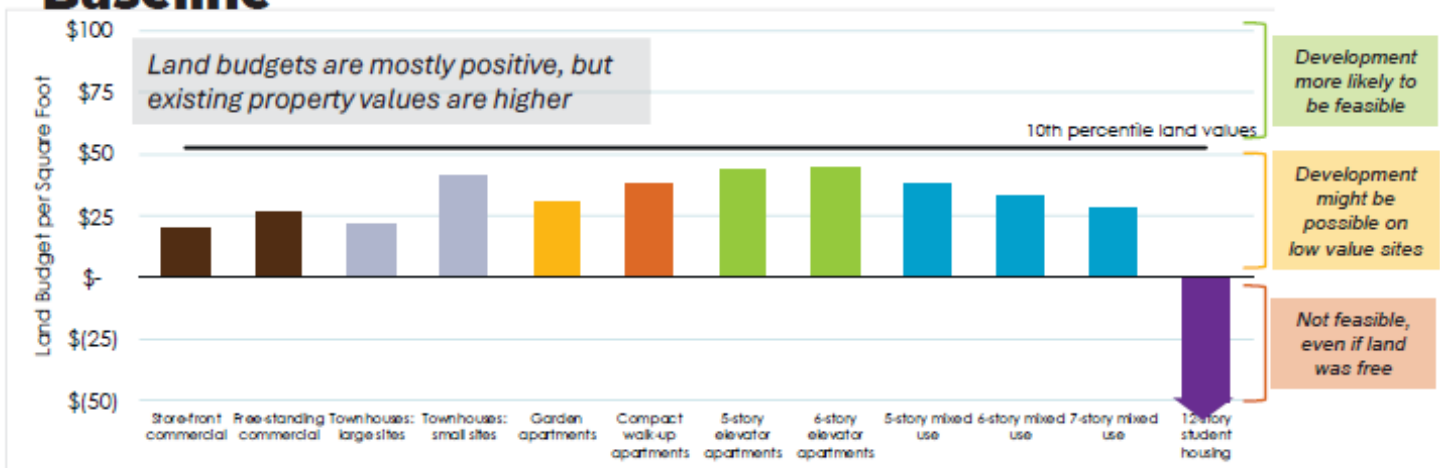
South Willamette

- ▶ Desirable area close to open space, restaurants, grocery shopping
- ▶ Relatively higher rents (residential & retail)





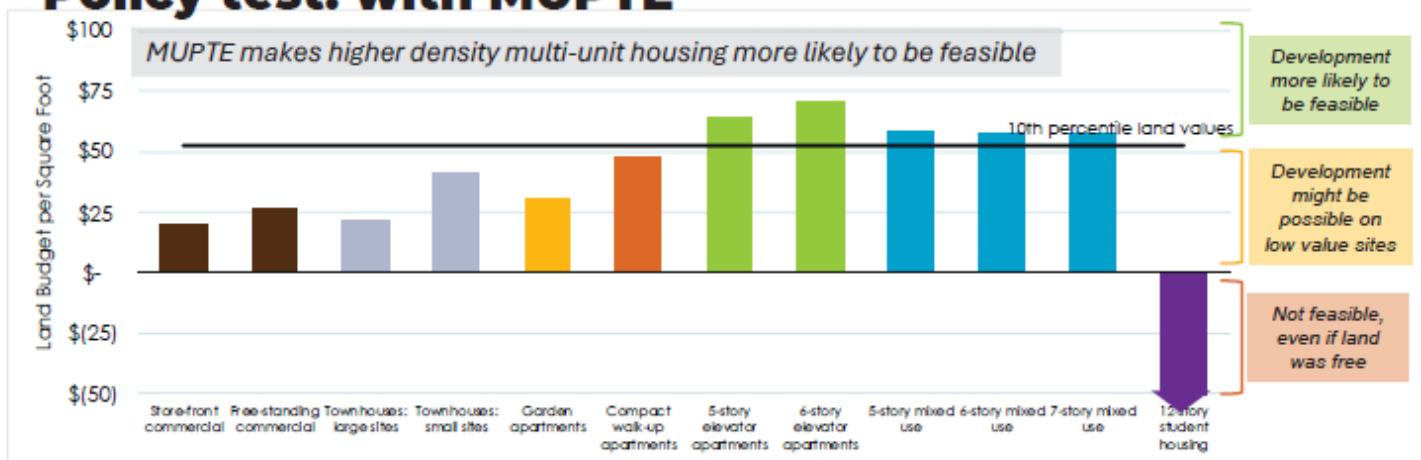
South Willamette Baseline



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South Willamette Policy test: with MUPTE



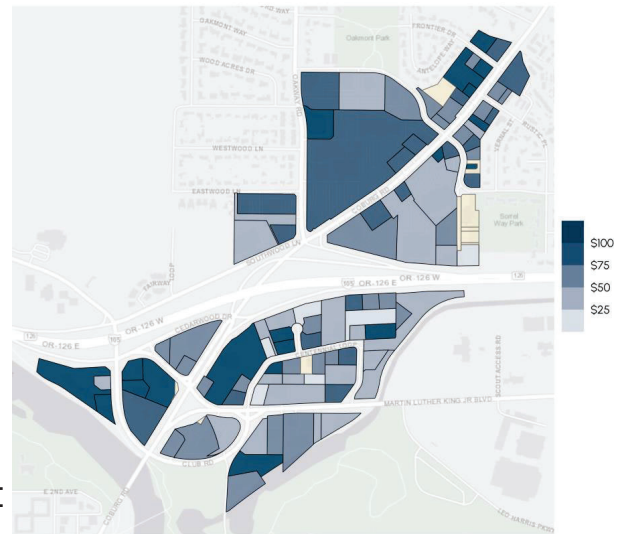
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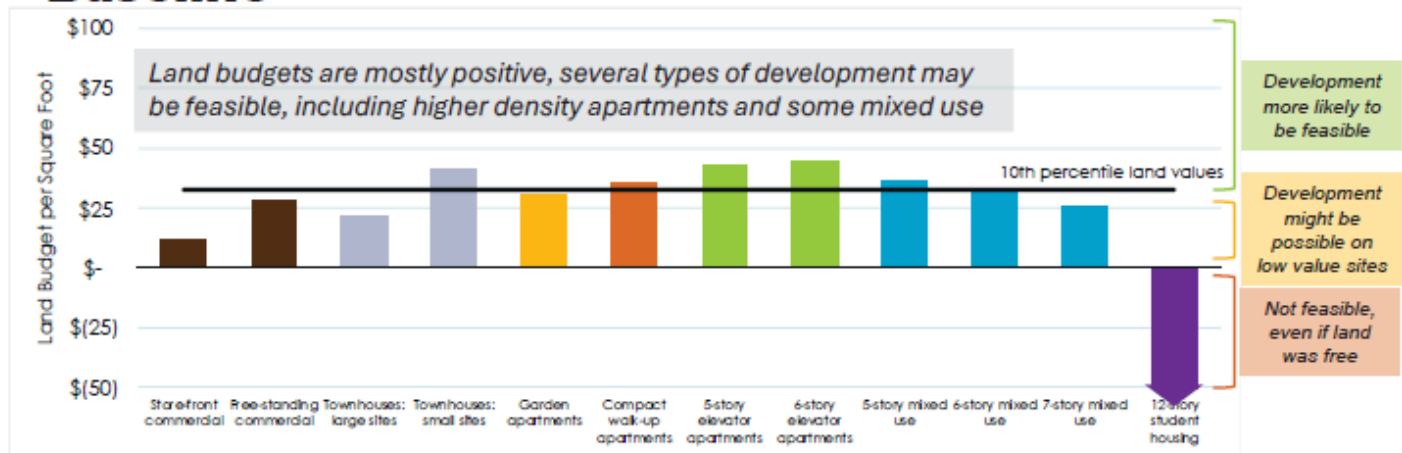
Lower Coburg Rd. / Ferry Street Bridge

- ▶ Proximity to river & campus
- ▶ Roads are a barrier
- ▶ Little tear-down potential for existing commercial
- ▶ Floodplain challenges
- ▶ Potential residential redevelopment





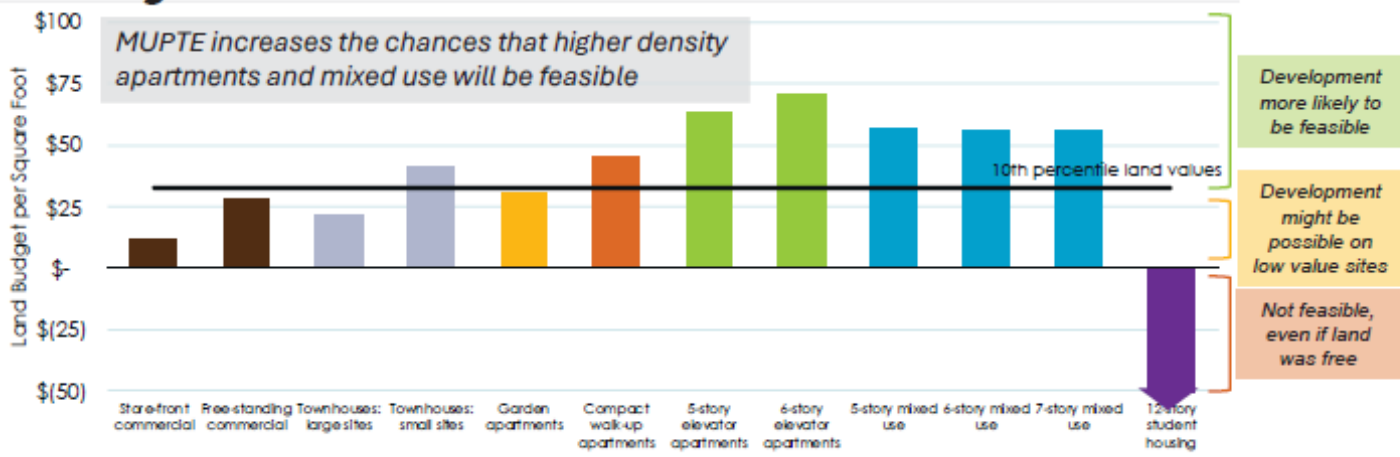
Lower Coburg Rd. / Ferry Street Bridge Baseline



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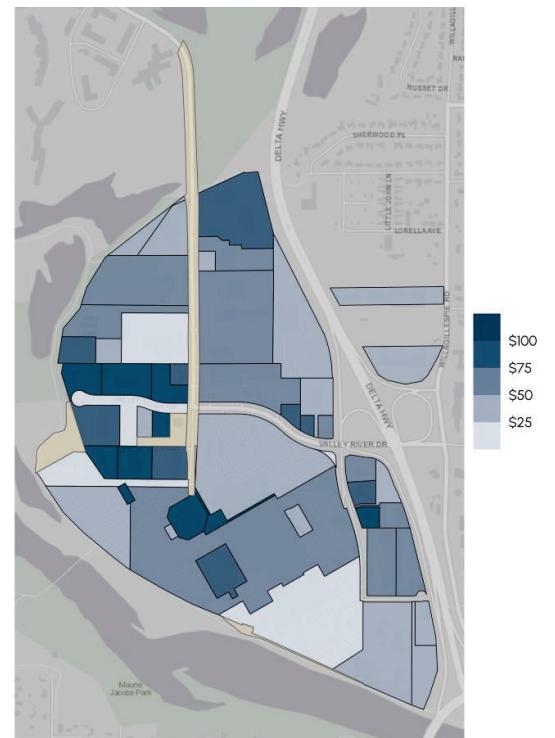
Lower Coburg Rd. / Ferry Street Bridge Policy test: with MUPTE





Valley River Center

- ▶ Proximity to river
- ▶ Greenway permitting challenges for prior (re)development efforts
 - Unclear if recent greenway code amendments have resolved these issues
- ▶ Potential infill on Mall parking lots
- ▶ Commercial adjacent to Mall doing better
- ▶ Infrastructure / stormwater challenges with redevelopment?

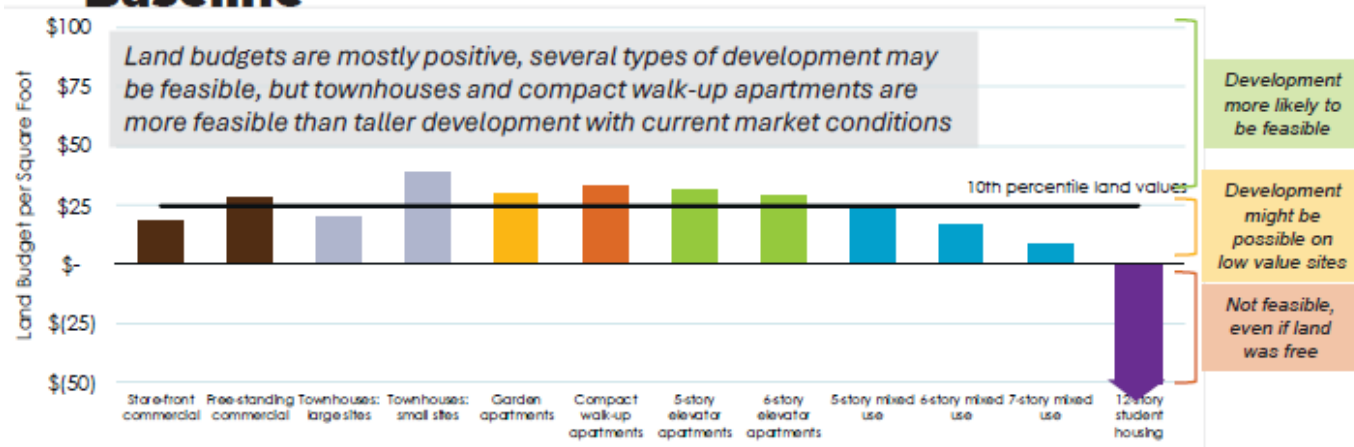


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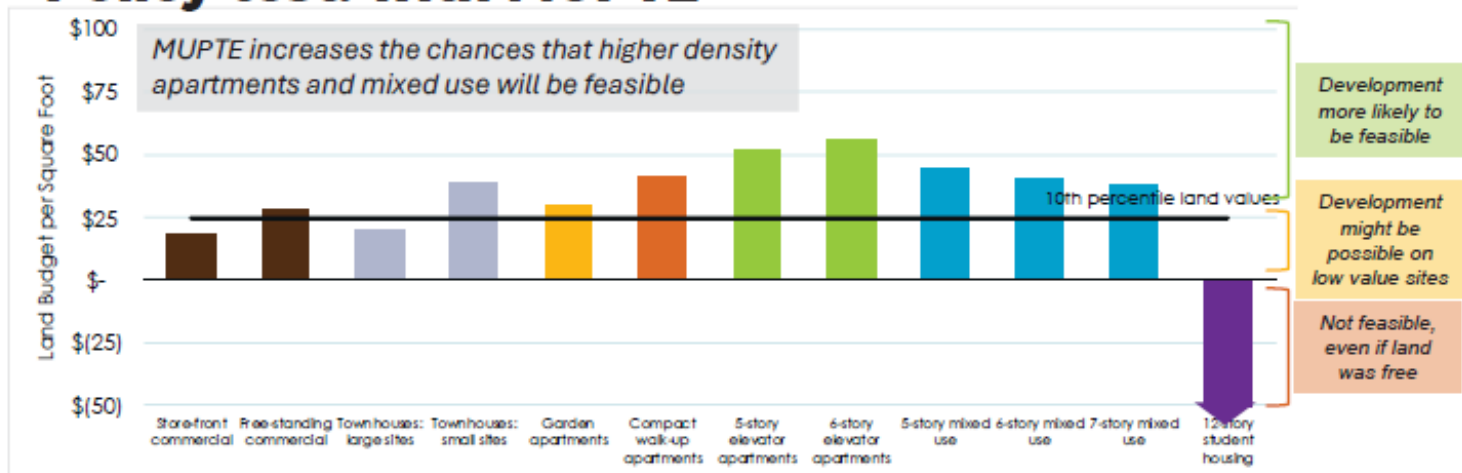
34

Valley River Center Baseline





Valley River Center Policy test: with MUPTE

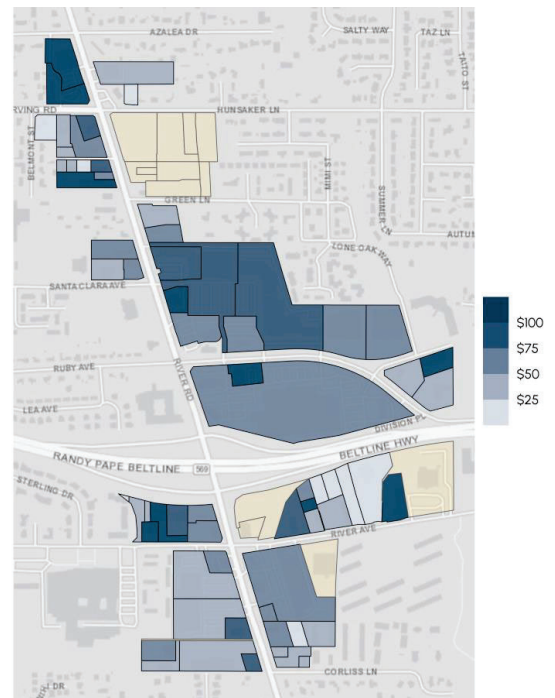


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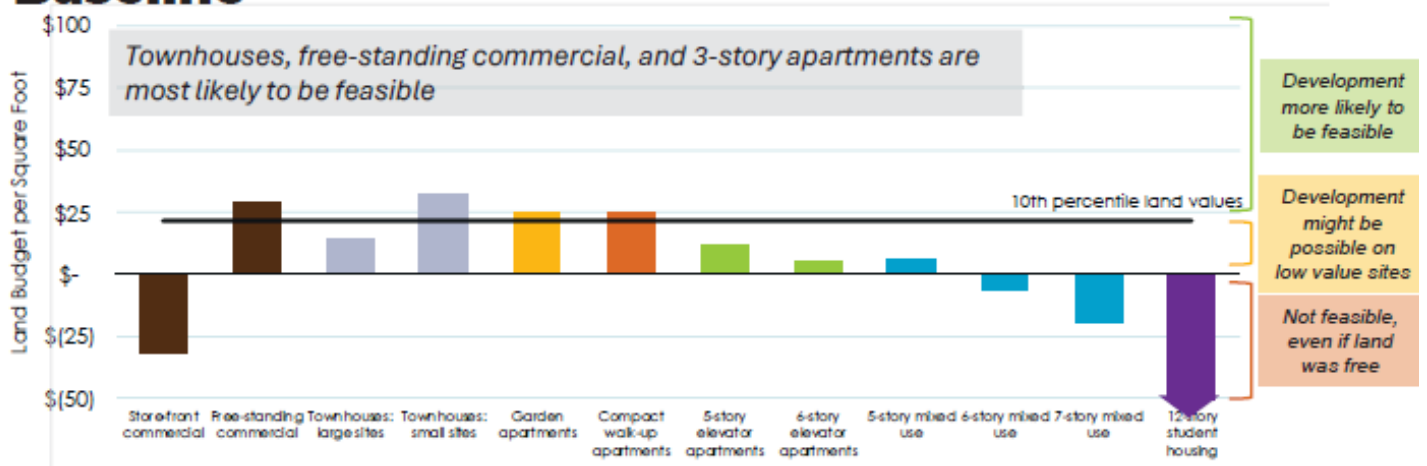
Santa Clara Station

- ▶ Prime site next to LTD
- ▶ Several churches in the area with property
- ▶ Relatively good retail rents





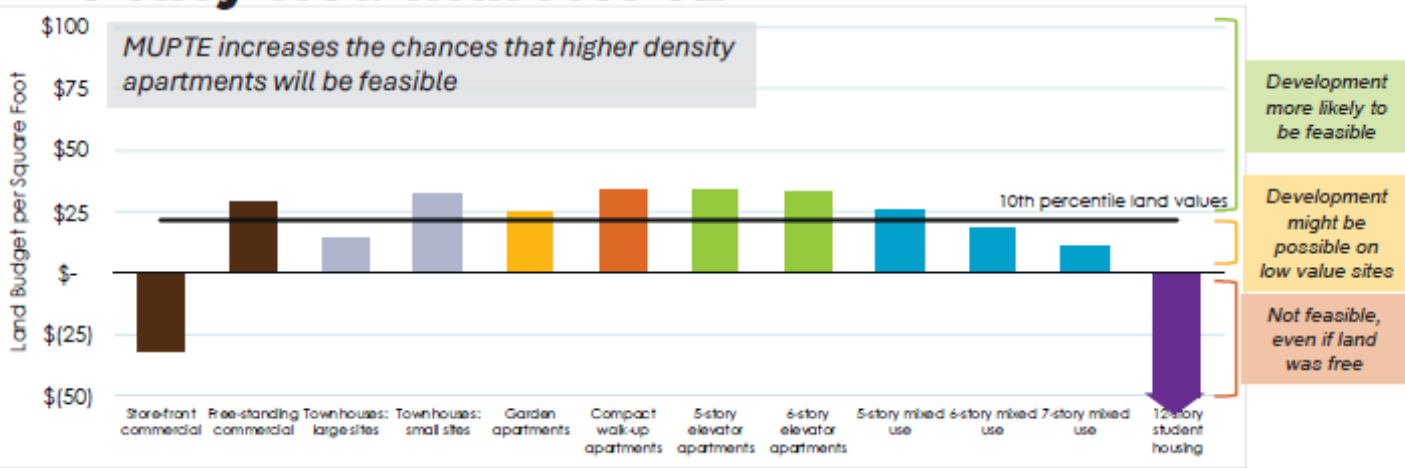
Santa Clara Station Baseline





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Santa Clara Station Policy test: with MUPTE

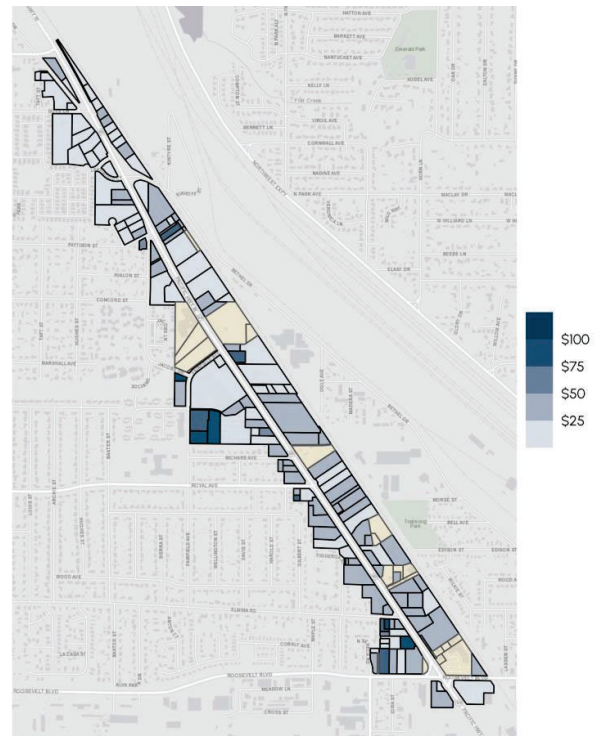


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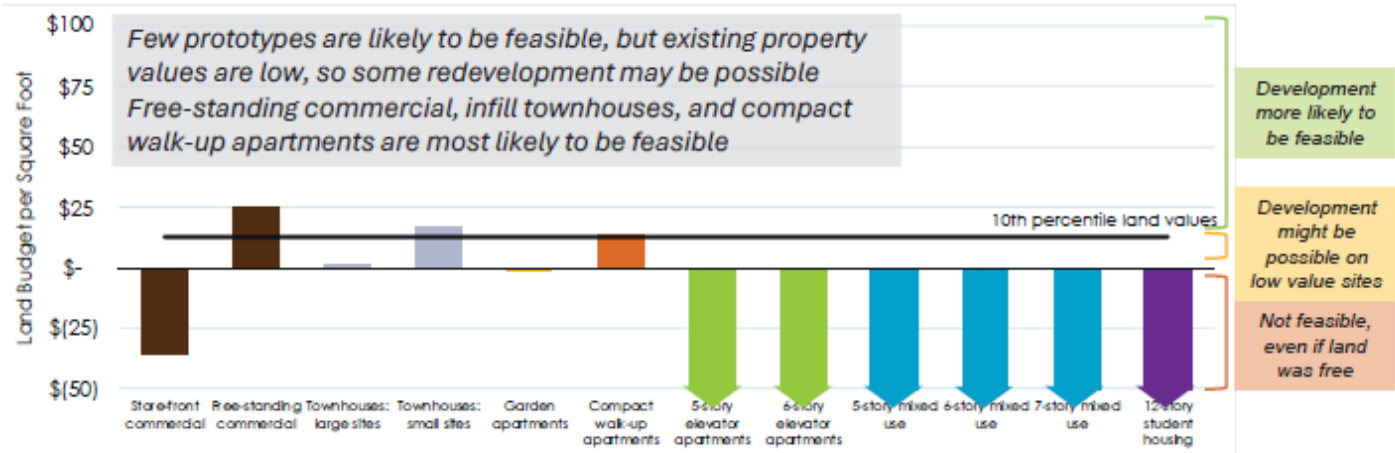
Highway 99

- ▶ Not walkable, busy road
- ▶ Lower-income area
- ▶ Perception issues associated with people experiencing homelessness
- ▶ Not seen as desirable for housing
- ▶ Older properties in poor condition



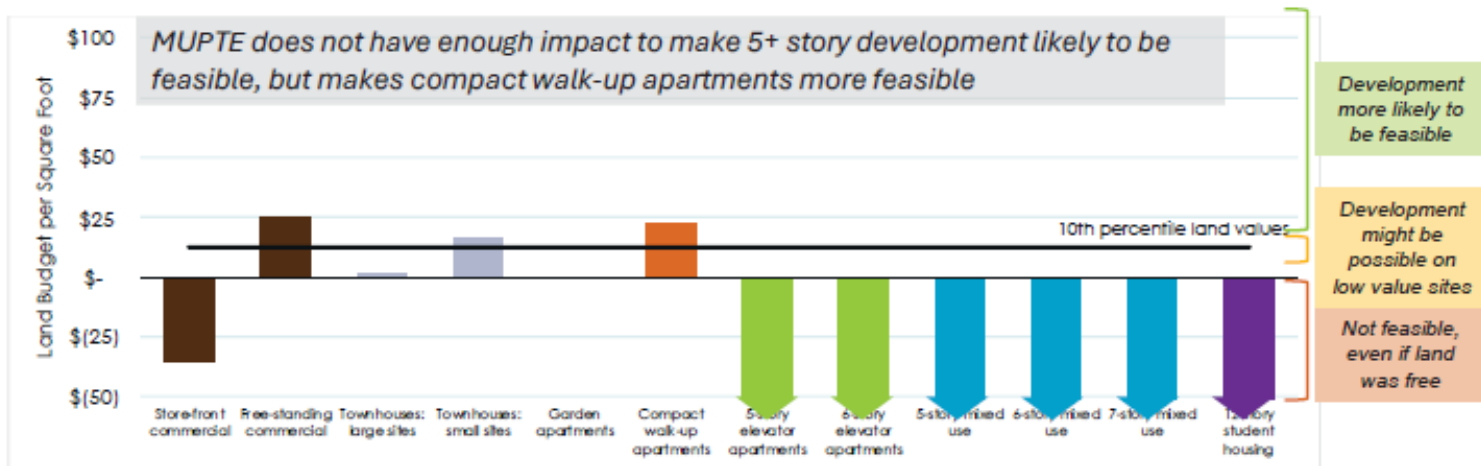


Highway 99 Baseline





Highway 99 Policy test: with MUPTE

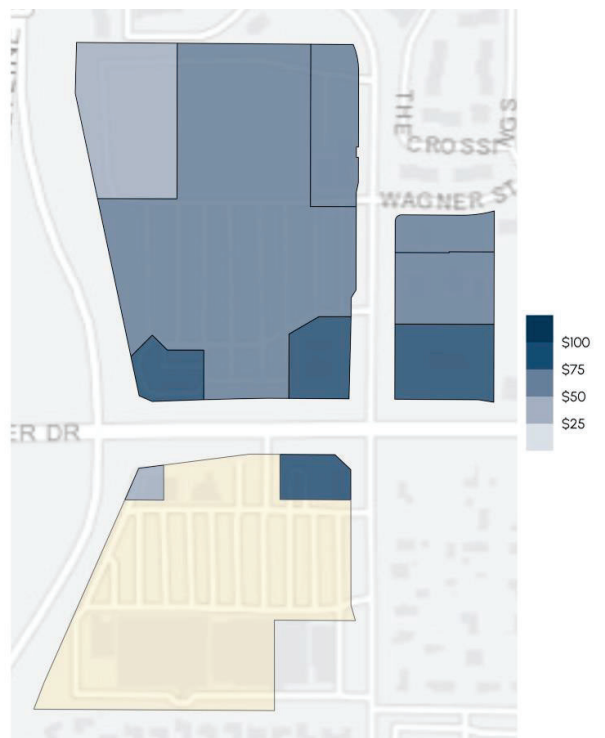




Barger Drive

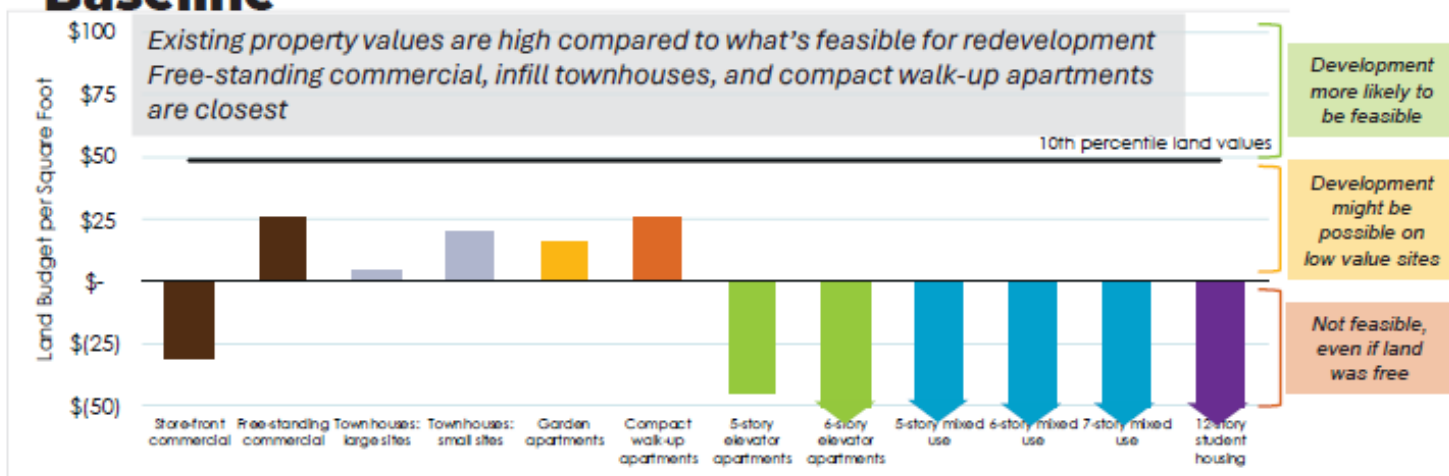
- ▶ Lower-income area
- ▶ Moderate commercial rents
- ▶ Winco doing well
- ▶ Likely stronger for commercial than residential
- ▶ Parking not fully utilized
- ▶ Infrastructure challenges
- ▶ Out at the edge

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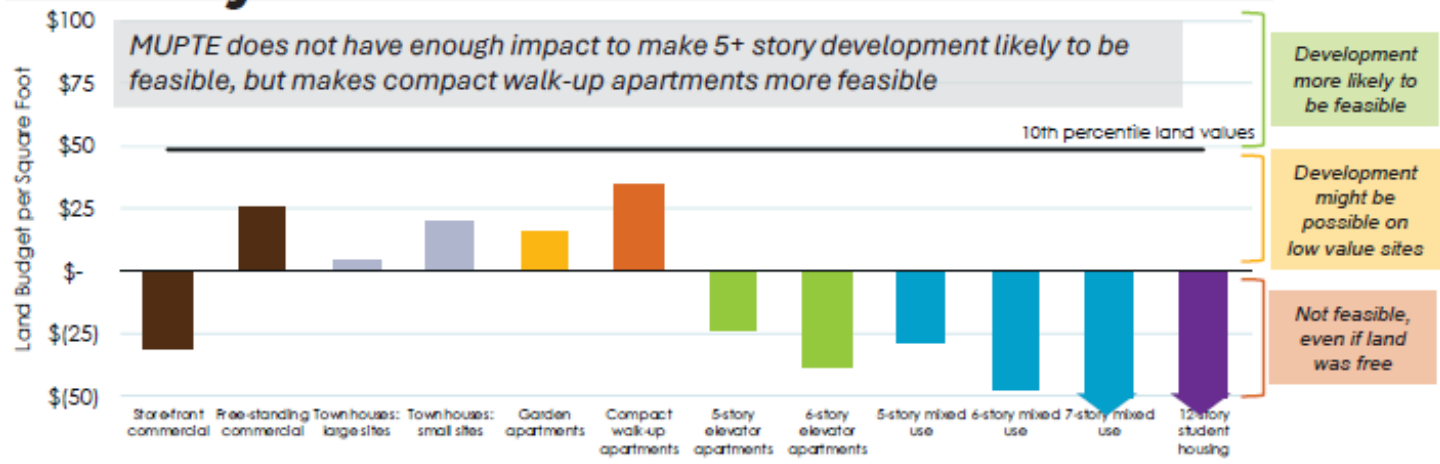
Barger Drive Baseline





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Barger Drive Policy test: with MUPTE



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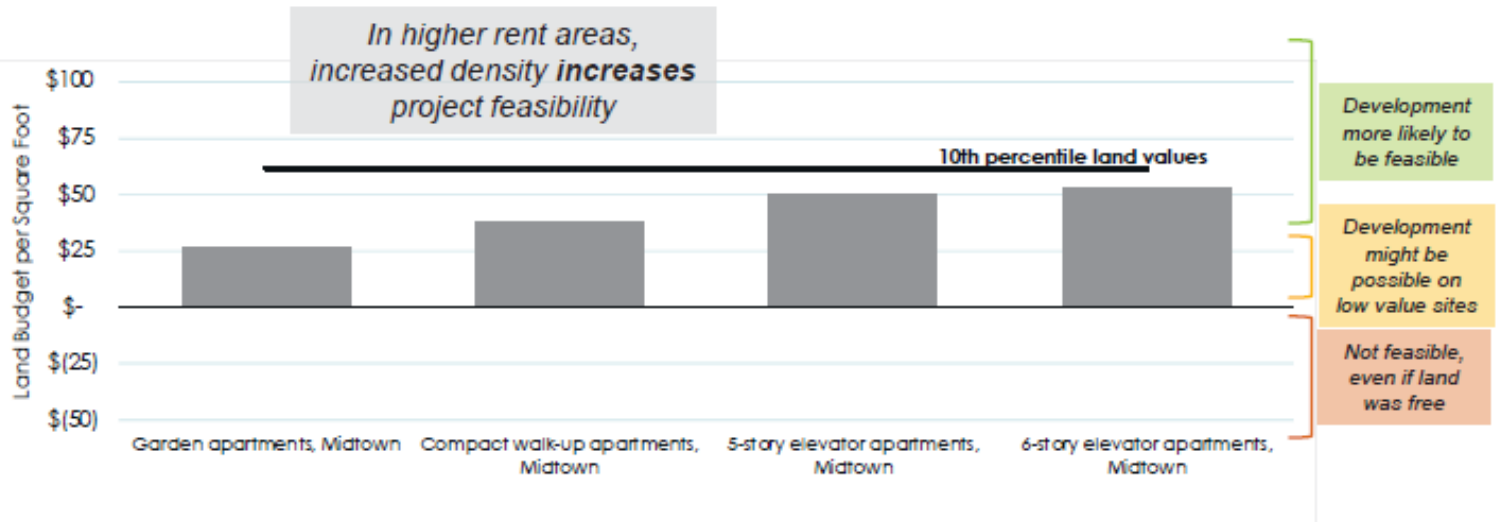
Feasibility Analysis Results

Delivering density & mixed use

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What makes higher density types feasible?

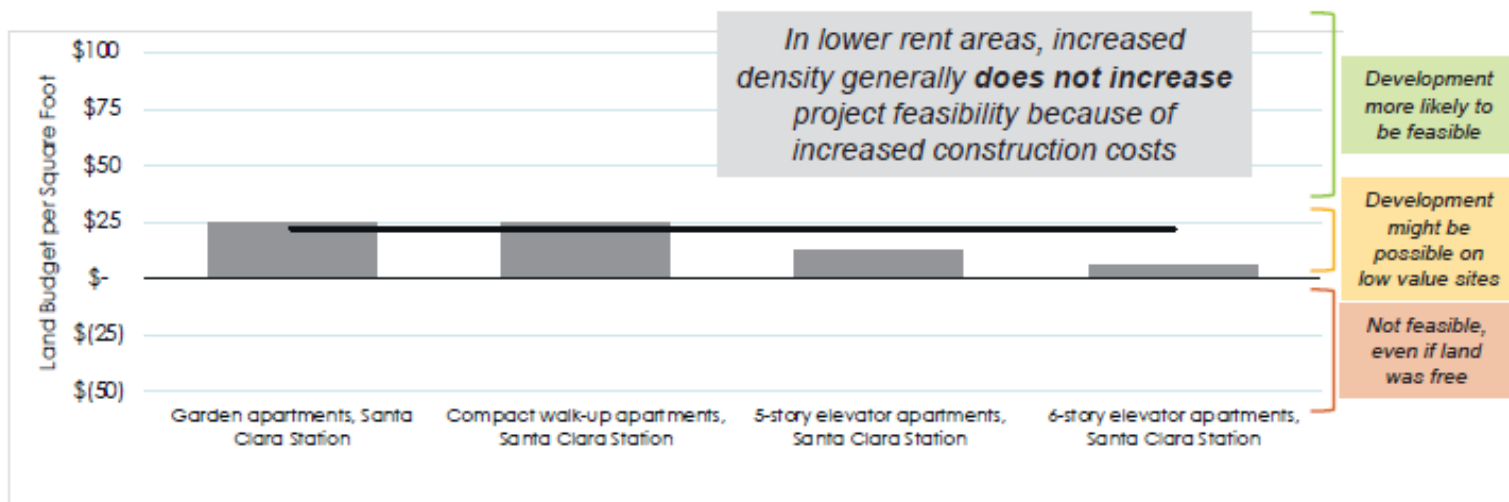


Results shown for Midtown as an example





What makes higher density types feasible?



Results shown for Santa Clara Station as an example



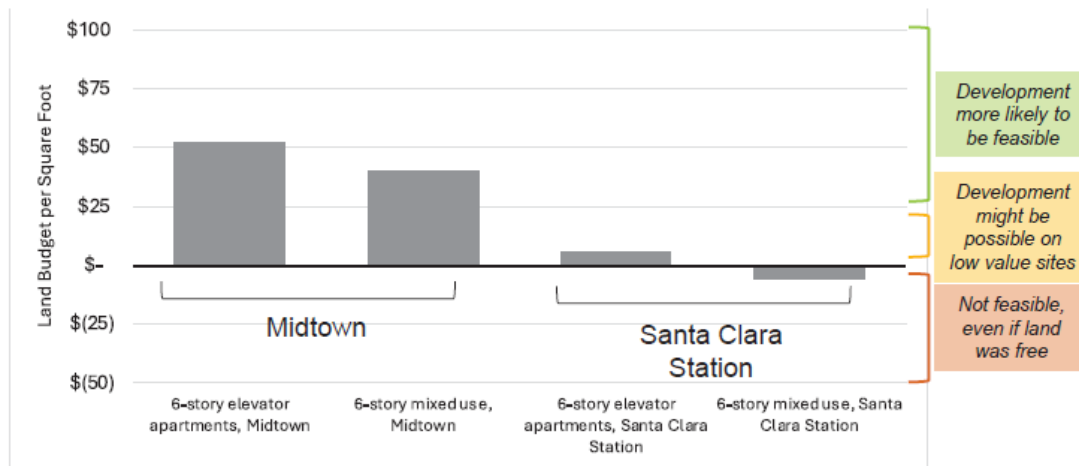


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What makes ground-floor retail feasible?

In both higher- and lower-rent areas in Eugene, ground floor retail decreases feasibility compared to residential only

(Exceptions: if ground floor retail supports higher residential rents, or if ground floor residential units are especially undesirable)

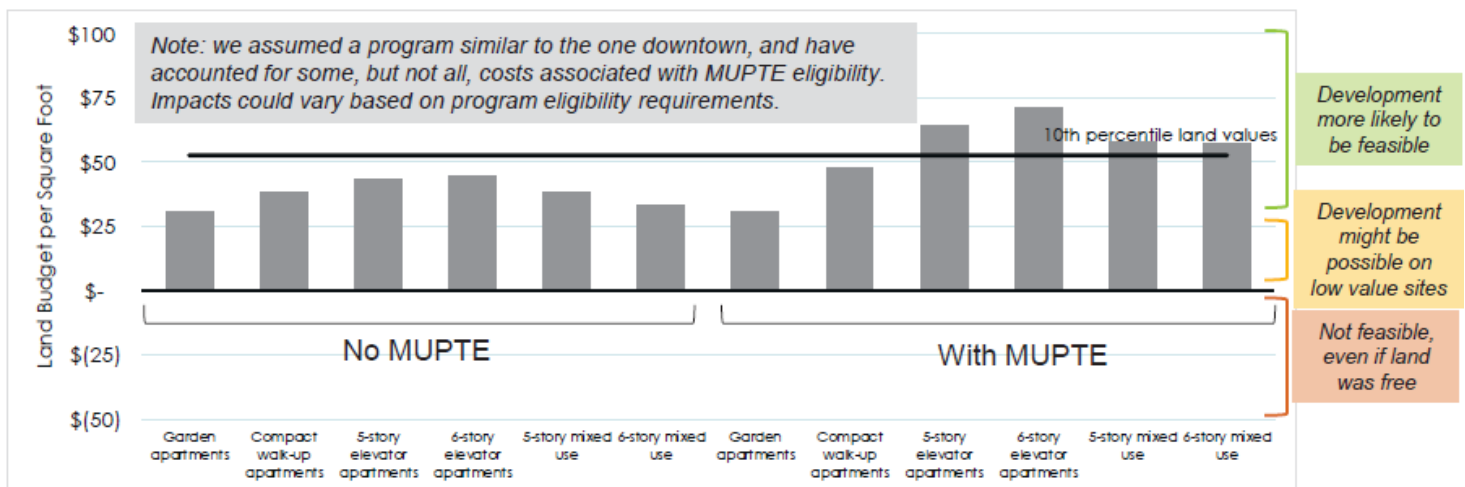


Results shown for two areas as an example





How MUPTE impacts feasibility



Results shown for South Willamette as an example





Which areas are most likely to support higher density & vertical mixed use?

With existing policies

- Greater Downtown
- Lower Coburg Rd / Ferry Street Bridge

With additional incentives

- Midtown
- South Willamette
- Valley River Center





Other areas might have horizontal mixed use redevelopment potential

With existing policies

- Santa Clara station
- Valley River Center

With additional incentives

- 6th / 7th Avenue
- Highway 99

- West 11th





What else might support higher-intensity mixed-use development?

- ▶ Address factors that are making areas less desirable
 - Streetscape improvements / road diets to enhance walkability
 - Amenities (trails, parks)
 - Storefront improvements
 - Support local businesses that draw people to the area
 - Pedestrian / bike connectivity
- ▶ Other financial incentives
 - Vertical Housing Development Zone (VHDZ)
 - SDC reductions





Feasibility Analysis Results

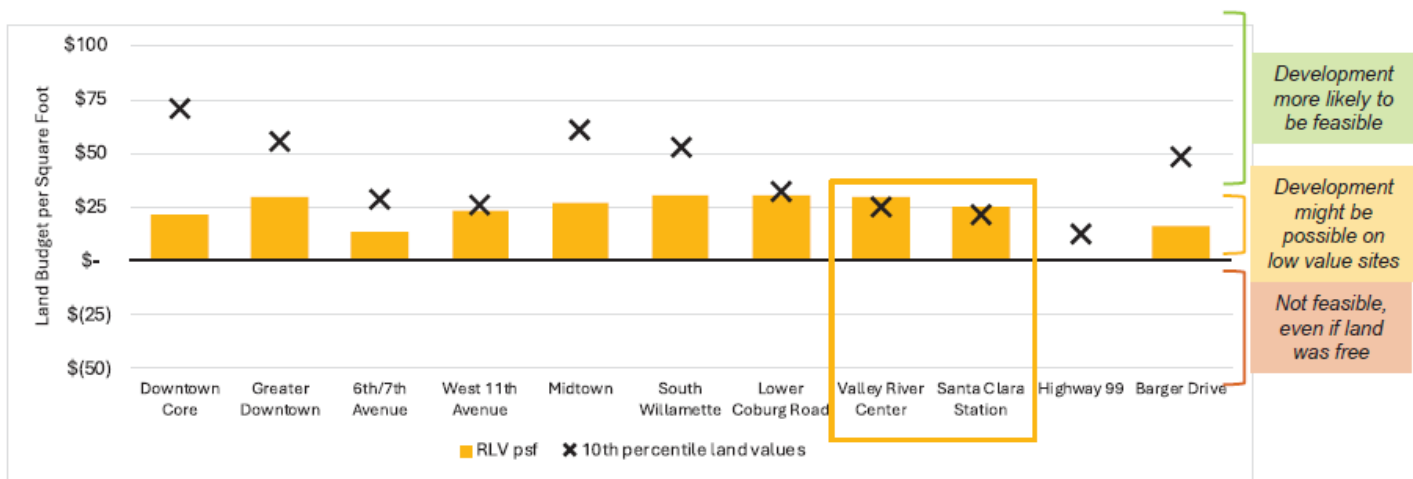
Bonus content: feasibility for each development type by market area

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Garden Apartments

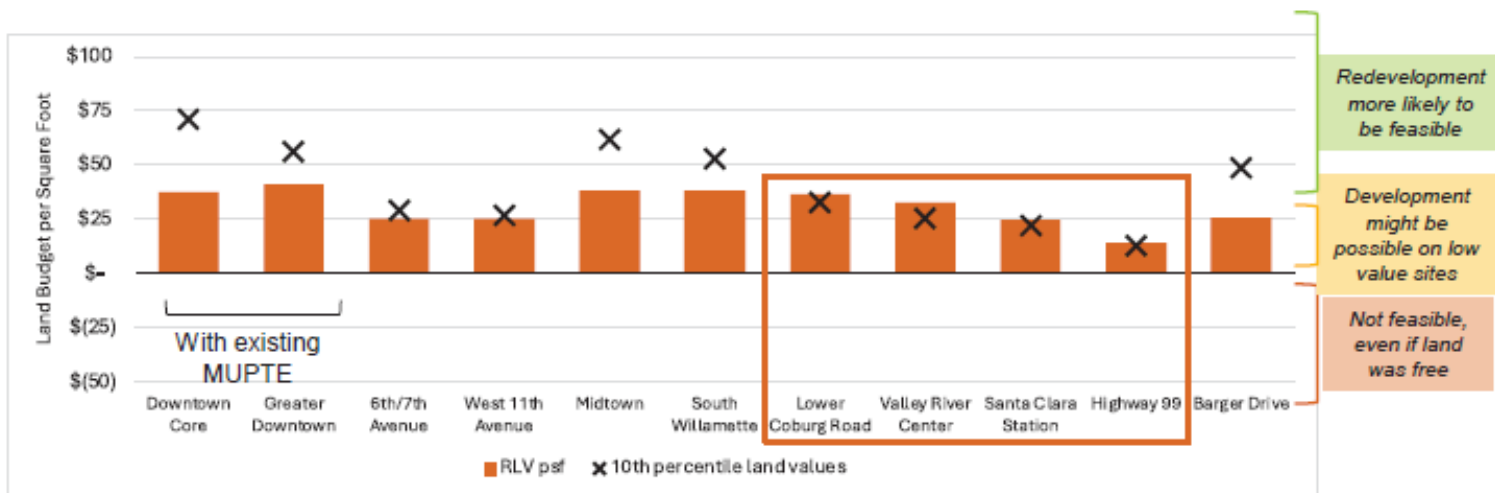


3 stories, ~3.3 acres (min.), ~30 du/ac





Compact Walk-up Apartments



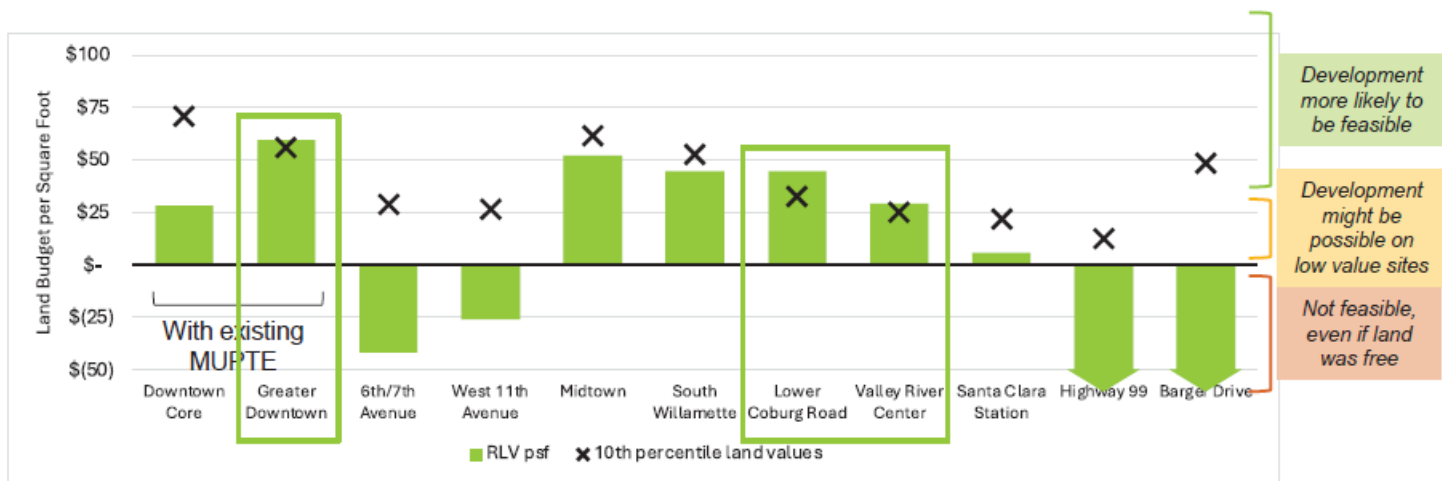
3 stories, ~1 acre (min.), ~45 du/ac





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Elevator Apartments

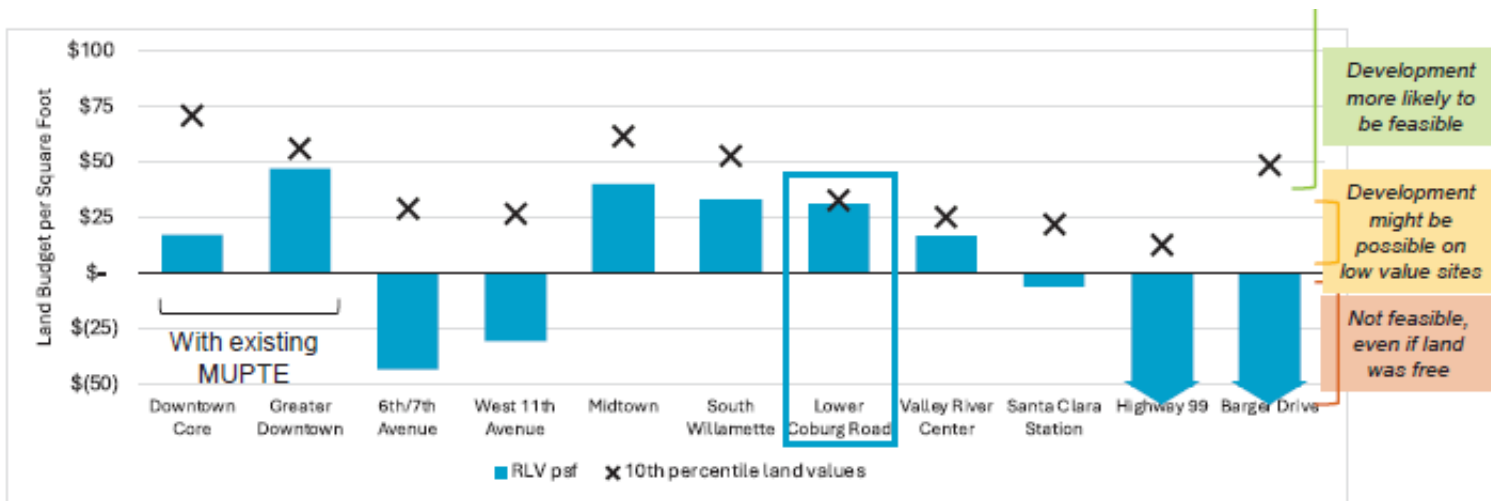


5-6 stories (6 stories shown), ~0.8-1 acre (min.), ~100-120 du/ac





Mixed Use



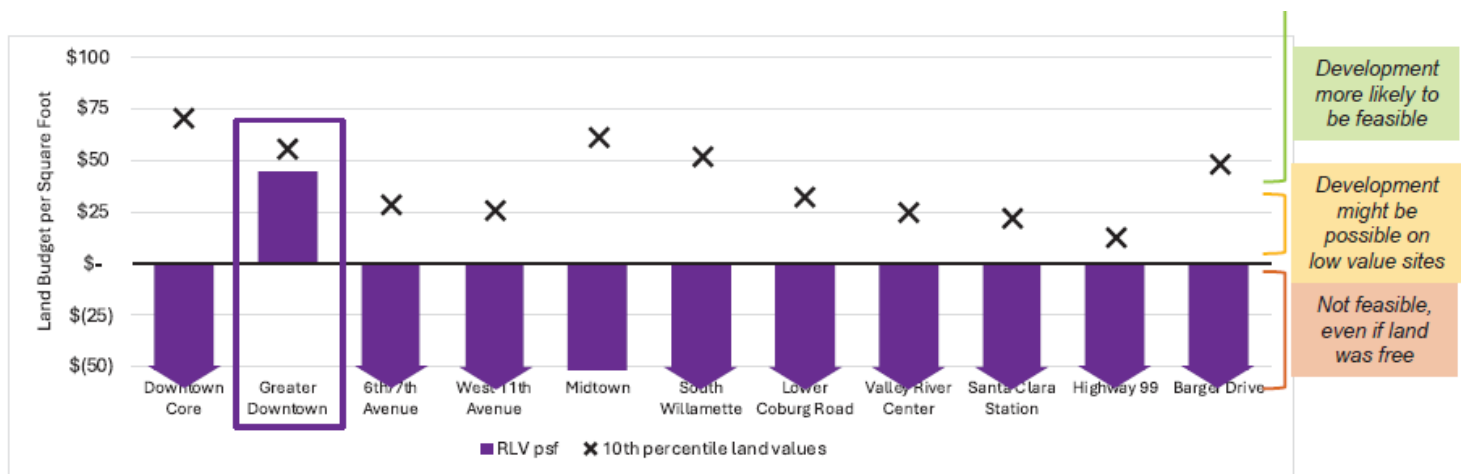
5-7 stories (6 stories shown), ~0.9-1.2 acre (min.), ~90-130 du/ac





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High-rise Student-Oriented Apts.

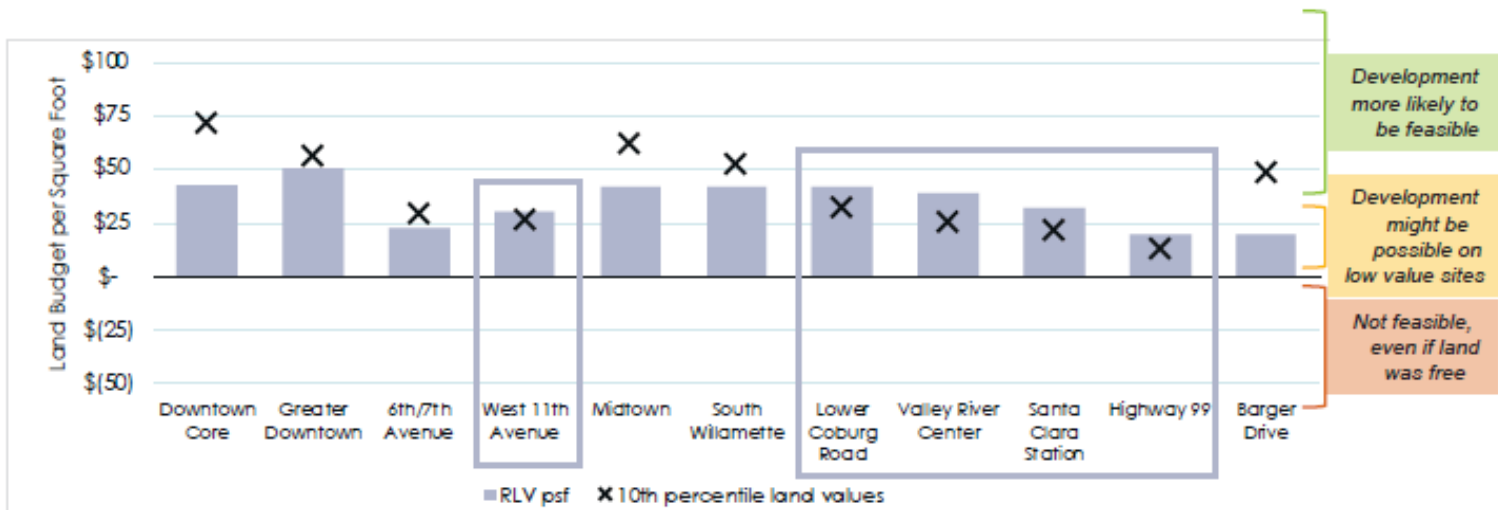


12 stories, ~0.5 acre (min.), ~470 du/ac





Townhouses



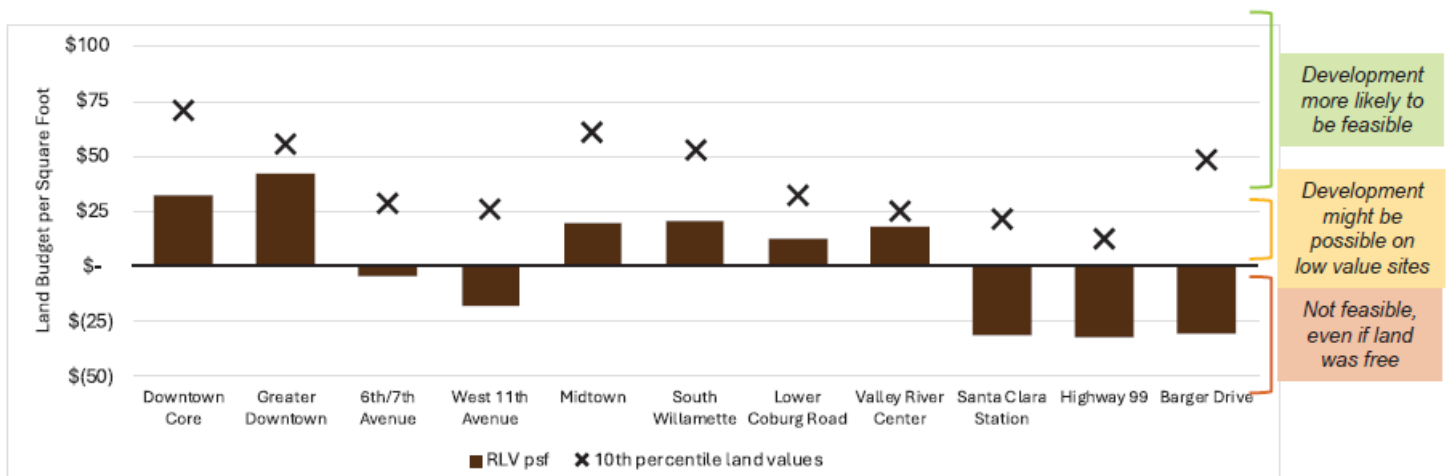
Results shown for smaller infill lots (~ 0.2 acres, 23 dwelling units/ acre); larger developments that require additional infrastructure are less feasible





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Storefront Commercial

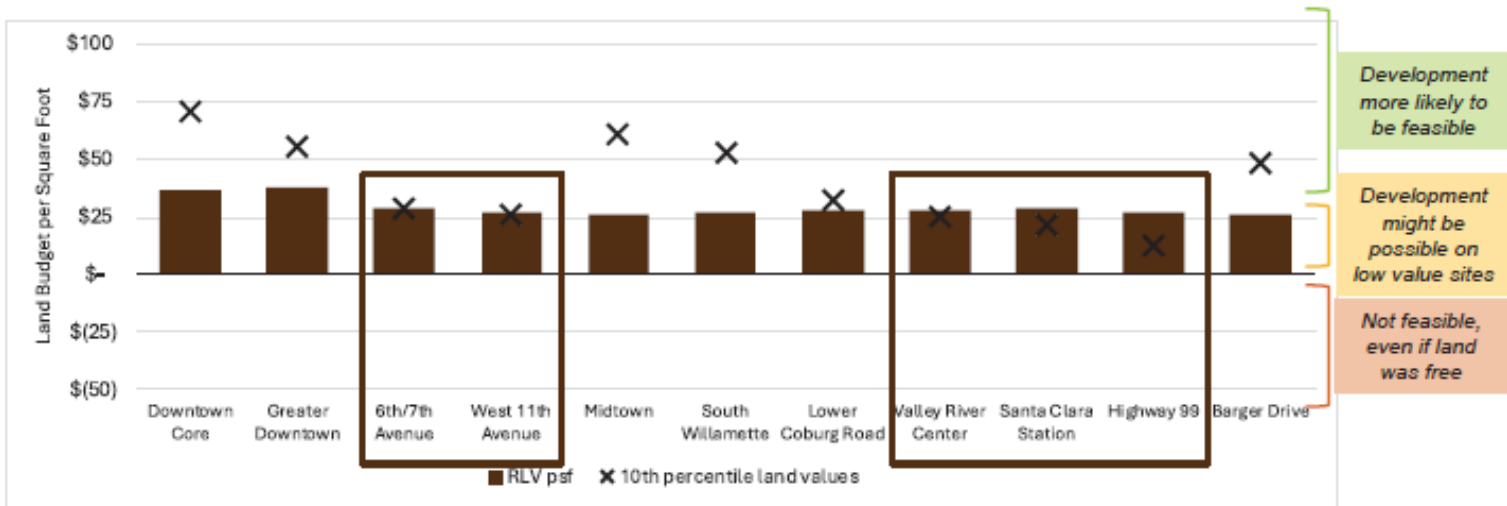


1 story, ~0.07 acre (min.), ~0.8 FAR





Free-standing Commercial



1 story, ~1.25 acre (min.), ~0.4 FAR



Memorandum

Date: August 20, 2024

To: Mayor and City Council

From: Leah Rausch, Senior Planner

Subject: Proposed Climate-Friendly Areas Options

By the end of 2024, the Eugene City Council will be asked to provide direction on where to designate Climate-Friendly Areas. A Climate-Friendly Area (CFA) is intended to be an area where most people can meet their daily needs without relying on a car. CFAs are envisioned as mixed-use centers with jobs, services, and higher density housing, as well as great walking, biking, and transit infrastructure.

The [Envision Eugene Community Vision](#) calls for focusing future growth, particularly higher density housing and investment, in and near mixed-use centers and along key corridors to increase access to essential goods and services for all residents. The Envision Eugene Comprehensive Plan will include policies to advance this concept. Mixed-use centers are intended to provide convenient access to daily needs, such as housing, jobs, groceries, parks, schools, and services. Mixed-use centers also range in size and activity level, from Downtown Eugene to core commercial centers to smaller neighborhood centers. The six key corridors – Highway 99, River Road, Coburg Road, South Willamette, Franklin Boulevard, and West 11th Avenue – are intended to have frequent transit service connecting Downtown to core commercial centers.

Climate-Friendly Areas are a specific type of mixed-use center, required by state law, that are intended to play an important role in reducing dependence on cars, lowering household transportation costs, and decreasing pollution by keeping goods and services close together and near housing. Focusing growth in and around mixed-use centers connected by key corridors supports Eugene becoming an even more thriving, lively, and inclusive city that meets the needs of all its residents.

Summary of Climate-Friendly Areas Options

Outlined below are three potential options for Climate-Friendly Areas designation. These options build on the results of the [2023 Climate-Friendly Areas Study](#) and 2024 redevelopment analysis. These options will continue to be refined based on feedback from public, Planning Commission, and City Council to inform direction on CFA designation.

Option 1: State Minimum Requirements (Option 1: State Minimum Requirements)

- Includes the Downtown Core, Midtown, Fifth Street Market, higher density residential area located roughly south of the railroad to 13th Avenue and west of Kincaid St. to High St., and the Lower Coburg Road area.

Option 2: Most Promising for Redevelopment (Option 2: Most Promising for Redevelopment)

- Option 1 plus the Valley River Center area, South Willamette commercial center, and Santa Clara Station area

Option 3: Requires Additional Investment/Incentives (

Option 3: Require Additional Investment and Incentives

- Options 1 and 2 plus the 6th/7th Corridor and West 11th Corridor. The redevelopment analysis indicates the need for additional investment and financial incentive(s), in addition to CFA designation, for this option to successfully encourage CFA redevelopment.

More detail on each of these options is provided on the following pages.

Designation Timeline

Eugene is required to identify Climate-Friendly Areas by the end of 2024 and adopt the selected areas by the end of 2026. Eugene will integrate Climate-Friendly Areas designation within Urban Growth Strategies for a more cohesive approach to housing and growth management planning. [Urban Growth Strategies](#) will identify the tools, actions, policies, and land needed for the next 20 years to support housing and living wage jobs in Eugene.

To successfully meet these state-mandated deadlines, the following steps are necessary:

Summer 2024: Community Engagement

- Targeted interviews and listening sessions with members of underserved communities and subject-matter experts
- Presentations to City boards, commissions, and neighborhoods, community partner organizations, and a virtual information session for the general public
- Participation in community events and tabling opportunities

Fall 2024: Planning Commission and City Council Work Sessions

- **August 27:** Planning Commission Work Session – Redevelopment analysis, draft options
- **September 11:** City Council Work Session – Redevelopment analysis, draft options
- **October 8:** Planning Commission Work Session – Recommendation on CFAs
- **November 25 (tentative):** City Council Work Session – Direction on CFAs

2025: Technical Work and Preparation of Adoption Package

A preferred CFA option is necessary to inform other elements of the Urban Growth Strategies work, as well as the development of land use code and plan amendments necessary for CFA designation, and to initiate the formal adoption process for the necessary land use regulations.

- Update technical analysis based on preferred option, as directed by state law:
 - Zoned dwelling unit capacity to meet 30% of current and future housing needs
 - Market-feasible, 20-year dwelling unit and commercial capacity estimates for land use efficiency measures
 - Multi-modal transportation gap analysis and highway impact summary
 - Additional technical analysis for areas not included in the CFA Study, as relevant
- Identify parcel-specific boundaries
- Conduct additional targeted community engagement as needed, including resident mailings and notices
- Draft Land Use Code, Comprehensive Plan, Transportation System Plan, and Land Use Designation Map amendments

- Identify housing displacement mitigation strategies, to implement through the Housing Production Strategy

2026: Adoption

Climate-Friendly Areas are proposed to be adopted as a land use efficiency measure in 2026 as a part of Urban Growth Strategies. Adoption will likely include land use code amendments, comprehensive plan amendments, and a new designation overlay.

Option Details and Analysis

This analysis summarizes and refines the [2023 Climate-Friendly Areas Study](#), as well as the results of a 2024 redevelopment analysis. These options are based on a mix of considerations, including the following **state criteria**:

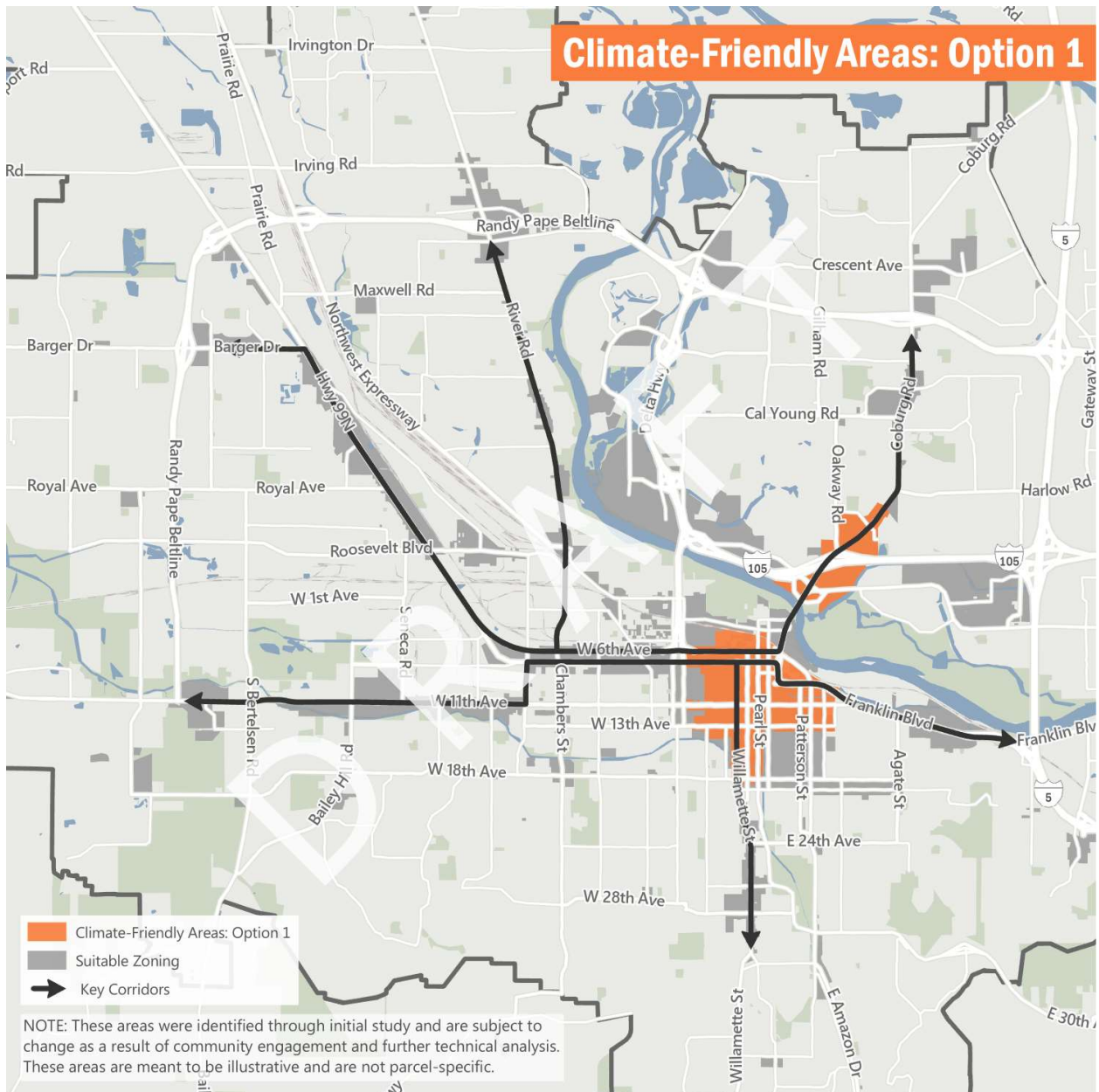
- **Development Regulation Compliance:** Does the area comply, or how easily can it be brought into compliance with the required land use requirements (e.g., development regulations) applicable to CFAs?¹
- **Zoned Dwelling Unit Capacity:** Do the areas collectively consist of enough acres to achieve the zoned residential building and dwelling unit capacity required for CFAs, regardless of current development?
- **High-Density Mixed-Use Areas:** Is the area within or near areas planned for, or provided with, high-density residential uses and a high concentration of employment opportunities?
- **Parks, Open Space, Plazas, or Similar Public Amenities:** Does the area contain, or is it near, sufficient parks and other public amenities? Would it be appropriate to site facilities providing public services within the area?
- **High-Quality Active Transportation and Transit:** Is the area served or planned to be served by high-quality walking and biking facilities and frequent transit service?
- **Served by Adequate Infrastructure:** Can the area's electricity, stormwater, water, and wastewater infrastructure support the land use requirements for CFAs?²
- **Development and Redevelopment Conditions:** Can the area support the residential capacity requirements for CFAs?
- **Housing Displacement Risk:** What is the relative risk of housing displacement of underserved communities, based on demographics and housing market activity within the CFA? How can the City mitigate this displacement risk?³

¹ Eugene must designate at least one "primary" CFA with the most intensive development regulations. Eugene has the option to designate other areas as "secondary" CFAs with less intensive regulations.

² This initial assessment is based on Eugene Water and Electric Board (EWEB) and City staff analysis included in the CFA Study.

³ The CFA Study includes a summary demographic profile and displacement risk analysis for each study area. It is important to note that the study area boundaries and intersecting Census block groups do not align with the proposed CFA Option boundaries, and as such a summary by CFA Option is not provided in this memo. Strategies to mitigate displacement will be included in the City's Housing Production Strategy, planned for adoption in 2026.

Option 1: State Minimum Requirements



To meet the minimum state requirements for CFA designation, the City could designate the existing, contiguous higher density and mixed-use zones in greater downtown Eugene, including the properties zoned C-3 Major Commercial, C-2 Community Commercial, S-F Fifth Avenue Special Area Zone, R-4 High Density Residential north of 13th Avenue, as well as the C-2 on Lower Coburg Road, shown in orange. These are areas that are already performing as high-density, mixed-use areas, and CFA designation would align with existing City policies and priorities to encourage more housing downtown and in other core commercial centers.

Staff do not recommend including other adjacent downtown special area zones, including the Downtown Riverfront, Downtown Westside, or Whiteaker areas, given the land use code amendments that would be required in those areas to comply with CFA development regulations.

Option #1: State Minimum Requirements	
Opportunities	Constraints
Aligns with City priorities for housing downtown	Some land use code and zoning changes needed, specifically in small R-4 High-Density Residential areas and possible re-zoning of some parcels downtown
There are existing (and new) financial incentives for housing in the Downtown Core and urban renewal district	
Primarily developed with higher density and/or mixed-use areas	Concentrates the CFA tool in central areas only
High-quality active transportation facilities and transit service, with the exception of some facilities on Lower Coburg Road	Will likely need to expand CFAs sooner than other options because less housing need is met
Well-served by parks and public amenities	Less development capacity available as a land use efficiency measure

How does Option 1 meet the State CFA Criteria?

Development Regulation Compliance

The C-2, C-3, and S-F zones are highly compliant with CFA development regulations, requiring only minor changes to achieve full compliance. These changes include introducing a minimum residential density of 25 units/net acre, removing the /SR Site Review Overlay Zone and/or /PD Planned Unit Development Overlay Zone where it exists within the Option 1 area (or regulates outright permitted CFA uses), and allowing single-unit attached housing (e.g., townhouses) on C-3 zoned properties within the Option 1 area. The R-4 zone is compliant with CFA standards for building height but would need to be amended to allow for certain, non-auto-oriented CFA uses as well as an increased minimum residential density (from 20 to 25 units/net acre).

Zoned Dwelling Unit Capacity

These areas are zoned to accommodate approximately 35% of the City's current and future housing need, based on the **draft** housing need for Eugene.⁴

High-Density, Mixed-Use Area

Option 1 includes many existing areas of high-density mixed-use – with Downtown ranking #1 and Lower Coburg Road ranking #2 in the CFA Study for consistency with this criterion. Downtown is currently developed as mixed-use with high-density housing scattered throughout, including in the R-4 areas between the University of Oregon and Downtown. The Downtown Core also has a high employment density of nearly 86 employees/net acre. Lower Coburg Road is a vibrant core commercial center with a high employment density (about 42 employees/net acre) with adjacent office development along Country Club Road (about 63 employees/net acre) connecting this area to

⁴⁴ CFAs are required to be zoned to accommodate 30% of current and future housing need. This memo uses a draft estimate of Eugene's future housing need, based on the Regional Housing Needs Analysis. Eugene's official housing need will be allocated through the Oregon Housing Needs Analysis by January 1, 2025 and adopted as a part of the Housing Capacity Analysis.

Valley River Center. The area provides convenient access to goods and services for much of the surrounding low density residential area.

Parks, Open Space, Plazas, or Similar Public Amenities

Downtown ranked #1 in the CFA Study for consistency with this criterion. Within Downtown, there are several small parks, plazas, and similar public spaces. The area is adjacent to large regional amenities, including Alton Baker Park, the Downtown Riverfront Park, the Willamette River, University of Oregon, and Amazon Park. Eugene Parks and Open Space staff noted that Downtown is currently underserved, as parts of the area are not within a half-mile walking distance of a playground. This gap is expected to be addressed through planned improvements to the Downtown Park Blocks and expansion of the Downtown Riverfront Park. This area is unique in that it is home to many public facilities, including the Eugene Public Library downtown branch, Lane Transit District's (LTD) Eugene Station, City and County office buildings, courthouses/municipal court, and more. Lower Coburg Road has similar access to the Willamette River and Alton Baker Park, as well as two neighborhood parks.

High-Quality Active Transportation

Downtown ranked #1 in the CFA Study for consistency with this criterion.

Biking and Walking: Downtown Eugene generally features high-quality active transportation facilities. Some of these facilities include two-way cycle tracks and protected bike lanes. Lower Coburg Road is served by active transportation facilities, but they are not adequate to make this area comfortable or safe for people walking and biking. There are currently shared use paths on both sides of the Ferry Street Bridge crossing the Willamette River, continuing to I-105/Oakway Road where they transition to bike lanes and sidewalks on either side of Coburg Road.

Transit: Downtown Eugene is served by all local transit routes as well as EmX bus rapid transit. Additionally, Franklin Boulevard and the 6th/7th Avenue corridor are served by EmX. MovingAhead, a transit study by LTD and City of Eugene, identified a high-level vision for where enhanced corridor investments could go on Coburg Road, including enhanced bicycle and pedestrian infrastructure and design elements such as queue jumps that will help buses get through traffic. LTD is beginning the development of a Long Range Mobility Plan that may support more frequent transit in and along key corridors, including Coburg Road. LTD is also working to implement short-term service changes to improve frequency on Lower Coburg Road.

Driving: There are several major arterials that pass through Downtown and Lower Coburg Road, including the 6th/7th Avenue corridor, Coburg Road (and the I-105 entrance ramp), and Broadway/Franklin Boulevard/OR Highway 126.

Future Improvements: Franklin Boulevard is scheduled for major improvements to support more safe and comfortable walking, biking, and transit. Eugene's Transportation Planning staff has secured grant funding for a future multi-modal corridor study for Lower Coburg Road. A section of Coburg Road and all of Oakway Road are planned for protected bike lanes in Eugene's 2035 Transportation System Plan.

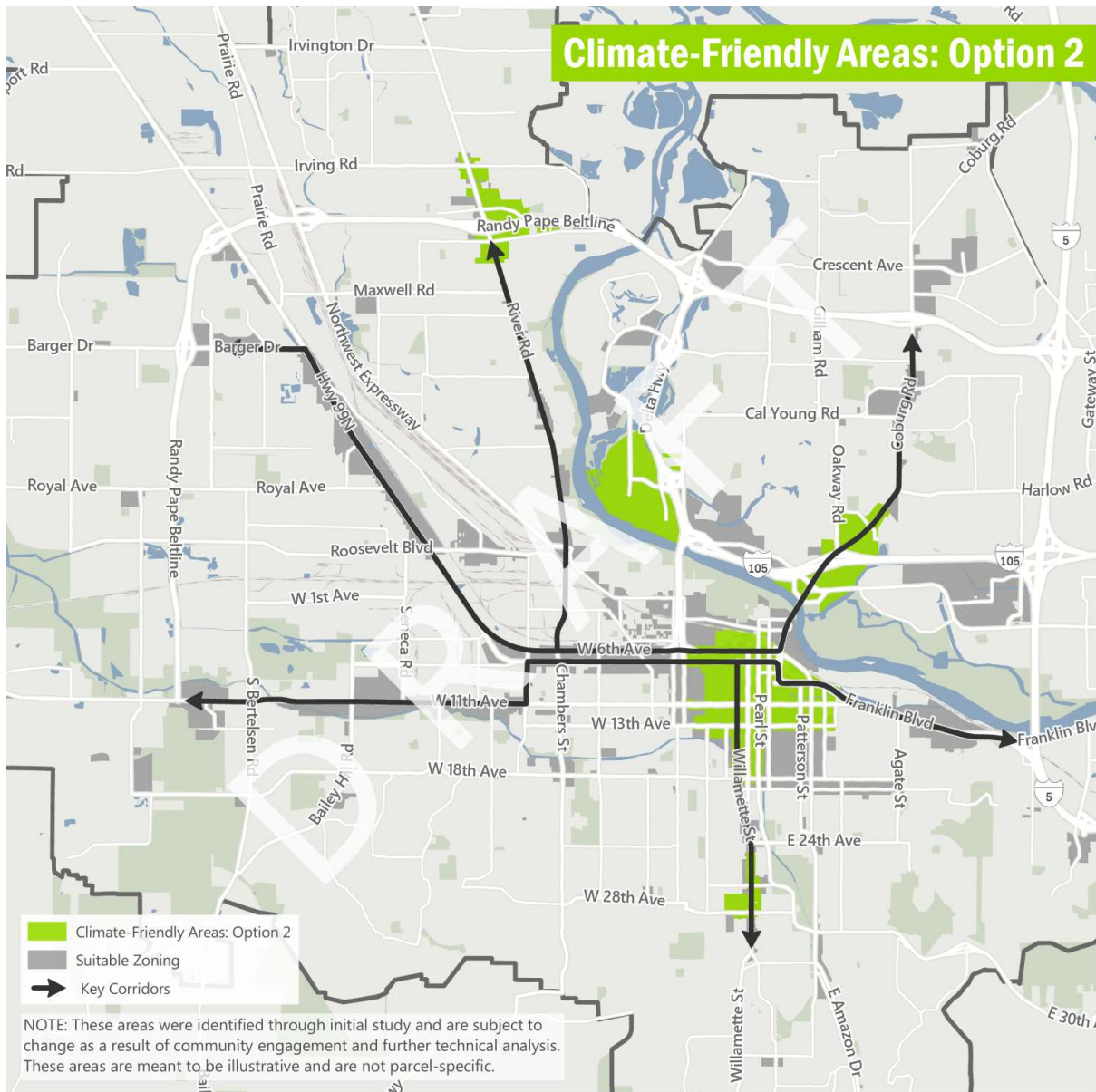
Served by Adequate Infrastructure

EWEB and the City's infrastructure planning staff did not note any concerns about possible increased development in these areas.

Development and Redevelopment Conditions

Greater Downtown (C-2 areas outside of the Downtown Core), Midtown, and Lower Coburg Road are most likely to support higher density and vertical mixed-use development, as shown by the results of the 2024 redevelopment analysis. The Downtown Core continues to face challenges to redevelopment, but the City's Downtown Core Housing Initiative, including an Accelerated Multiple Unit Property Tax Exemption (MUPTE), City Fee Assistance, and property acquisition and disposition, should improve this potential.

Option 2: Most Promising for Redevelopment



In addition to Downtown, Midtown, and Lower Coburg Road, the City could designate as CFAs promising core commercial centers that have existing or potential for additional higher density, mixed-use development. These additional promising core commercial areas are all zoned C-2 Community Commercial and include the Valley River Center area, commercial zoned areas along South Willamette, and the Santa Clara Station area. This option would expand the citywide reach of the CFA tool with minimal zoning and land use code changes.

The Valley River Center area was not analyzed in the CFA Study; it was initially excluded because there is no existing high-frequency transit service to the area. The Valley River Center area was included in the redevelopment analysis because it has been a local area of interest for many years given its expansive, underutilized surface parking.

Option #2: Most Promising for Redevelopment	
Opportunities	Constraints
Additional areas are existing commercial centers which are highly compliant with CFA criteria	Some core commercial centers may still face challenges to redevelopment without additional investment and incentives
Well-served by parks and public amenities	Active transportation facilities and transit service need improvements
Extends the CFA tool to more parts of the city, reducing the need to revisit designation soon	Valley River Center requires additional analysis, as it was not included in the CFA Study
Includes core commercial centers along several key corridors targeted for transit improvements (River Road and Lower Coburg Road)	Santa Clara Station areas would need to be a Secondary CFA to maintain existing building height restrictions

How does Option 2 meet the State CFA Criteria?

Development Regulation Compliance

See Option 1 for more details on compliance. All additional areas in this option are zoned C-2 Community Commercial and are highly compliant with CFA development regulations. Implemented as a part of the River Road Santa Clara Neighborhood Planning effort, C-2 zoned land in the Santa Clara Station area has lower allowable building heights than C-2 zoned land in the remainder of the city. These restrictions could be retained if the area is designated a 'secondary' CFA. This would allow the option to reduce the minimum required residential density to 15 units/net acre and maximum building height of no less than 50 feet (rather than 25 units/net acre and a maximum building height of no less than 85 feet as required in primary CFAs).

Zoned Dwelling Unit Capacity

These areas are zoned to accommodate at least 45% of current and future housing need, based on the **draft** housing need for Eugene. This estimate does not include the Valley River Center area, which would only increase this estimate of zoned capacity.

High-Density, Mixed-Use Area

The additional areas in this option are developed as commercial centers, typically serving nearby low and medium density residential areas. Valley River Center is a regional shopping center and the Santa Clara Station area has a mix of large lot and strip commercial developments.

Parks, Open Space, Plazas, or Similar Public Amenities

South Willamette ranked #2 in the CFA Study for consistency with this criterion. South Willamette is adjacent to Amazon Park, a large regional park with a full suite of recreational facilities and natural areas, as well as South Eugene High School, Roosevelt Middle School, and various playing fields. The Santa Clara Station area is adjacent to several parks and public amenities, including the Willamette River Greenway, a surplus property adjacent to LTD's Santa Clara Station with potential for a neighborhood park, North Eugene High School with plans for a youth sports facility, and an undeveloped neighborhood park. The Valley River Center area was not fully evaluated as a part of the CFA Study but is adjacent to the Willamette River Greenway.

High-Quality Active Transportation

South Willamette ranked #2 in the CFA Study for consistency with this criterion.

Biking and Walking: Willamette Street has newly improved bike lanes and sidewalks, but many commercial driveways increase the potential for conflict between people driving and those walking or biking. 29th Avenue also has bike lanes on either side, with fewer commercial access points and providing a facility to both Amazon Park and adjacent residential areas. Amazon Park has a shared use path providing access to key regional destinations as well as South Eugene High School. There is also a shared use path through Civic Park (youth sports complex) that connects to South Eugene High School. The Santa Clara Station area is not currently well served by safe and comfortable active transportation facilities. Both the Santa Clara Station and Valley River Center areas connect to the Riverbank Path System along the Willamette River, providing biking and walking access to regional key destinations. While there are bike lanes and sidewalks on both sides of River Road, the major arterial features high volumes of fast-moving car traffic and many driveways, increasing the potential for conflict between people driving and those walking or biking. The City is currently constructing the first protected intersection at River Road and Hunsaker Lane, which will improve safety for people walking and biking.

Transit: MovingAhead, a study by LTD and City of Eugene, identified a high-level vision for where enhanced corridor investments could go on River Road, including enhanced bicycle and pedestrian infrastructure and design elements such as queue jumps that will help buses get through traffic. The Valley River Center area has transit, but not frequent service (4 times/hour during peak hours). LTD is considering service improvements to re-align the transit stops around Valley River Center to increase efficiency and frequency. The Long Range Mobility Plan may consider further changes.

Driving: Willamette Street is a three-lane cross section, which is narrower than some of the other transit corridors (e.g., Highway 99, West 11th Avenue). Santa Clara Station straddles River Road and Beltline Highway, and Valley River Center is bound by Delta Highway, all major arterials.

Future Improvements: The City is working to secure funding for a proposed River Road Multimodal Corridor Plan to support critical safety and mobility improvements, as well as implement enhanced transit service. Protected bike lanes are planned for the southern portion of River Road, and a bike lane is planned for Hunsaker Lane, as is an extension of the shared use West Bank Path connecting Santa Clara to the rest of the Riverbank Path System. Additionally, the City plans to build a series of three roundabouts on Division Avenue from River Road to the east along with safer bike lanes and pedestrian crossings. The Eugene 2035 TSP identifies additional projects to improve walking and biking connects on Valley River Way, but those projects have not yet been funded for construction.

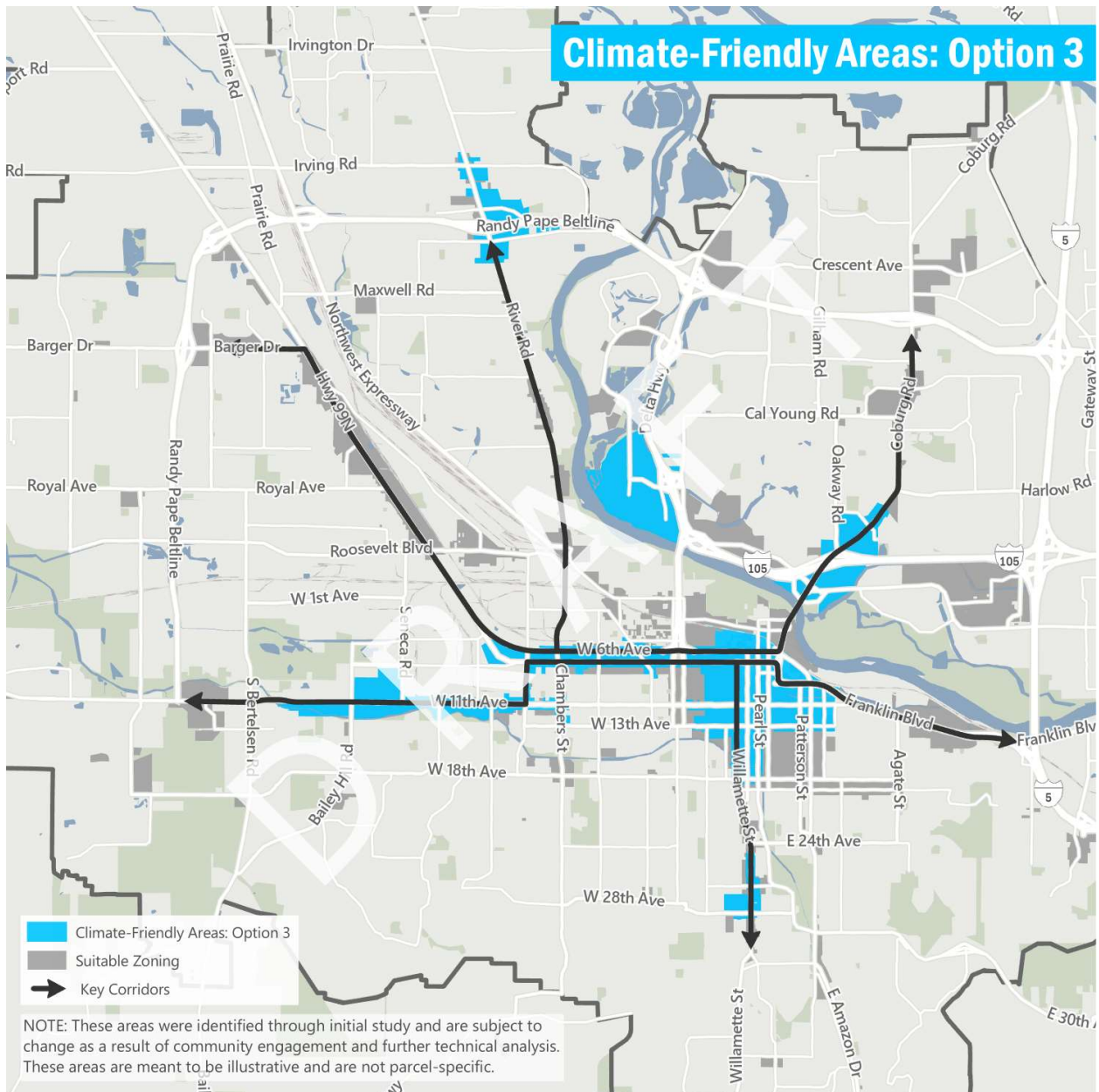
Served by Adequate Infrastructure

EWEB and the City's infrastructure planning staff did not note any concerns about possible increased development in the areas included in the CFA Study.

Development and Redevelopment Conditions

The Valley River Center and Santa Clara Station areas could support some higher density residential uses, such as townhouses and compact walk-up apartments, especially with additional financial incentives. South Willamette may need additional incentives to encourage redevelopment given higher property values, but through community engagement, this area is considered a high opportunity area for additional mixed-use development, reflecting the area's high ranking for consistency with other CFA criteria.

Option 3: Require Additional Investment and Incentives



In addition to the areas identified in Options 1 and 2, the City could choose to designate as CFAs certain transit corridors that may have potential for higher density, mixed-use development. These areas, including the 6th/7th Avenue Corridor and West 11th Avenue Corridor, would require additional investment and financial incentives to ensure the corridors are walkable, comfortable, and have the market conditions to support redevelopment. Incentives and/or future investments will not be determined as a part of CFA designation but could be explored or implemented through other Urban Growth Strategies work.

Option #3: Needing Investment and Incentives	
Opportunities	Constraints
Additional areas are existing commercial centers which are highly compliant with CFA criteria	Additional strip commercial corridors face challenges to redevelopment without additional investment and incentives
Extends the CFA tool to more parts of the city, reducing the need to revisit soon	Additional areas are primarily auto-oriented corridors; walking and biking facilities need significant improvements
Aligns with community engagement supporting improvements in these areas, especially the 6 th /7 th Avenue Corridor	Additional areas would not support dense vertical mixed-use redevelopment under current conditions
Corridors are well-served by frequent transit	

How does Option 3 meet the State CFA Criteria?

Development Regulation Compliance

All additional areas in this option are zoned C-2 Community Commercial and highly compliant with CFA development regulations.

Zoned Dwelling Unit Capacity

These areas are zoned to accommodate at least 60% of current and future housing need, based on the **draft** housing need for Eugene. This estimate does not include Valley River Center, which would only increase this estimate of zoned capacity.

High-Density, Mixed-Use Area

The additional corridors are zoned for commercial uses and are primarily developed as auto-oriented commercial areas, although residential uses are allowed. The additional corridors are adjacent to some non-CFA compliant lands, including industrial areas.

Parks, Open Space, Plazas, or Similar Public Amenities

The 6th/7th Avenue Corridor is adjacent to Downtown, and benefits from many of the public amenities described in Option 1. Additionally, Washington Jefferson Park is within the corridor, and there are several nearby neighborhood parks. The West 11th Avenue Corridor is bounded to the south by Amazon Creek and the Fern Ridge Path. The shared use path is adjacent to several small parks and open spaces, including Berkley Park and Gudukut Natural Area Park. To the northwest is Bertelson Nature Park. The 34.5-acre natural area is co-owned and managed by the City of Eugene and Bureau of Land Management. There are two nearby parks - Martin Luther King Jr. Park and Mattie Reynolds Park, of which the latter is currently undeveloped. This 5-acre site will be developed as a "Neighborhood Park Plus" with construction expected to be completed in 2025.

High-Quality Active Transportation

Walking and Biking: Both corridors are characterized by auto-oriented road design. The West Eugene EmX project made improvements along both corridors to improve walking and biking access to frequent transit, including rebuilding sidewalks, improving the streetscape, building new accessways and pedestrian and bicycle bridges to connect the transit corridor with Fern Ridge path, improving street lighting, and building new transit stations. Despite recent investments, these corridors would need additional investment to provide a safe and comfortable facility for people walking and biking. There are no bike lanes on West 11th Avenue, but there are several existing or

planned on the north-south connectors to the Fern Ridge Path, including Garfield (planned), Seneca Road, and Bailey Hill Road.

Transit: Both corridors are served by EmX bus rapid transit.

Driving: Both corridors are characterized by auto-oriented commercial and industrial uses. The major arterial sections feature high volumes of fast-moving car traffic and many commercial driveways, increasing the potential for conflict between people driving and those walking or taking transit.

Future Improvements: There are a few small, planned improvements for sidewalk infill identified in the Eugene 2035 TSP, as well as an undercrossing improvement for Fern Ridge Path and West 11th that has been funded through the City's Streets Bond.

Served by Adequate Infrastructure

EWEB and the City's infrastructure planning staff did not note any concerns about possible increased development in the areas included in the CFA Study.

Development and Redevelopment Conditions

Both corridors would require significant investment to address current market conditions and support future, CFA-like redevelopment. According to the redevelopment analysis, both corridors could support horizontal mixed-use development and compact, walk-up apartments with the application of a meaningful financial incentive, but not dense vertical mixed-use development.

Other Options

The three options outlined above provide an efficient approach to meeting the state's CFA requirements and align with current development regulations and City plans and priorities. Planning Commission and City Council could change the options as proposed by staff to include additional areas or remove areas. Any areas not included in the CFA Study (i.e., those without existing frequent transit and/or zoned for higher density) would require additional technical analysis. Any proposed option would still be required to meet the 30% minimum zoned capacity for current and future housing need.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Wildfire and Medical Services Update

Meeting Date: September 11, 2024
Department: Eugene Springfield Fire
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Deputy Chief Chris Heppel
Contact Telephone Number: 541-682-7103

ISSUE STATEMENT

Eugene Springfield Fire (ESF) has been working toward standing up a number of alternate response options as part of Emergency Medical Services which would allow greater flexibility to meet a need with a variety of different resources. During this presentation, staff will discuss current Wildfire status in the region and how ESF has been part of the efforts. No action will be required of the council on this presentation, it is informational only.

BACKGROUND

Over the last 10 years, ESF has been changing how department resources are used to meet community needs. ESF has created partnerships with private ambulance companies for specific calls. The department added Basic Life Support (BLS) medics to supplement Advanced Life Support (ALS) service. The addition of BLS medics provide more capacity for ALS medics to respond to calls requiring an elevated level of care. ESF created single role medic positions which are non-fire fighter medics that work solely on ambulances. The innovative approaches provide capacity to respond to approximately 43,000 medical calls per year.

The Crisis Assistance Helping Out On The Streets (CAHOOTS) contract, for mobile crisis response, shifted to the department last year, ESF staff worked closely with CAHOOTS to develop a new contract focused on addressing community needs and service gaps.

The diversification of new service initiatives improved ESF's ability to align response with growing community needs.

PREVIOUS COUNCIL DIRECTION

None.

RELATED CITY POLICIES

The steps ESF is taking around Alternate Response and Wildfire suppression directly relate to the City's 2023-2026 Strategic Plan Goal **Urgent Community Needs - Increase Sense of Safety** as

September 11, 2024 Work Session – Item 2

well as **Communication and Outreach – Improve Community Awareness and Understanding of Priority Topics.**

COUNCIL OPTIONS

Information Only.

CITY MANAGER’S RECOMMENDATION

None.

SUGGESTED MOTION

None.

ATTACHMENTS

None.

FOR MORE INFORMATION

Staff Contact: Chris Heppel, Deputy Chief of Medical and Event Services

Telephone: 541-682-7103

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