

MINUTES

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

March 16, 2011
Noon

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

COUNCILORS ABSENT: Betty Taylor.

Her Honor Mayor Kitty Piercy called the March 16, 2011, work session of the Eugene City Council to order.

A. WORK SESSION: City Hall

City Manager Jon Ruiz introduced the item. He reminded the council of past discussions of a new city hall and said staff had prepared a fiscally responsible way to move forward on the project. Motions reflecting the staff recommendations related to the item were included in the council Agenda Item Summary (AIS).

Central Services Department Director Kristi Hammitt thanked Mr. Otto Poticha and the students of the 2010 University of Oregon Department of Architecture 2010 Fall Design Studio, who had shared their work about city hall with the council prior to the work session.

Ms. Hammitt said past discussions about a new city hall had resulted in proposals for projects that were too large in scope and too costly to afford. She proposed that the City pursue what she termed a “small series of solutions” toward achieving its objective. The approach would allow the City to move forward with a phased project funded by money already set aside to address deficiencies in the existing City Hall.

Facilities Design & Construction Manager Mike Penwell noted the relocation of public safety functions from City Hall to seismically safer facilities, which made planning for the relocation of other employees working in City Hall more feasible. In addition, the Eugene Water & Electric Board (EWEB) planned to discontinue the provision of steam heat to the facility, spurring the need for action.

Speaking to suggestions that the current EWEB administrative facility could serve as a new city hall, Mr. Penwell said the purchase, while less expensive than constructing a new city hall, was still too expensive and staff believed the current location of City Hall was more appropriate. The City already owned the site and a full-block site could be redeveloped incrementally. He requested council direction.

Mayor Piercy expressed appreciation for the proposed approach. She believed it was doable. She felt a responsibility toward the City employees who work in City Hall and to visitors to the facility because of the area’s susceptibility to seismic events. The cessation of steam power was another incentive. She solicited councilors’ questions and comments.

Responding to questions from Mr. Poling, Mr. Penwell said that EWEB planned to stop steam service in June 2012; the cost of converting the boilers in City Hall was about \$500,000; and the cost of a full building renovation was \$30 million to \$50 million.

Mr. Poling supported a phased approach. It demonstrated that the council was being a good steward of public funds. The proposal also helped the City meet its commitment to leased downtown space. He favored a new city hall that was attractive, economical, and efficient to use and wanted the City to consolidate as many functions as possible in the new facility. Due to the staff analysis, he did not think it would be wise to pursue the EWEB option. He believed that the EWEB site could be redeveloped into something more useful to the community.

Mr. Brown also favored the existing site. He did not support the EWEB site because it was outside of downtown and difficult to access. While he liked the idea of renovating the existing building, he supported the staff recommendation. Mr. Brown asked the square footage requirements of the departments that moved out, if they could all be accommodated in the Bennett project, what departments would move back to the new building, their space requirements, and the size of the new city hall. City Manager Ruiz indicated staff would provide that information when planning commenced.

Responding to a question from Mr. Brown, Mr. Poticha estimated the design studio proposals for renovating City Hall would cost \$30 million to \$40 million to construct. Mr. Penwell said soft costs would add an additional 35 percent.

Mr. Brown determined from Ms. Hammitt that \$6 million remained in the Facility Reserve, and staff proposed to return with a financing plan that identified other one-time funding sources.

Mr. Brown asked about the potential of federal grants for seismic retrofitting of City Hall or construction of a new facility. Mr. Penwell said the City watched out for such opportunities. The City had received one such grant to seismically retrofit a fire station and had applied for another grant to help with the costs of retrofitting the new police headquarters.

Mr. Clark thanked staff for its hard work and good analysis. He recognized he did not have adequate council support for acquisition of the EWEB site, but based on his conversations with residents and the EWEB commissioners, he believed there was more community support for the site than councilors realized. He did not think the City should give up on the option.

Mr. Pryor did not think the EWEB site was a bad idea and might have been a great idea at another time. He thought the current site was simply better. He emphasized the importance of certainty that there would be a new city hall to ensure staff did not remain in temporary space forever. He also wanted to have more conversation about the vision produced by the design studio. Mr. Pryor thought that the full square block on which City Hall was now located, already owned by the City, was the most viable option. He wanted to see the best city hall that was reasonable and prudent built on the site.

Ms. Ortiz appreciated Mr. Poticha's presentation but she was not supportive of a renovated City Hall. She pointed out that things change and past approaches to office space had been discarded in favor of greener spaces that lent themselves to employee collaboration. She was excited about the possibility of a new building that allowed City employees from different services to work together.

Mr. Farr acknowledged the resource that the University of Oregon and its students were to the community, and he thanked the design studio students.

Mr. Farr supported the manager's recommendation. He agreed with Mr. Clark that the EWEB site was viable. It had adequate meeting space and could serve the entire community, in contrast to City Hall.

Mayor Piercy hoped the City used construction materials that could be maintained to look nice given the challenge of maintaining the existing City Hall façade. She also hoped to capture some of the architectural features of the existing building in a new city hall.

Mr. Zelenka joined the meeting via speakerphone. He indicated support for the City Manager's recommendation.

Mayor Piercy suggested the construction of a new city hall could provide other federal grant opportunities and hoped that staff worked with the City's lobbying firm to identify those.

Speaking to the question of phasing, Mr. Poling suggested that the courts, Council Chamber, and City Manager's Office should be the first functions moved out of City Hall and the first functions returned to a new facility. He wanted the City to have accessible, easy-to-find facilities.

Mr. Clark observed that several councilors had expressed liking for the EWEB site. Ms. Ortiz preferred to see the EWEB site redeveloped with housing, commercial development, and some public open space along the river. She wanted to see the site generate some tax revenue. Mayor Piercy said she liked the EWEB site and wanted it to remain in its current use because of its accessibility to the public.

Mr. Zelenka did not support the EWEB site.

Mr. Brown, seconded by Mr. Poling, moved to direct the City Manager to develop and implement a transition plan for moving all remaining City services out of City Hall by June 30, 2012, and to develop a phased approach to building a new city hall at the current site using existing resources. The motion passed, 6:1; Mr. Clark voting no.

Mr. Brown, seconded by Mr. Poling, moved to direct the City Manager to return with a funding plan for the project. The motion passed unanimously, 7:0.

**B. WORK SESSION:
Civic Stadium**

Assistant City Manager Sarah Medary was present for the item. She reminded the council of 4J School District's intent to dispose of Civic Stadium. The district had issued a request for proposals (RFP) that had three responses. She reviewed the responses, which included a proposal from Save Civic Stadium to preserve the grandstand and redevelop the site into a multi-purpose sports venue; a proposal from the Eugene YMCA to redevelop the site for a new YMCA facility and off-campus student housing; and a proposal from Master Development, LLC and Powell Development Company to redevelop the site as mixed-use development that included stores, restaurants, and apartments. A district staff committee had reviewed and ranked the proposals; the highest ranked proposal was for a mixed-use proposal that included an anchor store. The school board of directors would review the proposals later in the day, with a decision anticipated in May 2011.

Mayor Piercy recalled that the City had attempted to become involved in the discussion of the ultimate fate of Civic Stadium earlier without success. She was very sympathetic to the funding needs of the

district, which hoped to sell the property, but also hoped to satisfy the community's desires and sought some convergence of the two.

Mr. Brown said he was horrified and heartsick at the idea of Civic Stadium being torn down, particularly because the community had already lost so much of its architectural heritage. He reported that the Friendly Area Neighbors had voted, with one abstention, to direct the City to purchase the property and lease it to the Save Civic Stadium and perhaps the YMCA. The residents in the neighborhood around the stadium overwhelmingly desired its preservation.

Mr. Brown said he had reviewed park acreage for each ward and found that Ward 1 had the lowest amount of park space by a significant factor. He believed that Civic Stadium could make up that lack.

Mr. Clark also supported the preservation of Civic Stadium. He said the issue was not just about money but about community as well. However, he believed that challenging economic times meant the council needed to consider cost. He asked Mr. Brown what would happen after the committee proposed in his suggested motion was formed. He posited that the outcome could be a plan that required City funding. Mr. Clark pointed out that the council had referred a ballot measure establishing an income tax for schools to the voters, and he feared they would perceive the income tax as a means to buy the stadium.

Ms. Ortiz honored Civic Stadium for what it was but questioned "what dogs we have in the fight" since the City lacked the money to purchase it or maintain it. She said the school district needed the money that the property would realize and she did not want to stand in the way of that.

Speaking to Mr. Brown's remarks about parkland, Ms. Ortiz said it would be interesting to see how parkland acreage could be made equitable across wards.

Responding to a question from Mayor Piercy, City Attorney Glenn Klein said the City did not have the right of first refusal for Civic Stadium.

Mr. Poling observed that when one deducted metropolitan parks from the total, that left only 68 acres of parks in Ward 4.

Mr. Poling agreed with Mr. Clark and Ms. Ortiz. He thought that City interference in the district's business at this point would be counter-productive. He suggested that any subcommittee formed should include representatives of all respondents to the RFP. He thought all three responses represented good proposals and the board would make the best decision, taking into account factors other than money.

Mr. Zelenka suggested the issue was about the City's heritage and history. He believed Civic Stadium was valuable to the community and he did not like any of the options that eliminated the stadium. He preferred that the City buy the site using public funds and donations and invite the YMCA and Save Civic Stadium to collaborate on a redevelopment plan. He supported Mr. Brown's proposed motion, pointing out that it did not commit the City to anything.

Mr. Farr believed the council needed to consider the future and what it left behind. He did not want to see Civic Stadium demolished. He did not think the City was interfering unduly because the Envision Eugene process encompassed issues such as transportation and zoning. He determined from Assistant City Manager Medary that the stadium property was zoned Public Land and was not included in the City's inventory of commercial lands. Mr. Farr thought it incumbent for the City Council to weigh in on the disposition of the property and ensure that whatever happened fit into the vision represented by Envision Eugene.

Mr. Pryor believed that the district and City had common interests but there was also an issue of authority. The council did not have authority over the stadium property. The council could express interest in the disposition of the property but could not tell the school district what to do with it. He urged a thoughtful approach based on what the council believed what the long-term goal for the property should be. While he was willing to discuss that topic with the board, he would stop short of trying to exercise any authoritative role.

Mr. Pryor pointed out to Mr. Brown that geographically, Ward 1 was much smaller than Ward 8, but had 76 acres of parks in the neighborhood and community category while Ward 8 had 29 acres of such parks.

Mr. Brown acknowledged the City had no legal authority but he believed it had moral authority. He cited a strategy under the Pillar 5 of the Envision Eugene process, "Protect, Repair, and Enhance Neighborhood Livability," which read "Recognize the value that that historic properties contribute to community character and livability, and work to preserve those properties." He said the statement reflected the intent of his proposed motion. Mr. Brown believed the stadium was a "gem." He reiterated that the motion did not commit the City to the purchase or lease of the stadium and did not tell the district what to do. However, he did not think the district wanted to act against the will of the community. Mr. Brown said the outcome of the proposed process was not a given as there were many interests involved. He wanted to preserve the stadium for future generations.

Mr. Clark questioned the fairness of the proposed process to those who responded to the RFP. He said he could support a reworded motion that established a council committee to look at all the potential options. He suggested one option might be a trade of the City-owned golf course for the stadium.

Mr. Farr pointed out the City had a form of authority in the matter in that it had to approve any zone change from Public Land to facilitate commercial development on the site. He supported the motion Mr. Brown had prepared and hoped other councilors would support a reworded motion that eliminated concerns about the authority issue. He wanted any site redevelopment to occur deliberately.

Ms. Ortiz said she was willing to support the motion if the district reopened the RFP process. Otherwise, she did not think such a process would be fair to those who responded to the RFP on time. If the district was not willing to do so, she feared the process would be a waste of staff time. She agreed with Mr. Poling about the composition of the proposed committee.

Mr. Zelenka supported everything that had been said in support of Mr. Brown's proposal. He did not perceive the motion as usurping the district's authority but said he could support a reworded motion that would garner more council support. He offered to participate on any committee formed to develop a counterproposal to the proposals that did not preserve the stadium.

Mr. Pryor appreciated Mr. Farr's remarks about the City's authority over zoning. He also believed that Ms. Ortiz raised good points. He would be concerned if the committee process interfered with the board's decision-making process, and suggested that the motion be restated as a request to the district. He supported City involvement in the question of the disposition of the property but preferred that occurred in collaboration with the district. He was reluctant to create a committee now without knowing more about how it fit into the district's process.

Mr. Brown believed that the district would welcome the City's input, particularly after the City Council had proposed a school income tax. He did not think the district would see the motion as hostile.

Speaking to the composition of the committee, Mr. Brown preferred that it include people who wanted to save the stadium.

Mr. Brown believed the City should use funds from the Parks and Open Space Bond to purchase the property. He acknowledged there was no money to operate or maintain the facility.

Mr. Brown said that times were tight but they were also tight in 1938 when the community came together to construct Civic Stadium. He believed that the community could come together again in support of the stadium but not if the stadium was demolished.

Mr. Clark said 4J had a process that people went through in good faith. He was not comfortable asking the district and the other two respondents to the RFP to abandon that process and embark on a new one. He said perhaps a council committee could add wisdom to the decision on behalf of the community.

Ms. Ortiz indicated she could support allowing Mr. Brown to ask the board about its willingness to participate in such a process. If the board was not willing to do so, she thought the council needed to let the matter drop.

Mr. Brown, seconded by Mr. Farr, moved that the City Council, recognizing the value that historic properties contribute to community character and livability, and being aware of the needs of 4J school district, request the mayor to form a subcommittee to explore a possible public/private/nonprofit collaboration for the repair and repurposing of Civic Stadium and the redevelopment of the rest of the site. The subcommittee should include, but not be limited to, members of the Save Civic Stadium group, one or more city councilors, 4J board members and/or 4J staff.

Mr. Brown and Mr. Farr accepted a suggestion from City Attorney Glenn Klein to reword the beginning of the motion as follows:

I move that the City Manager ask 4J whether 4J would be willing to accept input from the City Council on use of the Civic Stadium site. If 4J indicates a willingness to accept such input, the mayor was requested to appoint a committee to develop a recommendation for the council regarding possible input to 4J.

Mr. Brown and Mr. Farr accepted a friendly amendment from Mr. Zelenka to add a representative from the YMCA to the committee.

Mr. Poling indicated he would be unable support the motion because the City was asking the district to change the rules in the middle of the process. He believed that the composition of the proposed committee meant that its recommendations were predestined and that did not represent a true public process.

Mr. Brown and Mr. Farr accepted a friendly amendment from Mr. Poling to include Master Development LLC and Powell Development Company as members of the committee.

Mr. Farr hoped that everyone came to the committee process with an open mind.

Responding to a question from Mr. Clark about the intent of the motion, Mr. Brown said he was not trying to short-circuit the district process. He said the issue was one of timing; the council had missed its window of opportunity to respond to the RFP because of its work on the school income tax.

Mr. Pryor was able to support the motion because of the preamble proposed by City Attorney Klein.

City Attorney Klein reviewed the rephrased motion:

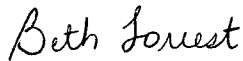
Mr. Brown, seconded by Mr. Farr, moved that the City Manager ask 4J whether 4J would be willing to accept input from the City Council on use of the Civic Stadium site. If 4J indicates a willingness to accept such input, the mayor was requested to appoint a committee to develop a recommendation for the council regarding input to 4J. The committee should include but was not limited to members of the Save Civic Stadium group, one or more city councilors, the YMCA, Master Development LLC, Powell Development LLC, 4J board members, and/or 4J staff. The council recognizes the value that historic properties contribute to community character and livability and is aware of the needs of the 4J School District. The committee would explore a possible public/private/nonprofit collaboration for the repair and repurposing of Civic Stadium and the redevelopment of the rest of the site.

Mr. Clark indicated he was unable to support the motion because its intent was to save the stadium, which precluded other proposals and changed the process.

The motion passed, 5:2; Mr. Clark and Mr. Poling voting no.

Mayor Piercy adjourned the work session at 1:21 p.m.

Respectfully submitted,



Beth Forrest
City Recorder

(Recorded by Kimberly Young)