MINUTES

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

April 13, 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 April 13, 2011, work session of the Eugene City Council to order.

A. ACTION:
Adoption of an Ordinance Concerning Low-Income Housing Property Tax Exemption and Amending Sections 2.916, 2.920, 2.939, and 2.940 of the Eugene Code, 1971

Adoption of Resolution 5028 Adopting Amended Standards and Guidelines for Processing Low-Income Rental Housing Property Tax Exemption Applications

City Manager Jon Ruiz reminded the council that it held a public hearing on the item on April 11.

Ms. Taylor, seconded by Mr. Brown, moved to adopt an ordinance concerning low-income property tax exemptions and amending sections 2.916, 2.920, 2.939, and 2.940 of the Eugene Code, 1971. The motion passed unanimously, 8:0.

Ms. Taylor, seconded by Mr. Brown, moved to adopt Resolution 5028 adopting amended standards and guidelines for processing low-income housing property tax exemption provision. The motion passed unanimously, 8:0.

B. WORK SESSION:
Civic Stadium

City Manager Ruiz and Assistant City Manager Sarah Medary were present for the item.

Mayor Piercy reported on the work of the Civic Stadium Committee, a committee charged by the council to explore a possible public/private/nonprofit collaboration for the repair/repurposing of Civic Stadium and redevelopment of the stadium site. The committee met on April 8 and brought together the respondents to 4J School District's Request for Proposals (RFP) for the redevelopment of the Civic Stadium site (Save Civic Stadium, Master Development LLC, and the YMCA), Mr. Zelenka, Mr. Brown, and members of the Friendly Area Neighbors. Those present discussed the proposals and ideas for combining them. Representatives of the YMCA and Masters Development indicated they were willing to have further discussions to talk if the City was willing to supply funding.

Mr. Clark determined from Mr. Brown that the presentation the council was about to see originated with Mr. Brown, Mr. Zelenka, and the Save Civic Stadium (SCS) organization. Mr. Brown said the other two respondents to the RFP declined to propose further ideas.

Mr. Clark recalled that at the time the council voted to form the committee, he stated it was inappropriate for the council to weigh in on the side of one proposal and short-circuit the school district process. Mr. Zelenka said that neither he nor Mr. Brown nor the mayor intended to short-circuit the process. They had asked the district if it would be willing to hear from the City and the district had agreed as long as the City remained within the process timeframe, which was extended to June 1. The district indicated that any proposal could be revised until the last minute. Mr. Zelenka said the committee meeting was an attempt to find out if the other respondents were willing to revise their proposals and join in with the City of Eugene; only SCS was willing to do so.

Mr. Clark summarized the presentation as Mr. Brown and Mr. Zelenka's recommendation on how the City could intervene on the side of SCS and revise its proposal. Mr. Zelenka concurred.

In response to process concerns expressed by Mr. Poling and Mr. Clark, Mr. Zelenka said the council was not being asked to make any decisions at this time. He was asking it to hear the preliminary proposal, discuss it, and consider the City's participation.

Mr. Brown and Mr. Zelenka then provided a PowerPoint presentation entitled "Reinventing Civic Stadium" that posited a scenario by which the stadium was preserved as a sports complex and community gathering place that supported a professional soccer team. Under "Plan A" the City acted as the property leaser/owner, financial guarantor, development facilitator, and facility manager/event programmer; under "Plan B" the City purchased the site from the school district using money from the Parks and Open Space Bond.

Tim Holt, President of the United Soccer Leagues (USL), joined the council via speakerphone. He discussed the history of the USL, the number of leagues the USL operated and their locations, and his conviction a professional soccer team could be successfully located in Eugene. He answered councilors' questions about the USL and the logistics and timing of locating a soccer team in Eugene. Mayor Piercy thanked Mr. Holt for his input.

Mayor Piercy solicited council comments and questions.

Ms. Taylor supported the proposal, which she termed amazing work. She thanked Mr. Zelenka and Mr. Brown. She believed the City would be performing a big service to the community if it could realize the proposal.

Mr. Clark understood that the YMCA did not want to participate in the proposal, but its participation was mentioned in the presentation as a possibility. Mr. Zelenka said he and Mr. Brown had met with Dave Perez of the YMCA and learned that Mr. Perez wished to continue on with the YMCA's response to the RFP. If the district was to select the SCS proposal, there would be sufficient space left on the property to give the YMCA the right of first refusal.

Mr. Clark asked what specific role Mr. Zelenka and Mr. Brown envisioned for the City. He also asked how the use of park bonds affected the development of the Santa Clara community park. Mr. Zelenka acknowledged many details remained to be worked out about the City's role. He said the funding would be taken from the money set aside to purchase neighborhood parks. The expenditure would not affect the development of the Santa Clara community park.

Responding to a question from Mr. Clark about possible investors in the nonprofit organization that would operate the soccer team, Mr. Zelenka said there was some interest on the part of the Jacqua family, in particular Nate Jacqua, who played soccer professionally for the Seattle Sounders, as well as on the part of other local investors.

Mr. Clark expressed appreciation for the work done by Mr. Zelenka and Mr. Brown. He continued to be concerned that the proposal short-circuited the legitimacy of the district's process. Mr. Clark was also concerned about the impact of the proposal on the community's commercial land supply, specifically on the commercial acreage near the core, in light of the City's identified need for an additional 400 acres of such land.

Mr. Brown reminded the council that the Civic Stadium property was purchased with the intent that it be used in perpetuity for recreation. He acknowledged that the courts had ruled the district could determine the property's future. He did not think there was anything in the proposal that precluded some commercial development on the site.

Ms. Ortiz asked if staff time would be required to move forward with the proposal. Mr. Zelenka did not think the time involved was significant. City Manager Ruiz added the time spent would depend on the level of detail requested by the council. He wanted staff analysis of the financial impact of the proposal on the City before the district made its decision.

In light of the manager's remarks, Ms. Ortiz expressed concern about spending time and money on an effort that was unforeseen and unbudgeted. She wanted to know the cost of the process so she could share it with constituents when asked. City Manager Ruiz agreed to return with information about what it would require for the City to move forward with the proposal. Ms. Ortiz said she was willing to let the process continue for the sake of the work that had been done and because of community interest.

Mr. Farr believed the community could support a soccer team, but suggested that issue was tangential to the decision before the council. He said the district would decide the fate of the stadium and he did not think it was the council's place to weigh in on the decision.

Mr. Poling agreed with Mr. Farr. If the council was to move forward, he wanted to see full presentations from the other RFP respondents. Mr. Poling pointed out that the community had been discussing the future of Civic Stadium for years and all the parties involved had plenty of opportunity to get their ideas and financing in place. He thanked Mr. Zelenka and Mr. Brown for the work they had done.

Mayor Piercy thought the proposal needed to have the support of the City for the district to be able to take it seriously. She believed that required the council to signal support to the district for some type of public investment. Failure to act would also convey a message.

Mr. Clark said the fate of Civic Stadium was important to the community and he recalled his own unsuccessful efforts to preserve the stadium. However, he was concerned that the City's late-hour action could have negative and unintended consequences that could result in no development at all. He asked City Manager Ruiz to identify any potential negative consequences that resulted from City support of the proposal in his follow-up work.

Mr. Zelenka emphasized that he and Mr. Brown proposed to work within the existing process and timeline. He did not believe the other proposals would be lost. He suggested a public hearing be scheduled on April 25. He asked for council support to proceed.

Mr. Pryor agreed with Mr. Farr. He appreciated Mr. Zelenka's remarks that the City's involvement would not impede the process or timeline and the manager's remarks about the need to know the impact of that involvement. He was cautiously interested but did not want the other proposals to suffer from the City's involvement.

Mr. Brown said he initially requested a work session on the topic in December 2010 with the expressed goal of trying to save Civic Stadium. Since then SCS' planning for the stadium had moved forward, although not all things were in place. They needed more time to complete a plan that made sense and could be accepted by the district. Mr. Brown requested another work session on the subject.

Mayor Piercy polled the council for its willingness to hold another work session on the issue subject and to sponsor a town hall.

City Manager Ruiz recommended any work session be scheduled in May. He reminded the council that the staff currently working on the budget and the school income tax was also the staff that would be asked to provide analysis of the Civic Stadium issue.

Ms. Ortiz emphasized the importance of ensuring that funding was available for the Santa Clara community park.

Ms. Taylor said Civic Stadium was publicly owned and many citizens wished to preserve it, which was paramount to her. The council should be looking out for their long-term interests. She saw nothing wrong with hindering a process she considered wrong.

Mr. Clark reiterated his position in regard to the Santa Clara community park, reminding the council that it had promised Santa Clara residents such a park in 1998. He also questioned the impact of the issue on the council's timeline for completion of the Envision Eugene process, recalling that initially it was scheduled to be completed in February 2011.

Mayor Piercy assured Mr. Clark that work sessions were scheduled for Envision Eugene.

Mr. Farr, Ms. Ortiz, Ms. Taylor, and Mr. Pryor did not object to holding another work session and a town hall.

Mr. Clark objected to a work session unless he could see a scope of work first.

Mr. Poling also objected to an additional work session. He expressed concern about the impact of the proposal on staff. Mr. Poling believed that any additional work session should include a presentation on the proposals of all three respondents so the council could do side-by-side comparisons.

Ms. Ortiz supported Mr. Poling's request. Mr. Zelenka concurred. Ms. Taylor objected to the request.

Mr. Zelenka indicated support for a scope of work, which he envisioned would include an evaluation of the *pro forma* and business plan and better definition of the City's role. He reiterated his earlier point about the source of City funding that would underwrite the proposal, saying it would not be taken from the money intended for the community park.

Mr. Brown saw no point in hearing from the other RFP respondents both because the council was familiar with them and because neither preserved the stadium, which was the point of his efforts. However, he did not object to short presentations.

Mayor Piercy adjourned the work session at 1:30 p.m.

Respectfully submitted,

Beth Forrest

Beth Forrest
City Recorder

(Recorded by Kimberly Young)