

MINUTES

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

December 15, 2010
Noon

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

Her Honor Mayor Kitty Piercy called the December 15, 2010, work session of the Eugene City Council to order. She recognized that the meeting was Ms. Solomon's last as a Eugene City Councilor and on behalf of the council thanked her for her time and service. Those present applauded Ms. Solomon.

A. ACTION:
An Ordinance Concerning Assessments for Street Improvements

City Attorney Glenn Klein reviewed an amendment to a motion tabled by the City Council on December 13 related to the street improvement assessment ordinance.

Mr. Clark, seconded by Ms. Taylor, moved to adopt Council Bill 5038 concerning assessments for street improvements included as Ordinance Version C; including also the amendment shown in Attachment D.

Mr. Zelenka: I move to amend the motion to replace subsection (1) of section 7.193 with the following:

The improvement assistance and subsidy programs are available to property owners meeting certain age and income level qualifications. The assessment payment deferral provided in this section is available to all parcels with an owner-occupied single family dwelling or an owner-occupied duplex dwelling assessed for street improvements. After funds have been distributed to all eligible property owners participating in the improvement assistance and subsidy programs, parcels with an owner-occupied single family dwelling or an owner-occupied duplex dwelling assessed for street improvements may elect to defer payment of the assessment until sale or transfer of the parcel. Authorization to defer payment of all or part of the assessment until sale or transfer of the parcel will depend on the availability of funds at the time council adopts the assessment ordinance. Deferring payment of all of the assessment until sale or transfer of the property is authorized only if the City has sufficient funds to ensure the City and affected property owners will incur no initial costs for the construction of the local improvements. If, after funds are distributed under the improvement assistance and subsidy programs, there are insufficient funds to accommodate all property owners requesting to defer assessment payment pursuant to this section, the funds will be distributed among the eligible property owners on a pro rata share. The portion of the assessment not eligible for deferral shall be paid in accordance with section 7.190 of this code.

Mayor Piercy pointed out that not all seniors were low-income, and the amendment could put those who might not have significant need at the head of the line.

Ms. Taylor did not support the motion. She said that people would not take advantage of the assessment deferral unless they needed to, given that both interest and liens were involved. She learned from staff that most people did not take advantage of the senior property tax exemption unless they needed to. She thought it would be complicated to ask people to prove that they needed the deferral. She did not think the deferral should depend on age or income, and did not think many would use the deferral.

At the behest of Ms. Ortiz, City Engineer Mark Schoening described the deferral application process, which required proof of income in the form of income tax returns. That occurred before assessments were levied. The proposed change would affect the process after that point. He did not believe the amendment pit those who chose to defer payment until they sold their house against those opting for a low-income or senior deferral because that decision had been made long before.

Mr. Zelenka indicated his intent was to prioritize the existing limited funding because more people would be subject to assessments in the future and he feared the funds would be depleted more quickly.

Mr. Pryor supported the addition of low-income residents but questioned the addition of senior residents. He thought Ms. Taylor's remarks were well-taken.

Ms. Solomon recalled that low-income residents, including seniors, were already eligible for a subsidy; a citizen could secure a subsidy but not a deferral. Mr. Schoening concurred. Ms. Solomon pointed out that left the deferral pool for everyone else. She wanted to be sensitive to those who might not have a job in the future. She feared that a street assessment could threaten such individuals' ability to keep their homes and wanted them to be able to eligible to apply to the pool for a deferral.

The amendment to the motion failed, 7:1; Mr. Zelenka voting yes.

Speaking to the main motion, Mr. Clark indicated that while he supported the majority of the recommendations of the Council Subcommittee on Street Assessment Policy, he intended to vote no because of his concern that some residents would be assessed twice for road improvements. The assessment was not based on where one's home was, but on who was driving on what street. He felt that basis for the assessment was wrong.

The motion passed, 7:1; Mr. Clark voting no.

B. WORK SESSION: Envision Eugene Update—Economic Prosperity

Community Resource Group members Sue Prichard, Bill Aspegren, Ed McMahon, and Laurel Potter joined the council for the item. Community Development Manager Mike Sullivan and Associate Planner Jason Dedrick provided a PowerPoint presentation on the economic prosperity element of the Envision Eugene planning process. The presentation highlighted local economic trends; current conditions; the economic goals and strategies recommended by a joint committee of elected officials from Springfield, Lane County, and Eugene; local key industries and wage clusters; and information about the current and projected inventory of industrial and commercial lands in Eugene.

City Manager Ruiz asked the members of the CRG to comment. Mr. Aspegren, chair of the CRG's Economic Development Subcommittee, spoke of the challenge of determining future demand for commercial and industrial land and said the subcommittee continued to discuss the available information.

Ms. Prichard underscored the importance of understanding what the inventory numbers meant and their accuracy. She said a technical advisory committee formed by the CRG would examine the numbers produced through the Eugene Comprehensive Lands Assessment (ECLA).

Ms. Potter emphasized the need for flexibility, particularly for industrial lands, where existing small parcels might not be suitable for industrial use but could be suitable for commercial or residential use.

Mr. McMahon expressed appreciation for the process and had faith it would succeed.

Ms. Taylor referring to the strategies developed by the joint elected officials' committee and emphasized the importance of the education system to strategies 3 (*Invest in tomorrow's talent*) and 5 (*Identify as a place to thrive*). Mayor Piercy said that the issue of education was threaded throughout the committee's discussions.

Mr. Clark referred to the goals of the joint elected officials committee and expressed hope it did not take ten years to increase employment levels. He called for more focus on how to reduce unemployment on an accelerated rate.

Mr. Clark recalled that early in his service as a councilor he had advocated for beginning a process to rezone industrial acres that could not be developed because of wetlands. He wanted to ensure that the impact of wetlands was accounted for so that those acres were not counted as developable when they were not. He suggested the State might be willing to give the community the ability to add larger parcels to the industrial inventory so the City could have more buildable acres in its mix.

Ms. Ortiz agreed with Mr. Clark about the importance of ensuring that land impacted by wetlands was not counted as developable land. She expressed concern that the process did not speak to the importance of encouraging blue collar work. She had talked to railroad executives who expressed their commitment to bringing the railroad back to a higher function. She did not want to lose sight of that because the jobs provided by the railroad were family-wage jobs that could be done by youth who were not college-bound.

Mr. Zelenka suggested the potential of a strategy whereby the City began to rezone some of the smaller industrial parcels to commercial zoning. While he did not want to see the City embark on what he termed the "Golden Ring" of trying to attract large industrial firms, he understood the need for larger industrial parcels of 25 acres or more and asked if the CRG subcommittee had discussed that issue and how many parcels were needed.

In response to Mr. Zelenka's remarks, City Manager Ruiz recalled that Rusty Rexus of Rexus Forest Products had shared with the CRG that his company had sought to relocate its operation from the current location to another site for some time, and he had found there was no land available of the needed size. He said the question was not just one of attracting outside companies but of accommodating the growth of local firms.

Ms. Potter indicated to Mr. Zelenka that the discussion of large industrial parcels in terms of their number, size, and location was occurring.

Mr. Zelenka asked if the subcommittee had discussed the issue of brown fields and possible strategies that could make the development of such sites affordable without government intervention. Mr. Sullivan suggested that the City might be able to take advantage of existing federal programs to inventory and assess brown fields and capitalize a revolving loan fund for their clean-up to keep such lands in private hands.

Mr. McMahon observed that he had heard that when companies came to Eugene to look for large-sized industrial parcels they needed at least three 25 acre locations to look at. Ms. Prichard concurred, saying for the community to be on people's radar, they must have a choice. They wanted the best situation for their employees possible, including access to restaurants and shopping. The same was true for existing employers. They also needed a choice. She believed the community needed 12-15 sites of 24 acres or more, and two 100-acre sites for the purpose of long-term planning. The City's current sites were encumbered by wetlands and had other issue as well.

Mayor Piercy said that access to transit was another amenity of interest to companies seeking land.

Mr. Pryor did not expect the economy to come back as it had before, and for that reason he believed a new conversation about what the future would look like and potential tools was necessary. He did not expect a return to 'business as usual.' He emphasized the importance of partnerships and a model that was designed to compete on the global level. He believed it was the role of government to create the environment in which the private sector could create jobs. That required the community to work smarter with what it had, and he believed it was possible to do so with everyone's commitment.

Mr. Pryor suggested the goal related to job creation was low and Eugene could aim higher.

Mr. Brown questioned the relationship between the presentation and the task of identifying the location for new industrial, commercial, and residential uses. He wanted to look at detailed maps to see where things should go. He suggested that the subject of the Veneta water contact was related to the discussion. It would have huge implications for the outcomes of the Envision Eugene process if the Eugene Water & Electric Board was to become a regional water supplier for other Lane County communities. In addition, growth in Veneta, which he termed a bedroom community of Eugene, also had implications for Eugene. He thought those issues needed to be accounted for. Mr. McMahon asked Mr. Brown to have patience and trust the process. Mayor Piercy concurred.

Mr. Clark emphasized the importance of ensuring the community had an inventory of appropriately sized, unconstrained industrial lands unconstrained. Speaking to Mr. Zelenka's remarks, Mr. Clark suggested the community was moving in the opposite direction to the degree that local businesses had to move to other communities when they wished to expand because of a lack of land inside Eugene.

Mr. Clark suggested the CRG Economic Development Subcommittee consider the economic opportunities related to secondary agriculture products. He also noted the difficulty some employers encountered when attempting to hire employees such as software developers because of a lack of other companies that could hire them.

Mr. Clark agreed with Ms. Ortiz about the importance of maintaining communication with the railroads. He also suggested that the CRG should keep in mind the potential a deep water port could be established in Coos Bay when considering the land supply.

Responding to a question from Mr. Brown about the availability of a map of brown field sites, Mr. Sullivan indicated that such sites were generally privately owned and were not always identified as brown fields.

Mayor Piercy emphasized the redevelopment potential of the vacant Hynix facility.

Speaking to Mr. Zelenka's earlier remarks about the "Golden Ring" approach, Mayor Piercy did not think the City wanted "business as usual" because it had not worked anyway.

Mayor Piercy thanked the members of the CRG for their input.

Mayor Piercy adjourned the meeting at 1:30 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth Forrest".

Beth Forrest
City Recorder

(Recorded by Kimberly Young)