

MINUTES

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

February 10, 2010
Noon

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

Her Honor Mayor Kitty Piercy called the work session of the Eugene City Council to order. She announced that Committee Reports and Items of Interest would occur at the end of the meeting, time permitting, as Mr. Poling would need to leave the meeting early and wished to be present for as much of the downtown projects discussion as possible. She expressed her appreciation to City Manager Jon Ruiz and staff for their responsiveness to the council's direction and providing a holistic approach to public safety and development in downtown.

A. WORK SESSION: Downtown Projects – Tools

Mr. Ruiz stated that the suggested motion provided to the council had been revised to incorporate issues raised by Mr. Zelenka relating to purchasing cameras and providing an analysis of general obligation bonds and a local option levy. He used a slide presentation to provide an overview of strategies to foster a vibrant downtown and boost the local economy. He noted that parking would be discussed in a separate work session. He summarized the projects and funding mechanisms reflected in the suggested motion.

Mr. Ruiz explained that the funding proposal would not affect the City's base allocation to the Human Services Commission (HSC) and would include an additional \$500,000 allocation for downtown safety net services. He emphasized that use of urban renewal funds would be limited to safety, the Lane Community College (LCC) project, the Farmers' Market and Veterans' Affairs clinic. The Urban Renewal Agency Board would approve each project, expenditures would be reviewed annually by a community panel and the urban renewal district would end after projects were completed. He reviewed the future work sessions scheduled to address specific strategies and projects and stressed that the council's action on the suggested motion would direct staff to prepare materials for a future work session on the urban renewal district; it would not initiate action on the district.

Mr. Clark, seconded by Ms. Taylor, moved to direct the City Manager to:

1. Regarding the Downtown Safety Initiative:
 - a. Use \$100,000 of one-time existing urban renewal dollars to purchase and install additional lighting downtown and \$100,000 of one-time dollars (half from telecomm and half from existing urban renewal) to purchase automated behavior crime reporting software and cameras, but only after the council approves the manager's plan for number, location, use and on-going costs of the cameras, after considering the cameras' expected effectiveness in deterring crime;

- b. Pursue use of Springfield jail beds in exchange for Springfield's use of Eugene's Fire Training Center;
 - c. Include in the manager's proposed FY11 budget \$500,000 of one-time dollars for the Human Services Commission, and re-purpose \$500,000 of the City's HSC contribution for partial funding of the downtown safety initiative, including additional services like Cahoots;
 - d. Present to the Urban Renewal Agency Board for its review a proposed amendment to the downtown urban renewal plan that would 1) restrict the use of tax increment funds and increase the spending limit to pay for (i) the Broadway Place Garage debt, thereby freeing up funds for additional police officers downtown, and (ii) three other projects specified in this motion below, and 2) terminate the downtown urban renewal district as soon as the projects are paid for or sufficient funds are collected to fund those projects;
 - e. Bring back to the council this spring a proposed ordinance requiring vacant properties to pay Downtown Service District fees; and
 - f. Work with Downtown Eugene, Inc. and the Chamber of Commerce on partnerships and other funding strategies with a goal of achieving \$350,000 in revenue.
2. Include for the proposed downtown Lane Community College development at 10th and Charnelton \$8 million as part of a proposed urban renewal plan amendment.
 3. Include as part of a proposed urban plan amendment an additional \$500,000 for improvements to the Park Blocks to enhance that area for the Farmer's Market.
 4. If the VA pursues PeaceHealth's Willamette Street site for a new VA Clinic, include the VA Clinic as part of a proposed urban renewal plan amendment.
 5. Pursue additional grant opportunities for steam conversion and electric vehicle charging stations.
 6. Present to the council, at the same time that the manager brings forward a draft amendment to the urban renewal plan, an analysis of both a local option levy and a general obligations bond, instead of tax increment financing, to fund the specified projects.

Ms. Taylor, seconded by Mr. Brown, moved to make Items 1.a through 1.f separate motions. The vote on the motion to separate was a 4:4 tie; councilors Taylor, Brown, Ortiz and Zelenka voting yes, and councilors Solomon, Poling, Pryor and Clark voting no. Ms. Piercy cast a vote in favor of the motion and it passed on a final vote of 5:4.

Item 1.a

Ms. Taylor indicated she would support the motion with postponement of the camera acquisition.

Mr. Brown said he would support the motion but had serious concerns about surveillance cameras and would need specific information about their locations and targets.

Mr. Clark said he was willing to support the motion, but concurred with Mr. Brown that additional information was needed before installation of cameras was approved.

Mr. Zelenka also expressed concerns with the installation of cameras, which was the reason he proposed the additional language requiring council approval of the manager's implementation plan.

Ms. Solomon asked if the motion would allow the police chief to proceed with purchasing the automated behavior crime reporting software prior to the council's final approval of a plan for camera installation.

Mr. Ruiz said that the motion would not prevent acquisition of the software.

Item 1.a was unanimously approved, 8:0.

Item 1.b

Ms. Ortiz asked if the agreement with Springfield would include a sunset provision to provide periodic review of the arrangement to assure it remained consistent with the council's intent and met the City's needs. Mr. Ruiz replied that the intent was to provide an ongoing jail bed capacity and if another means for doing that arose in the future the arrangement with Springfield could be revisited.

Mr. Poling expressed some concern about making the language so restrictive that jail beds could be obtained only through an exchange with Springfield for use of the Fire Training Center.

Mr. Poling offered a friendly amendment to add the words "to include" as follows: "Pursue use of Springfield jail beds *to include* in exchange for Springfield's use of Eugene's Fire Training Center;" Mr. Clark accepted the amendment.

Mr. Zelenka asked the City Manager to clarify what the word "pursue" meant and whether that included presenting the agreement with Springfield to the council for approval. Mr. Ruiz replied that he understood pursue to mean coordinate and negotiate with Springfield an arrangement that would exchange Springfield's use of the training facility for Eugene's use of Springfield jail beds through an intergovernmental agreement (IGA).

Mr. Zelenka said the term "pursue" meant to him that the manager would investigate and negotiate an IGA, but not execute one. City Attorney Glenn Klein said if the council did not wish the manager to be able to execute an IGA without returning to the council for approval the motion would need to be amended to indicate that intent.

Mr. Zelenka said he supported the concept, but wanted to see any agreement with Springfield before it was executed.

Mr. Zelenka offered a friendly amendment to revise the language to direct the manager to explore an arrangement with Springfield and bring the information back to the council. Mr. Clark declined to accept the amendment.

Mr. Zelenka, seconded by Ms. Taylor, moved to amend the motion to require the manager to bring an agreement with Springfield for the use of jail beds back to the council for approval.

Mr. Pryor asked if the amendment would impinge on the manager's usual and typical authority to enter into contracts or IGAs. Mr. Klein explained that the City Manager or his designee was authorized to negotiate and execute contracts consistent with the appropriation of funds without approval of the council. He said IGAs that came before the council were typically those involving the sale of real estate or governmental powers.

Mr. Pryor said his interest was in knowing what terms and conditions were in the IGA once it was executed, rather than approving the IGA prior to execution. Mr. Ruiz affirmed that the council would be informed about any arrangements that were made with Springfield.

Mr. Brown stated that the council should approve any arrangements with Springfield before they were finalized. Mr. Ruiz pointed out that other jurisdictions already used the training facility and the City had many such arrangements in place. It could become very burdensome for the City to do business if the council wanted to approve every contract and IGA in advance.

Mr. Brown perceived the arrangement with Springfield as very different from other IGAs and contracts.

Mr. Clark pointed out that the municipal court administrator and a judge recently revised the City's agreement with Lane County for jail beds, as they had that authority. He saw the IGA with Springfield as a comparable arrangement.

Ms. Ortiz said she would be satisfied with a memorandum explaining the terms and conditions of the IGA once it was executed.

Mr. Brown objected to including Item 1.b in the motion if the council was not able to approve it. Mr. Ruiz explained that the item was part of the comprehensive package of strategies and staff recommendations for financing those strategies. If the council did not wish to use Springfield jail beds this was the opportunity to make that known; otherwise, the motion would indicate the council's interest in pursuing that strategy and authorize staff to make that happen operationally.

Mr. Pryor said the item was in the motion so the council could make a decision at the policy level about whether an arrangement with Springfield was an appropriate strategy and funding mechanism to pursue. He said the details of the arrangement were operational and he did not want to be involved in those, only informed once they were in place.

In response to a question from Mr. Zelenka, Mr. Ruiz said if Springfield declined to enter into an arrangement staff would have to explore other options for jail beds and return to the council with other proposals. He said the intent was to negotiate with Springfield for use of jail beds through an exchange of services instead of an exchange of funds.

Mr. Zelenka said his concern was that the cost of the jail beds was unknown. Mr. Ruiz pointed out that the cost was included in the price for the complete package of downtown safety strategies.

Ms. Taylor objected to making a hasty policy decision without further discussion.

The motion to amend failed 5:3; Ms. Taylor, Mr. Zelenka and Mr. Brown voting yes.

Item 1.b was approved 5:3; Ms. Taylor, Mr. Zelenka and Mr. Brown voting no.

Mr. Zelenka commented that there should be a motion at the end of the approval process that addressed the overall cost of the package of strategies.

Item 1.c

In response to a question from Mr. Zelenka, Mr. Ruiz explained that the current allocation to HSC was \$1.8 million; an additional \$500,000 would be added to that amount in FY11 and in FY12 and beyond the allocation would remain \$1.8 million, with the option to allocate additional dollars.

Item 1.c passed unanimously, 8:0.

Item 1.d

Mr. Klein clarified that approving Item 1.d did not automatically approve including the Lane Community College, Veterans' Affairs clinic or Park Blocks projects; those would be approved separately in items 2, 3 and 4. He suggested adding Item 6 to the end of Item 1.d.

Ms. Piercy determined there were no objections to including Item 6 in Item 1.d.

Mr. Clark said he wanted to understand the specific impacts on other districts, agencies and jurisdictions. He asked if the language related to future disposition of the urban renewal district represented obligating a future city council. Mr. Klein said if the motion passed the council would be presented with a draft urban renewal plan amendment that would include language limiting the expenditure of funds to certain projects and once funds were accumulated to pay for those projects tax increment funding would cease. He said a future council would have the legal authority to amend the plan, as had been done in the past, although it would be difficult if the proposed language was included in the plan because a major amendment would be required.

Mr. Brown said there was no such thing as "supposed immutability" of an urban renewal plan and the current plan had been changed many times. He said future councils, advised by future staff, would be free to amend the plan and there was no legal mechanism to prevent it. He said the plan had been in existence for 42 years and could go on forever. He had concerns with the projects identified in items 2, 3 and 4. He pointed out that several communities were competing for the clinic and the Veterans' Affairs would be leasing, not buying a facility. He said the City had many ways to facilitate a clinic, but urban renewal should not be one of them.

Ms. Taylor commented that previous councils had voted to terminate urban renewal and it was easy for a future council to change that decision and expand the district, increase the debt limit and change the purpose. She did not think urban renewal was the right way to fund projects and the council should first decide if it wanted to support the items in the package, and then decide how to fund them. She urged that the urban renewal district be terminated now so the City could take advantage of the benefits of increased property values.

Mr. Zelenka agreed that future councils could change urban renewal plans at will and the council's action was only stating intent, but would not have certainty. He liked the idea of a community review panel. He felt the major public safety issue in Eugene was property crime and wondered if that could be addressed along with downtown safety. He felt that dedicating nine police officers to downtown was too much without directing any of that effort to property crime.

Mr. Zelenka moved to amend Item 1.d as follows: "... (i) Broadway Place Garage debt, thereby freeing up funds for additional police officers downtown *and half for property crime*, and..." The motion died for lack of a second.

Ms. Solomon determined from staff that the urban renewal district was scheduled to sunset in 2024, but a proposal to amend the plan could result in an earlier termination date.

Ms. Solomon, seconded by Mr. Brown, called for the question. The motion failed for lack of a two-thirds majority, 5:3; Mr. Zelenka, Mr. Brown and Ms. Taylor voting no.

Mr. Poling, seconded by Ms. Solomon, moved to postpone discussion and action on items 1.d through 5 until the February 22, 2010, council work session. The motion passed, 6:2; Mr. Brown and Ms. Taylor voting no.

Mr. Poling left the meeting at 1:06 p.m.

Mr. Brown objected to postponing the discussion. He felt the deadline for placing something on the May ballot would be missed and was concerned that the issue of urban renewal would result in an acrimonious disagreement with Lane Community College caught in the middle. He felt there were other tools for financing downtown revitalization and regretted that he was unable to discuss them until February 22.

Ms. Taylor concurred with Mr. Brown.

Ms. Ortiz observed that there was a lot of work yet to be done and cautioned against creating divisiveness in the community with inflammatory remarks.

Mr. Pryor applauded staff's efforts to present a comprehensive package that included terminating the urban renewal district within a reasonable timeframe. He could not worry about what a future council might do and wanted discussions to focus on the issues at-hand without becoming acrimonious and divisive. He agreed the urban renewal district should come to an end; the question was when and how to do that. He looked forward to a productive discussion at the next work session.

Ms. Piercy said the question was whether the council wished to pursue projects that the community had identified as important. She pointed out that the package of strategies reflected what the community wanted and how those could be funded. She hoped to see a productive discussion of outcomes and the tools to achieve them. She urged the council to seek ways to come to agreement on how to meet the community's expectations.

Mr. Zelenka commended the proposed projects as good for the community and downtown. He hoped the council would not pursue a funding mechanism that caused disagreements, which was why he had proposed an analysis of other funding mechanisms that might be more widely supported on the council. He suggested adding a motion to address a cap on the overall cost of the downtown safety initiative. He

noted that projects related to a pocket park and downtown public safety station were not included in the strategies and he would work with staff to incorporate those before the next work session.

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

Ms. Taylor congratulated Mr. Ruiz on his decision that the Farmers' Market and Saturday Market no longer were required to pay for the use of space downtown. She received an orientation and tour of the Workforce Partnership facility and was impressed with the services offered. She expressed concern with the fees charged neighborhoods to appeal land use decisions and felt there should be no cost for filing an appeal. She requested information on why the fees were being charged.

Ms. Ortiz reported that an air-monitoring station had been installed in the vicinity of Petersen Barn and commended the City for its partnership with Lane Regional Air Protection Agency (LRAPA). She said LRAPA board members had agreed to a board retreat to enhance collaboration among members.

Mr. Zelenka announced that a Walnut Station meeting was scheduled on February 10, at the Laurelwood Golf Course meeting room, and the Laurel Hill Valley Citizens would hold a potluck on February 18. He attended a joint meeting of the Sustainability and Planning commissions. He said there was an excellent discussion and more joint meetings were being planned.

Mr. Brown reported on the Citizen Review Board (CRB) meeting at which the tasing of a Chinese student was discussed. He said the CRB was unanimous in its disagreement with Police Chief Pete Kerns' disposition of the case. He thanked everyone in the community who was involved in creating the CRB and the police auditor's office. He announced that the Police Commission would hold its next meeting at the Sheldon Community Center on February 11.

Mr. Clark attended a Cal Young Neighborhood Association meeting and congratulated the new officers who were elected. He also attended the Chamber of Commerce economic forecast and found it very informative. He extended condolences to the family of Ed Ragozzino and noted his many contributions to the community, particularly his advocacy for construction of the Hult Center. He felt that some portion of the Hult Center should be named in his honor.

Ms. Piercy said she had sent a letter of condolence to the Ragozzino family on the council's behalf expressing appreciation for his contributions and sympathy over his death. She also attended the CRB meeting and was pleased with their thoughtful deliberations, which fulfilled the community's intent for police oversight. She reported that she and Mr. Ruiz would attend a national salute to veterans in Roseburg on February 12.

The meeting adjourned at 1:30 p.m.

Respectfully submitted,



Jon Ruiz
City Manager

(Recorded by Lynn Taylor)