MINUTES

Eugene City Council
McNutt Room—City Hall
777 Pearl Street—Eugene, Oregon

May 25, 2011
Noon

COUNCILORS PRESENT: Betty Taylor, George Brown, Andrea Ortiz, George Poling, Mike Clark, Chris Pryor, Alan Zelenka, Pat Farr.

Her Honor Mayor Kitty Piercy called the May 25, 2011, work session of the Eugene City Council to order. She recognized Mr. Zelenka.

> Mr. Zelenka, seconded by Ms. Taylor, moved to reconsider the council's Monday night [May 23, 2011] vote on the ordinance for the Crest Drive assessments.

Mr. Zelenka explained that without six affirmative votes in support of the ordinance, the City would accrue an additional 30 days of interest expense.

> The motion passed unanimously, 8:0.

The following motion from May 23 was placed back on the table:

> Councilor Taylor, seconded by Councilor Brown, moved to adopt Council Bill 5045, an ordinance levying assessments for paving and constructing curbs, sidewalks, medians, street lights, stormwater drainage, and water quality facilities on Crest Drive from Blanton Road to Lincoln Street, Storey Boulevard from Crest Drive to Lorane Highway, and Friendly Street from Lorane Highway to 28th Avenue; and providing an immediate effective date.

Mr. Farr continued to object to the ordinance because of concerns about equitability.

Mr. Zelenka confirmed with City Engineer Mark Schoening that those who qualified for the subsidy met the City's income test.

> The motion passed, 6:2; Mr. Clark and Mr. Farr voting no.

A. WORK SESSION: Envision Eugene

City Manager Jon Ruiz introduced Shawn Boles and Richard Duncan of the Community Resource Group (CRG). Planning Director Lisa Gardner and Metropolitan Community Planning Manager Carolyn Weiss were also present for the item.

Ms. Gardner reviewed revisions recommended to the Seven Pillars of Envision Eugene as a result of input received from the council and public. She asked the council to take action to adopt the revisions. Ms. Gardner solicited questions.

Mr. Clark recalled the Eugene Comprehensive Lands Assessment (ECLA) indicated that 1,800 acres of residential land were needed to ensure a 20-year supply. That meant the City had to expand the UGB, change the Land Use Code so growth could be accommodated within the UGB, or a combination of the two approaches. Ms. Gardner concurred. Ms. Weiss pointed out the number mentioned by Mr. Clark was based on past development patterns. The CRG's Technical Resource Group (TRG) was examining the capacity that existed on partially vacant land existing inside the city as well as some of the assumptions underlying the number, which she believed would reduce the needed acreage.

Mr. Clark said Strategy 1 of the Climate & Energy pillar called for an increasing proportion of residents to live in 20-minute neighborhoods. He recalled discussing with the Sustainability Commission the possibility that development outside the UGB would largely be mixed use, which implied that land for supporting commercial uses would be needed. Strategy 1 of the Economic Opportunities pillar called for meeting all the community's commercial acreage needs inside the UGB. Mr. Clark asked how those strategies could be reconciled. Ms. Weiss said Strategy 1 of the Economic Opportunities pillar included a note stating the strategy did not preclude the designation of small amounts of commercial land within areas that expand to accommodate other uses. "Small" had not yet been defined. Ms. Weiss said the strategy was intended to convey that commercial land would not be the impetus for a UGB expansion; however, if the UGB was expanded for other uses, it made sense to include commercial acreage to serve those uses.

Mr. Clark endorsed the revision to modify the "Protect, repair, and enhance neighborhood livability" pillar to include mention of the River Road-Santa Clara Transition Plan. He recalled that the council accepted, rather than adopted, the plan, and asked how staff interpreted that action. He pointed out that if the council were to accept all the recommendations in the transition plan, an action which he supported, it could potentially increase the amount of land needed outside the UGB. Mr. Clark was unclear about what the word "mention" meant, and pointed out the River Road/Santa Clara residents had expressed their desire for the plan goals to be codified. Ms. Weiss said the neighborhood associations had indicated interest in having two specific goals in the transition plan referenced in the pillars so they could be recognized as a starting point for the area refinement planning effort.

Mr. Brown questioned whether the City had sufficient evidence to warrant expansion of the UGB for industrial use. He suggested there was a natural limitation on industrial growth in Eugene created by a community desire to preserve wetlands and farmlands. He did not think the proposed number of acres to be added was fully vetted. Ms. Gardner indicated the number was recommended by a subgroup of the CRG tasked to work on economic development and was based on the size and diversity of the businesses that the community wished to attract. She also recalled the public testimony in support of the number. Ms. Gardner emphasized that any expansion would occur within the framework of State and local policies.

Mr. Brown was not comfortable including the number in the document because the council had not discussed the issue sufficiently. He also expressed concern about expanding the UGB for housing development because it was his understanding there was sufficient residential land inside the UGB to address future demand. Ms. Gardner said staff was not asking the council to make a decision about any of the recommendations now, but was sharing a vision prepared with broad community outreach that appeared to represent a majority position on the CRG. Ms. Weiss said staff would return in July with information about potential expansion areas, which could help inform the council's discussion about the needed amount.

Mayor Piercy pointed out to Mr. Brown that staff was presenting the work of the CRG and the results of community input to the council. The council would make the final decisions about the plan.

Mr. Zelenka shared Mr. Brown's concerns and suggested that the document be revised to reflect that "up to" 400-500 acres would be needed. He agreed that more council discussion was needed before it made such a bold policy statement. Mr. Zelenka also wanted to hear more about the proposed revision related to UGB expansion for housing development. He thought Mr. Clark made a good point about the need for supporting commercial development but questioned the relationship of that expansion to the commercial lands inventory, as he interpreted such an action as creating an immediate surplus of commercial land.

Mr. Zelenka said the reference to "energy price uncertainty" in Strategy 3 of the Climate & Energy pillar was more appropriately phrased as "energy price volatility and variability." In addition, the phrasing of the strategy made it appear that it referred to climate change uncertainty. Mr. Zelenka said climate change was certain and the City had done considerable work on the topic. He asked for the text to be revised and indicated that otherwise he would have a difficult time supporting the other revisions.

Mayor Piercy reiterated her previous point about the fact the council was reviewing the work of the CRG and the public, and until the council reached a decision point she believed the text needed to be sufficiently inclusive to accommodate those points of view. However, she believed that it would be appropriate to use the phrase "up to" as suggested by Mr. Zelenka. Mr. Clark pointed out that the CRG had also discussed a larger number. Mayor Piercy indicated she was attempting to reach a compromise position.

Mr. Farr advocated against revising the document at this point.

Responding to a question from Mr. Farr, Mr. Duncan described the methodology being used by the TRG to determine the capacity that existed in the form of large lots currently developed with a single-family house. That included an examination of all lots over three acres in size using aerial maps. It was possible the TRG would recommend that the City include some of that acreage in the inventory of residential land. Mr. Farr pointed out that many property owners would not develop their land beyond its current status. He wanted assurance that what was identified as available land inside the UGB was really available, and did not just look available. Mr. Duncan indicated that the TRG was also working to determine why lots were partially developed. Mr. Farr pointed out that some people owned large lots because they did not want a close-by neighbor.

Speaking to the concerns voiced by Mr. Brown and Mr. Zelenka, Ms. Gardner recommended that the council postpone action at this time. The staff would continue to dialogue with the community and would return to the council periodically to share that input. She reiterated the mayor's point that the final framework would be established by the council.

Mr. Pryor suggested the discomfort felt by councilors was based on the fact people were trying to gauge their intentions. He agreed that the council did not need to act at this time.

Mr. Clark advised Planning Division staff to ensure that it realistically managed the expectations of River Road/Santa Clara residents. He believed those residents wanted the transition plan to be codified so it had "teeth" to protect neighborhood livability. That was different from including the goals in the plan and hoping they were achieved.

Mr. Clark expressed concern that the percentage shift in the mix of single-family and multi-family would result in leapfrog sprawl. He called for more conversation about that topic.

Mr. Zelenka wanted staff to clarify the text related to industrial lands to highlight that no decision had been made about the needed acreage. He did not think people understood the draft nature of the document and feared that such "bold statements" would take on a life of their own.

Ms. Gardner requested that the council initiate a code amendment process to address infill compatibility standards with an initial focus on multi-family development standards, to establish a flexible review process to facilitate opportunity siting, and to remove barriers to mixed-use development that exist in the current code. She reminded the council that the code amendments represented a long-standing list of proposals supported by the Infill Compatibility Standards and Opportunity Siting task teams and the neighborhood associations.

Mr. Brown wanted to see a more specific list of proposed code changes. He supported moving forward with the code amendments related to opportunity siting and the infill compatibility standards but requested more information about the barriers to mixed-use development and flexible review process mentioned by Ms. Gardner. Ms. Gardner envisioned a flexible adjustment process that included neighborhood input and provided for a way to allow good, sustainable projects that might not precisely fit the parameters of the code.

Speaking to Mr. Brown's question regarding barriers to mixed use, Ms. Gardner acknowledged the City's past work in removing barriers to mixed use in downtown and said there were other areas of the code where such barriers continued to exist. Ms. Harding cited removal of the requirement for ground floor commercial development in C-2 zones as an example.

Mr. Pryor indicated support for the staff request as a way to "get the ball rolling."

Ms. Taylor agreed that the requirement for commercial development on ground floors in the C-2 zone was problematic. She agreed with Mr. Zelenka's remarks about people's understanding of the nature of the document and emphasized she was not prepared to vote on its contents at this time. She supported moving forward immediately with the code amendments related to infill compatibility.

Ms. Ortiz indicated support for the proposed revisions to the Seven Pillars of Envision Eugene. Speaking to the projected need for industrial land, Ms. Ortiz said her ward needed jobs and it would require a large industrial employer to provide them. The industry did not need to be heavy industrial and she suggested it could be green industry. She also supported the initiation of the code amendments, saying they were a long time coming.

Mr. Poling also supported the revisions to the Seven Pillars. He suggested the last bullet under the pillar "Provide for adaptable, flexible, and collaborative implementation" could be revised to read "Revise language to include phased development approach to making urban growth boundary expansions areas available for housing development, *if needed.*"

Speaking in regard to the proposed recommendation to add industrial acreage, Mr. Poling recalled testimony suggesting that more than 400 acres were needed and recommended that the number be left out entirely to avoid being too limiting or over-reaching.

Ms. Weiss moved on to the subject of the housing mix. She reported that the City anticipated a demand for 15,000 homes in Eugene over the next 20 years, and the question facing the community was how many would be provided in the form of single-family homes and how many would be provided through multi-family development. The TRG had examined the housing need and mix. The TRG did not plan to forward a recommendation on the needed acreage because it believed the decision was ultimately a policy

decision, not a technical decision, but was committed to providing the council with data to inform its decision.

TRG members Mr. Boles and Mr. Duncan then presented a housing mix comparison focused on what the TRG considered the extremes of the range: 60:40 single-family/multi-family and 40:60 single-family/multi-family. Mr. Boles asked the council to consider which end of the range was more compatible with the Seven Pillars and reminded the council that because of the phased implementation approach, it would have an opportunity to revisit its decision.

Ms. Gardner then briefly discussed the proposed phased implementation approach, saying it was meant to address the uncertainty of the future and provide the City with flexibility and adaptability. She anticipated staff would share more information about the proposed approach at a future meeting.

Mr. Clark endorsed the phased implementation approach, saying it allowed the City to see how the plan worked in "real time." Speaking to housing mix, Mr. Clark recalled that the council received testimony suggesting that the information provided by the consultant EcoNorthwest did not represent the range well. He did not find that the underlying data provided much clarity on the range, and he requested more information about the data and methodology used by EcoNorthwest.

> Ms. Taylor, seconded by Mr. Brown, moved to direct the City Manager to initiate code amendments related to infill compatibility standards, opportunity siting, and mixed use development.
>
> Mr. Poling, seconded by Mr. Clark, moved to amend the motion to add the phrase "as recommended by staff."

Mr. Poling suggested that at this time, staff knew more about the process and what the council needed to see next. He was more comfortable initiating the process using staff's recommendations, pointing out they could be changed by the council at a later time.

> The amendment passed, 7:1; Ms. Taylor voting no.
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> The amended motion passed unanimously, 8:0.

Mayor Piercy adjourned the work session at 1:26 p.m.

Respectfully submitted,

Beth Forrest

Beth Forrest
City Recorder

(Recorded by Kimberly Young)