

MINUTES

Eugene City Council
Regular Meeting
Council Chamber—Eugene City Hall
777 Pearl Street—Eugene, Oregon

February 8, 2010
7:30 p.m.

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

Her Honor Mayor Kitty Piercy called the meeting of the Eugene City Council to order.

1. PUBLIC FORUM

Mayor Piercy reviewed the rules of the Public Forum.

Mat Beecher, 1331 Acorn Park Street, Councilor Pryor's Ward, spoke as a representative of the Human Rights Commission (HRC). He read a letter, submitted to the council, into the record. The letter strongly urged the City to issue a statement that underscored that the University of Oregon students from China that had been involved in the recent Tasing incident were not at fault. The letter also commended the actions Chief Pete Kerns had taken to reach out and make amends. He recommended that the incident be used to improve cultural competency.

Eli Volem, 2695 Madison Street, said he worked for Earth Advantage Institute and he was testifying in regard to the Multiple Unit Property Tax Exemption (MUPTE) that was before the council. He explained that Earth Advantage Institute was a non-profit provider and verifier for several green building programs. He said the institute had been working with the project team to "pave the way" to achieve Leading in Energy and Environmental Design (LEED) certification. He stated that he was present to validate the fact that the project was well on its way to LEED certification. He noted that his role would be as a LEED green rater for the building, which was unique to the "LEED for homes" rating system in that the person physically attended the site throughout development to ascertain that green building measures were being employed. He underscored that there were added costs to building to LEED standards. He predicted that the building would meet LEED gold standards and possibly platinum. He felt the building had the opportunity to be a landmark in Eugene. He said the northwest was known by the rest of the country as a green building hub. He also noted that the project was using local designers, energy analysts, and contractors.

Paul Dustrud, 30 West 17th Avenue, stated that he was also speaking on behalf of Dan Neal for the "hopefully" LEED-certified project. He said he was trying to help support the local economy by designing with wood, noting that the project would be five stories of wood over one story of concrete. He listed some of the strong design points, such as the unique system they would be utilizing for indoor air quality and the heat recovery systems. He also noted that they had added a "30s retro look" and balconies that looked out at the Coburg hills. He asked that the project be granted the MUPTE.

Dan Neal, 1361 Pearl Street, also spoke on behalf of the project that was applying for the MUPTE. He declared that they could not build the project to LEED standards without the exemption. He thought that approval of the project would "resonate harmoniously" with the community. He asked them to approve the project not just because it would create jobs in the community, but because there were two visions for the property: the proposed project or a possible fraternity. He noted that construction of the latter would mean the City would not generate any tax revenue from it. He underscored that the property would generate approximately \$80,000 in tax revenue annually after ten years. He noted that it would also generate approximately \$200,000 in Systems Development

Charges (SDCs) as soon as construction began. He believed the project would also increase safety along the East 13th Avenue corridor.

Mayor Piercy closed the Public Forum.

Councilor Ortiz thanked everyone for their testimony. She thanked the representatives of the HRC for their statement in regard to the Chinese students and she expressed appreciation for the chief's statement that the students had not done anything wrong.

Councilor Clark also thanked those who spoke. He underscored that the students had done nothing wrong and needed to know that the council recognized this.

Councilor Pryor said sometimes regrettable incidents occurred. He called the Tasing incident very important. He said he was happy to stress that the students had done nothing wrong.

Mayor Piercy also thanked the HRC. She noted that the Asian-American community had requested a written official statement. She said she had written that letter and was in the process of having it translated.

2. CONSENT CALENDAR

A. Approval of City Council Minutes

- November 23, 2009, Work Session
- December 14, 2009, Work Session
- December 14, 2009, City Council Meeting

B. Approval to Tentative Working Agenda

C. Resolution 4999 Approving a Low-Income Rental Housing Property Tax Exemption for the Property Located at 2984, 2986, 2988 Oak Street, Eugene, Oregon (ShelterCare/Applicant)

D. Ratification of Intergovernmental Relations Committee Minutes of December 16, 2009

Councilor Clark, seconded by Councilor Taylor, moved to approve the Consent Calendar. Roll call vote; the Consent Calendar was approved by a unanimous vote, 8:0.

3. ACTION:

Ratification of Unanimous Council Committee on Intergovernmental Relations Actions and Discussion and Action on Non-Unanimous Actions on Legislative Policy from January 27, 2010

Councilor Clark, seconded by Councilor Taylor, moved to ratify the Council Committee on Intergovernmental Relations Committee's unanimous actions on bills and approval of staff recommendations in the January 27, 2010, IGR Bill Reports for bills not pulled for discussion at those Intergovernmental Relations Committee meetings. Roll call vote; the motion passed unanimously, 8:0.

Intergovernmental Relations Manager, Brenda Wilson, stated that House Bill (HB) 3608 had not received a unanimous vote to support or oppose. She explained that the bill would establish tax credits for the transport of woody biomass and would also direct the Department of Environmental Quality (DEQ) to study the siting of biomass facilities and to report back to the Legislature in 2011. She related that Councilor Taylor had moved to oppose the bill and the motion failed, 2:1. She noted that a similar bill had come up in the 2009 session. She noted that in 2009 the bill had come before the council because the Council Committee on Intergovernmental Relations (CCIGR) had also had a 2:1 vote and the motion to oppose it had failed, 5:2, at the council.

Councilor Clark, seconded by Councilor Poling, moved to adopt a Priority 2 Support position on HB3608.

Councilor Taylor, seconded by Councilor Brown, moved to amend the motion by substituting a Priority 2 Oppose position for the bill.

Councilor Taylor explained that she was generally opposed to tax exemptions and she was not certain the biomass facility was a good thing.

Councilor Brown thought the bill sought to subsidize the cost of doing business.

Councilor Ortiz asked if other energy resources received credit for transporting resources. Ms. Wilson responded that they did not in this manner.

Councilor Ortiz said in concept she supported the bill but she would like to have more information about the issue around woody biomass. She indicated she could support monitoring the bill.

Councilor Zelenka understood that 97 or 98 percent of woody biomass in the forest after timber was harvested was burned. He averred that it was not a matter of whether or not it went into the atmosphere, it was a matter of whether or not there was a beneficial use that could be derived from burning it. He considered this to be a renewable resource. He stated that the woody biomass, when burned to produce energy, was burned under more controlled circumstances and with greatly reduced emissions. He supported the bill in order to move this valuable energy resource forward by supporting the transport of it.

Councilor Poling concurred.

Roll call vote; the amendment failed, 6:2; councilors Taylor and Brown voting in support.

Roll call vote; the main motion passed, 5:3; councilors Taylor, Brown, and Ortiz voting in opposition.

4. ACTION:

Ordinance Providing for Withdrawal of Annexed Properties from the Willakenzie Rural Fire Protection District, the Santa Clara Rural Fire Protection District, and from the Santa Clara Water District.

City Manager Jon Ruiz recapped the action item before the council. He said 11 properties were being withdrawn from service districts.

Councilor Clark observed that these annexations were chipping away at the tax base for some popular things, such as the River Road Park and Recreation District. He was wondering if any staff were working on a transition plan or a way to ensure that those services were maintained for those residents of that area. Mr. Ruiz responded that he did not know the answer to that question but he would look into it.

Mayor Piercy commented that this was not a new issue.

Councilor Ortiz related that she had sat in on a work session of the County Commissioners about a white paper that had been done in 2005 regarding this. She thought the County was “stepping up” and owning their part of that community. She noted that City services such as fire and police protection were provided to that area, without questioning which properties were in the City and which were in the County. She felt there was some desire on the commissioners’ part to do some innovative things.

Councilor Clark, seconded by Councilor Taylor, moved that the City Council adopt Council Bill 5020, withdrawing territories from the Willakenzie Rural Fire protection District, the Santa Clara

Rural Fire Protection District, and from the Santa Clara Water District. Roll call vote, the motion passed unanimously, 8:0.

5. ACTION:

Ordinance Prohibiting Smoking Outside City-Owned Buildings Providing Services to Children and Amending Section 6.230 of the Eugene Code, 1971

Mr. Ruiz summarized the ordinance before the council, which would extend the prohibition of smoking to the street curb in front of City-owned buildings.

Councilor Clark, seconded by Councilor Taylor, moved that the City Council adopt Council Bill 5021, an ordinance prohibiting smoking outside City-owned buildings providing services to children.

Mayor Piercy considered this a step toward making it safer around the buildings. She noted that they had received a number of requests to add more to it. She supported having a discussion on making the parks smoke-free.

Roll call vote; the motion passed unanimously, 8:0.

6. ACTION:

Resolution 5000 Approving a Multiple-Unit Property Tax Exemption for Residential Property Located at 740 East 13th Avenue (First LEED, LLC)

Mr. Ruiz reiterated the items of information regarding the MUPTE proposal that had been brought forth during the Public Forum. He noted that the West University Neighborhood (WUN) had submitted letters indicating their support for the MUPTE.

Councilor Clark, seconded by Councilor Taylor, moved to adopt Resolution 5000, approving a Multiple-Unit Property Tax Exemption for residential property located at 740 East 13th Avenue (First LEED, LLC).

Mayor Piercy called the testimony given during the Public Forum a great presentation. She said the MUPTE was in an area they had established for this purpose, met goals they had set, and had the possibility of being certified LEED platinum. She underscored that the project had the neighborhood's approval and would be good for the economy. She intended to support it, if necessary.

Councilor Taylor commented that if the building was going to be constructed on West Broadway, she would support it. She felt that housing in the University area would be built anyway, whether or not it was granted a tax exemption. She said the City needed the tax money and she did not favor tax exemptions.

Councilor Poling supported the tax exemption. He acknowledged that the cost to construct a building to LEED standards was exorbitant. He commented that this was one of the first MUPTE proposals not built as a "glorified dormitory." He pointed out that the project was proposed to be mixed-use, with commercial on the ground floor and upscale residential above it. He noted that on the grading for the MUPTE application the applicant had scored 150 points, when normally an applicant that reached 100 points would have met the threshold. He felt that the City should be proud to have this project in the community; it was what they strove for and it would have LEED certification.

Councilor Zelenka also thought it was a nice development. He believed they should provide incentives for developers to build to LEED standards, but he did not think the MUPTE was the right mechanism. He agreed with

the sentiment expressed that such housing would be built without the subsidy. He could not justify the MUPTE in the face of the budget deficit and intended to oppose the motion.

Councilor Brown observed that the project had met two requirements, in that the proposal was over the 100 point threshold for community benefit and the neighborhood supported it. He also felt the project was better because of the commercial on the ground floor. He supported having another work session on the MUPTE zone near the University in the future. He commented that it was hard to come from a Budget Committee meeting the previous week and "just give away \$75,000." He said he would support the MUPTE.

Councilor Solomon reminded her colleagues that the exemption was for ten years, but only applied to the improvements. The owner still paid taxes on the property in the interim. She strongly felt that the MUPTE projects that they had approved were of a better and stronger quality than the projects that had been built without the MUPTE exemptions.

Mayor Piercy indicated her willingness to discuss the MUPTE boundaries again, but for the present the area was currently designated for MUPTE projects and the project met all qualifications. She agreed that something would be built on the property no matter what, but she would prefer to have it built to LEED standards.

Roll call vote; the motion passed, 6:2; councilors Zelenka and Taylor voting in opposition.

The meeting adjourned at 8:10 p.m.

Respectfully submitted,



Jon Ruiz
City Manager

(Recorded by Ruth Atcherson)