

MINUTES

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

September 8, 2010
Noon

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

Her Honor Mayor Kitty Piercy called the September 8, 2010, work session of the Eugene City Council to order.

A. COMMITTEE REPORTS AND ITEMS OF INTEREST FROM MAYOR, CITY COUNCIL, AND CITY MANAGER

Mayor Piercy noted the recent Eugene Celebration and thanked the councilors who participated in the event and commended the contributions of City staff and DEMI. She expressed relief that the explosion caused by a fire in an underground utility vault at 11th Avenue and Pearl Street had not occurred while people were present for the Celebration Parade.

Mayor Piercy acknowledged the recent celebration of Labor Day and recognized the contributions of organized labor in shortening the work week, stopping child labor, advocating for safe conditions in the work place, and advocating for the right to bargain.

Mayor Piercy reported that two efforts were underway to preserve the soon-to-be vacated United States Post Office on Willamette Street. The Lane County Historical Museum was interested in the property, and the organization POEM was interested in preserving the building for an art museum.

Mayor Piercy noted a recent newspaper article about the Envision Eugene process.

Mayor Piercy noted her receipt of e-mail messages regarding near misses between speeding vehicles, bicycles, and pedestrians. She reported that City of Eugene was recently recognized as the sixth safest city in the country in regard to traffic accidents.

Mayor Piercy also reported that she, Ms. Ortiz, and Mr. Clark had met with Oregon Representative Peter DeFazio and Representative James L. Oberstar, Chair of the House Transportation Committee. The congressmen had heard a presentation on the Franklin Boulevard project. She hoped that the needed federal funding for the project would be made available. Mayor Piercy said she would meet later that day with other Lane County mayors regarding the newly formed Area Commission on Transportation in preparation for a presentation to the Oregon Transportation Commission.

Mr. Clark said that he had attended the Lane County Workforce Partnership awards lunch on August 26 and reported that Glory Bee Foods and the SELCO Community Credit Union received recognition for their investment in the local workforce and for giving back to the community.

Mr. Clark said he had attended the graduation ceremony for Fire and Emergency Medical Services Class 13, which was the last class of Eugene-only employees; the next training would be merged with Springfield's training. He congratulated the new fire fighters.

Mr. Clark reported that he had attended the September 7 meeting of the Eugene Water & Electric Board (EWEB), which included discussion of the disposition of EWEB's 4th Avenue property.

Mr. Poling reported he also attended the graduation ceremony for Class 13 and the Lane Workforce partnership lunch, which had a good turnout.

Mr. Poling shared some e-mails he received regarding conditions on Sandy Drive. He said the street had been used to stage construction on Arcadia Drive, an activity which further broke down an already deteriorated road surface. Residents were interested in having the road surfaced in the same way as Arcadia Drive, and he was investigating that possibility.

Mr. Brown reported that he had attended the Police Commission's public forum on the Downtown Public Safety Zone (DPSZ) and had heard new information about the zone that buttressed some of his own thoughts on the topic.

Mr. Brown thanked past labor advocates who helped to "give us the weekend."

Ms. Ortiz reported she had met with members of the Downtown Neighborhood Association to discuss that group's concerns about seasonal changes in police staffing. She had invited several of her neighbors to a meeting at her house that was also attended by Police Chief Pete Kerns, Mayor Piercy, and Lieutenant Tom Eichhorn. Neighbors were happy that the chief was present to hear their concerns.

Ms. Ortiz said she had attended the Lane Regional Air Protection Agency (LRAPA) open house on the Baxter permit and announced that LRAPA would hold a public hearing on the permit. She reported that she and Mr. Pryor attended Representative Peter DeFazio's recent town hall meeting. She expressed appreciation for Representative DeFazio's remarks.

Ms. Ortiz also attended the Police Commission public hearing on the DPSZ hearing. She said many good questions had been asked.

Ms. Ortiz reported she was receiving many constituent calls about the West Eugene EmX route. She had also received calls about horses being kept on Roosevelt Boulevard. She reported that upon investigation, she found it was legal for residents to have horses, llamas, emus, sheep, goats, and cows if their property was of a certain size.

Ms. Ortiz said she attended the open house of the Volunteers in Medicine in Springfield, which had doubled its capacity to provide primary care. She had also attended the Portland Latina Empowerment Conference and found the event very inspiring because of the presence of many young women in their 30s.

Mr. Zelenka joined the meeting via speakerphone. He complimented staff on the way it managed and handled the parking permits for the Event Parking District.

Mr. Pryor had also attended the Lane Workforce awards and noted his participation in the Eugene Celebration Parade.

Mr. Pryor reported that 2-1-1 was in place as of September 1 and those with inquiries about community services could call that number from anywhere in the county.

Mr. Pryor reported that the University of Oregon Alumni Association and Springfield Chamber of Commerce annual tailgate auction had been held the previous week and it went well.

Mr. Pryor reported on the joint meeting that occurred on September 7 between the Lane Transit District Board of Directors and its EmX Steering Committee and West Eugene EmX Extension Corridor Committee to hear about the range of options for the West Eugene EmX route. He said residents would have time to comment on the options, which the council would consider sometime in 2011. Mr. Pryor urged councilors and the public to maintain an open mind with regard to what was being proposed.

Ms. Taylor reported that she was receiving many calls about the West Eugene EmX as well as calls about some cottages being constructed near Amazon Creek. People had suggested there were more structures than permitted and that they were too close to the creek. City Manager Jon Ruiz indicated he would follow up.

Ms. Taylor said she walked the Celebration Parade route with her dog Lucy. She had attended the Lane County Central Lane Labor Council's Labor Day Picnic. Ms. Taylor also had attended the most recent meeting of the Lane County Workforce Partnership's executive committee and reported that John Lively was the new president.

Ms. Taylor said she had seen the list of Community Resource Group members for the Envision Eugene process in *The Register-Guard* and questioned if the list was up to date because she thought many on the list had quit the process.

Speaking to the issue of pedestrian safety, Ms. Taylor reported she was personally acquainted with people who had been knocked down by cars downtown because of people making unsafe right turns. She believed the City could realize additional revenues from fines by placing police officers downtown to monitor intersections.

Speaking to Mr. Poling's remarks about the damage down to Sandy Drive from construction, Ms. Taylor recalled the Whitbeck Boulevard situation, where the City allowed a developer to break down that street but never remedied the damage for the residents.

City Manager Ruiz reported that the Envision Eugene Community Resource Group would meet on September 14. He said that on September 28, he would join the mayor and others in a "walkabout" around the West University Neighborhood. He noted the upcoming Library Foundation fundraiser on September 12.

City Manager Ruiz thanked Billie Moser and Isaac Marquez of Community Events for their work on "Summer in the City" Program, which brought many people to downtown. He also recognized Katherine Stevens at the Eugene Airport for receiving the Excellence Award from the Northwest Chapter of the Association of Airport Executives.

Mayor Piercy reported there would be a block party downtown on Friday with games, food, entertainment, and vendors. The event was a fundraiser for the Lane Community College downtown project.

Mayor Piercy said the opening for the Maude Kerns Teen Art Show was scheduled for September 10.

Mayor Piercy noted the upcoming anniversary of the events of September 11, 2010, and said the Veterans Memorial at Skinner Butte Park had been enhanced and a rededication ceremony would occur on September 12 at 10 a.m. The dedication of the Delta Ponds Bridge would occur the same day at 11 a.m.

Mr. Poling noted the ribbon cutting ceremony for the new fire station at the Eugene Airport scheduled for September 10 at 10:30 a.m.

Mayor Piercy recognized Mr. Poling.

Mr. Poling reported that the Veterans Administration was still considering a Eugene property and he recalled the council's willingness to invest in such a project downtown. He said the council now had the opportunity to voice support for locating the project in Eugene in Crescent Village. He supported the project because it would put 200 people to work immediately. He also believed local veterans would need and deserved the support provided by such a facility.

Mr. Poling, seconded by Mr. Clark, moved to direct the City Manager to work with Arlie & Company in support of bringing the Veterans Administration Clinic to north Eugene.

Responding to a question from Mr. Brown about how he interpreted the motion, City Manager Ruiz envisioned that City staff would meet with Arlie & Company to learn more about the project. Any financial decisions would have to be made by the council.

Ms. Ortiz supported the motion and was glad to hear the City was still under consideration as a location for the clinic.

Ms. Taylor asked why the developer needed the City to do the project. City Manager Ruiz did not know if the developer needed the City. He suggested that a statement of support from the council sent a message of encouragement to the Veterans Administration.

Mr. Pryor supported the motion. He said the Veterans Administration wanted to locate someplace that was supportive of such a facility and he thought the council's vote of support was needed to demonstrate community support. He suggested the council would do the same for any other desirable development.

Mr. Clark said that the project would provide both construction jobs as well as support for local veterans. He thought it was critically important the council help people who had helped defend the country.

Mayor Piercy said the motion allowed the council to do its part to help returning veterans and also reflected the council's desire to have the Veterans Administration facility in the community.

Mr. Poling shared an anecdote about a person who had approached him for \$12 to reach the VA hospital in Roseburg, and said Eugene should not have to send its veterans to Roseburg and needed to do what it could to locate the hospital in Eugene. He commended the location in question and recommended the council send a statement to the Veterans Administration and community that it was prepared to support veterans.

The motion passed unanimously, 8:0.

B. WORK SESSION: Next Steps in City Space Planning

The council was joined by Central Services Director Kristi Hammitt and Facilities Manager Mike Penwell. Ms. Hammitt led the council through a PowerPoint presentation that laid out a long-term roadmap for City Hall space planning. She proposed to use the existing full block City Hall site to build a new 100,000 square foot facility. The building size was based on past master planning documents adjusted for the move of the police facility to Country Club Road. She estimated the structure could be built at a cost of \$40 million to \$50 million. Ms. Hammitt shared a draft timeline for the planning, transition, and construction phases and anticipated staff would return in spring 2011 with a concept plan and funding strategy. She invited questions.

Mayor Piercy believed that City Hall was an expression of the community and she did not find the current structure to be satisfactory in that regard. She liked the idea of a City Hall that was modest, functional, and architecturally interesting. She wanted City Hall to be "green." She thought the council needed to think of the role the facility played in creating the downtown that the council desired to see. Mayor Piercy thought the council was at a pivotal moment. While she acknowledged the need to proceed cautiously, Mayor Piercy said the community needed to keep in mind the building was not safe.

Mr. Clark agreed with the mayor's remarks.

Mr. Clark did not think the council had an adequate discussion of locating City Hall at the EWEB site and said it had yet to hear a presentation on the details of that approach. He wanted to look at more options. He expressed concern about the timing of a bond measure given the competition it would have from other government initiatives. He suggested the council needed a "Plan B" and recommended that it explore other options before committing itself to a site.

Ms. Taylor acknowledged that the current City Hall was deteriorated but that deterioration was caused by neglect and could be fixed. She said if the building was not safe, she did not understand why the council had not acted to address that. Ms. Taylor pointed out the existing City Hall had unused space and more space would be available when the Police Department left. She thought the City would put the vacated Fire Department space to use, which had not happened.

Ms. Taylor said she had expected to see details about the cost of rehabilitating City Hall but that was not provided; she also asked for information on space the City was renting and had yet to see that information.

Mr. Brown also wanted to look at all the options, although he preferred the existing City Hall site over the EWEB site. He said the cost of buying and renovating the EWEB site was close to the cost of a new building. However, it was a credible option that the council needed to examine. He also thought that Ms. Taylor was correct, and he did not want to discard the option of remodeling City Hall. Mr. Brown asked Mr. Penwell if City Hall could be modified with additional stories. Mr. Penwell said the building was designed for the north wing to be added to, but the Building Code had changed and the structure was considered a high risk seismically. While he liked the EWEB site, it was in the floodplain and was less centrally located than the current City Hall site, and he did not want to move additional City functions out of downtown.

Mr. Pryor was willing to support Mr. Clark's desire to explore the details of the EWEB site in the spirit of open mindedness. However, he believed that the current site was the best site given it was already owned by the City, was a full block, and was centrally located. He thought the City would have to spend an enormous amount to rehabilitate City Hall but that would result only in an old building with improved

heating and air conditioning that would not fall down in an earthquake. He did not think that was a building to serve the community into the future. Mr. Pryor agreed it was important to get staff out of City Hall. He suggested that relocating staff would “start a clock running” on a new structure.

Mr. Pryor acknowledged Mr. Clark’s point about competition on the ballot, and reiterated his support for renewing the City’s street bond measure.

Ms. Ortiz did not think it was fiscally responsible to purchase the EWEB property and did not think EWEB was being responsible in considering a move of its administrative functions, which would increase rates. She said that now was not the time to ask the ratepayers and taxpayers to do more. Ms. Ortiz said that the City needed to fulfill its commitment to downtown redevelopment. She considered EWEB’s riverfront property to be a pearl and prefer that it be retained as green space or redeveloped along the model of the Portland waterfront.

Responding to a question from Ms. Ortiz about the first rights of refusal for the EWEB property, Mr. Klein said that EWEB would first need to make a formal declaration of its interest in selling, and the City would have 30 days to indicate interest, followed by five years to negotiate an agreement. If the City did not express interest, EWEB could dispose of the property as it wished.

Mr. Poling concurred with Mr. Pryor about the importance of the street bond measure and feared that placing renewal of that measure as well as a bond measure for a new city hall would be “treading on thin ice.”

Mr. Poling said he would not object to moving out all the employees now in City Hall to rented space right away because of the poor and unsafe working conditions, but that left the question of what to do with the structure.

Mr. Poling was willing to look at more information about the EWEB property to see which site was the better financial choice.

Mr. Zelenka tied the issue of a new city hall to whether it was a good business decision to invest in the current building, and he thought the question had already been answered. He was somewhat interested in the EWEB property but thought the costs of rehabilitating the site were understated. He also questioned whether EWEB would chose to build a new administrative facility. He suggested the EWEB property could still serve as a civic center under another scenario.

Mr. Zelenka requested a financial option included in the analysis that would allow the City to look at a privately built and financed building that it could then lease. That would avoid the need to bond, and the City could pay for it either out of existing operating revenues or through a new levy.

Mr. Zelenka said he would like to see the City move from the building sooner than later.

Mr. Zelenka did not favor staff spending much time analyzing the EWEB building. If Mr. Clark’s proposal moved forward, he wanted staff to do a quick preliminary assessment to see what was feasible.

Ms. Solomon preferred to invest in the current site but was willing to examine the data as a way to rule out the EWEB site once and for all. She did not think the EWEB site was the better financial option.

Mayor Piercy said the council appeared to be interested in seeing additional information about the EWEB site. It did not appear to her that the councilors willing to support the proposal were suggesting the EWEB site was their preference.

City Manager Ruiz said staff had done a lot of analysis regarding remodeling of the current site and would be happy to share that. Regarding the EWEB site, he said the current building was about 80,000 square feet and any expansion would require a new building. He was concerned about the price of the property and believed that the location of the EWEB property was also a significant issue. He requested feedback on the level of detail desired.

Mr. Clark, seconded by Ms. Taylor, moved to direct the City Manager return to the council with a concept plans for City Hall and proposed financial strategies that include the options of the current City Hall site and EWEB site.

Mr. Clark agreed with Ms. Ortiz about the need for fiscal responsibility. However, he did not think the council knew which option was the most fiscally responsible. Based on what he knew now, it appeared the EWEB site was the most fiscally responsible thing. He thought the council needed more information.

Mr. Clark pointed out that EWEB would receive more money for the building from a government agency than a private entity, which would benefit the ratepayers. He also suggested that the purchase could expand the scope of downtown, and envisioned that the existing structure could be used as a farmers market.

Ms. Taylor did not want to spend staff time or money investigating the EWEB site. She believed the site was too far from the rest of downtown. She said that the current site was proximate to the County and public transit. It was easy for people to reach the current City Hall site by bicycle or bus. She also objected to moving EWEB administrative functions because it would take its employees and customers out of downtown. Ms. Taylor believed that there would be a big uproar when people realized that EWEB was considering a new building given how relatively new the building was.

Speaking to the concept of building a city hall to last 100 years, Ms. Taylor observed that the current building was not nearly that old, but staff was proposing to abandon it. She said any building would be deteriorated if neglected. She suggested the potential of incremental building rehabilitation, with a focus on safety-related improvements first. City Manager Ruiz pointed out the seismic improvements would impact the walls and ceilings of the structure and would be difficult to accomplish without rehabilitating the HVAC system or exterior building envelope. Mr. Penwell estimated it would cost at least \$40 million to rehabilitate the building, but the organization would still have a 46-year old structure.

Mr. Pryor did not think the current city hall was intended to be a 100-year building.

Speaking to the question of the level of detail desired in the analysis, Mr. Pryor suggested that the appraisals done by McKenzie-Willamette Hospital be employed. He suggested another factor for the council to consider was the time it would take to negotiate the sale of the EWEB site. However, he was willing to explore the EWEB site without going into a lot of detail. He said the council would depend on City and EWEB staffs being honest and candid with their assessment in making a final decision.

Mr. Brown believed that staff could review the reports already produced by EWEB. He did not think staff needed to spend a lot of time on the analysis.

Mayor Piercy thought the council could consider phasing no matter the site selected. She thought EWEB's openness to their site as a new city hall was a cooperative gesture and she thanked the board for making it.

Mayor Piercy observed that she did not hear anyone other than Ms. Taylor expressing interest in rehabilitating the current building.

The motion passed 5:3; Ms. Taylor, Ms. Ortiz, and Mr. Zelenka voting no.

Mayor Piercy summarized the instruction to the City Manager, which was to not go too deeply into the analysis but to provide some information about the fiscal ramifications of such a move. She reminded the council of the other goals staff would have to consider as well.

C. CONSENT CALENDAR

A. Approval of City Council Minutes

November 24, 2008, Work Session

November 24, 2008, Meeting

January 25, 2010, Meeting

April 28, 2010, Work Session

May 24, 2010, Meeting

June 14, 2010, Work Session

June 14, 2010, Meeting

July 14, 2010, Work Session

B. Approval of Tentative Working Agenda

C. Approval of Funding for Housing Affordable to Low-Income Persons

D. Appointment to Police Commission

Mr. Clark, seconded by Ms. Taylor, moved to approve the Consent Calendar. The motion passed unanimously, 8:0.

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

Respectfully submitted,

Beth Forrest

Beth Forrest
City Recorder

(Recorded by Kimberly Young)