

MINUTES

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

January 13, 2010
12:00 p.m.

COUNCILORS PRESENT: Chris Pryor, Mike Clark, George Brown, Andrea Ortiz, Alan Zelenka
(via telephone), Betty Taylor, George Poling

COUNCILORS ABSENT: Jennifer Solomon

Mayor Piercy called the work session meeting of the Eugene City Council to order at 12:00 p.m.

- A. **WORK SESSION: Adoption of Resolution 4998 Adopting Inflationary Adjustments to Systems Development Charges for Parks System, and Local Wastewater System, Stormwater System and Transportation System; Superseding Administrative Order 58-08-02-F; and Amending Resolution No. 4900**

Ms. Piercy noted that the work session agenda item regarding Eugene City Council Resolution 4998 regarding systems development charges (SDC) had been carried over from the council's January 11, 2010, regular meeting.

Assistant City Manager Sarah Medary introduced Assistant City Attorney Kathryn Brotherton.

City Engineer Mark Schoening reminded the council that Resolution 4998 had been carried over from their January 11 meeting in order to get a better sense of the financial impact of deferment of inflationary adjustments on SDC's. He noted that a memorandum previously sent to the council regarding the SDC's showed a range of four local systems as well as the revenue that would be lost if the implementation of the inflationary adjustments was delayed from April until July 1, 2010, and also from April until October 1, 2010. He stated that the range of the potential lost revenue was based on revenues received in 2009. He further stated that the majority of the revenue losses from the four systems would be incurred by the Parks system.

Ms. Piercy noted the tabled motion regarding Resolution 4998 from the January 11 council meeting.

Ms. Brotherton, responding to a question from Mr. Clark, stated there were two motions currently on the table, a motion to adopt Resolution 4998 and a motion to amend the same.

Mr. Clark asked if any measurement existed for comparing the deferment of inflationary adjustments of SDC's and the impact of higher and lower SDC's on development in general in similar municipalities. Mr. Schoening responded that City staff had surveyed other communities throughout the State of Oregon and found Eugene to be in the "mid to low-mid" range in terms of the assessment of SDC's. He was unaware of any analyses specifically designed to determine if SDC's were or were not a significant barrier to development.

Mr. Clark noted that the figures reflected in the aforementioned memorandum to the council were significantly different than those presented by staff at the January 11 council meeting. He noted that the figures from the memorandum had apparently been based on the comparative level of development activity evidenced in 2009. Mr. Schoening clarified for Mr. Clark that the lower figures had been based on development activity in 2009, and the higher figures had been based on development activity in 2008.

Mr. Clark noted he had made the amended motion at the January 11, 2010, regular council meeting out of a desire to improve the chances for economic recovery and job creation in the area.

Mr. Zelenka joined the meeting via telephone at 12:05 p.m.

Mr. Pryor asked if any other similar jurisdictions had waived SDC's in a manner similar to that under discussion. Mr. Schoening responded that the City of Springfield had postponed, but not waived, SDC's on single-family homes.

Mr. Pryor did not know how many projects SDC's might actually delay but further averred that the amount of money that might ultimately be collected from those SDC's was potentially very significant.

Public Works Engineering Management Analyst Nancy Burns elaborated upon Mr. Schoening's earlier comments regarding SDC's in Springfield and understood that those charges were only postponed at the request of developers. She further noted that recent increases to Springfield's SDC's were now in full effect and that Springfield's SDC's for a single-family development were approximately 27 percent higher than what had been proposed for Eugene.

Mr. Pryor sympathized with local developers who were paying large amounts of money to initiate or complete projects but noted that he would support the increase to the SDC's.

Ms. Piercy commented that it was important to strike a balance between the encouragement of responsible property development in the community and the real community needs that were met by the revenue generated by local SDC's.

Mr. Brown indicated he had not heard from any local developers that an increase to SDC's would be a "deal breaker" with respect to their projects. He noted that he would support the motion.

Mr. Poling noted that, unlike past council work sessions which addressed SDC's, a comparison chart regarding the SDC increases had not been provided as part of the agenda item summary materials.

Mr. Poling asked if staff had heard any feedback from area developers regarding the proposed SDC increases. Mr. Schoening responded there had been no such feedback.

Mr. Poling believed that the SDC increases would ultimately be passed on to consumers and would not necessarily directly affect developers themselves. He believed that the City would be better off not delaying the SDC increases and indicated that he would not support the amended motion from the January 11, 2010, regular council meeting.

Ms. Ortiz noted she shared several of the concerns that had already been raised by the other council members.

Mr. Schoening, responding to a request from Mr. Zelenka, briefly recapped the revenue information he had stated earlier in the meeting.

Mr. Zelenka stated he was not inclined to support the amendment.

Mr. Clark commented he had spoken with various area developers and believed that they had suffered a substantial loss in membership over the course of the last year. He further noted that he had made the motion under discussion out of a desire to remove barriers to local development.

Mr. Clark asked why certain Springfield developers had chosen not to take advantage of SDC deferrals. Ms. Burns believed that Springfield developers had not utilized the SDC deferrals because there were still liens on the properties in question.

Mr. Clark offered to withdraw his amended motion that had been tabled from the January 11 council meeting. Ms. Solomon, as the second to that motion, was not present to provide her consent. Absent Ms. Solomon's consent on the matter, Ms. Brotherton advised that the council simply vote on the motion.

Ms. Piercy called for a vote on the previously tabled amendment. The amendment failed; 7:0.

Ms. Piercy called for a vote on the previously tabled motion. The motion passed un-animously, 7:0.

B. WORK SESSION: Adoption of Federal Priority Project Lists

Intergovernmental Relations (IGR) Manager Brenda Wilson briefly described how the federal appropriations process worked and also briefly discussed how the City of Eugene generally participated in the United Front Partners of Lane County federal priority process.

Ms. Wilson reported that the City of Cottage Grove had recently withdrawn from its participation in the United Front process.

Ms. Wilson described the United Front partnership process and how it had financially benefited a variety of local areas and interests. She noted that the list of federal priorities projects developed as part of that ongoing process had been thoroughly reviewed by the City's IGR Committee before it was taken before the Eugene City Council for final action.

Ms. Wilson noted that the amount of available congressionally delegated spending appropriations or "earmarks" had gone down by approximately 6 percent from FY06. She briefly discussed how such appropriations had been processed by the City's congressional delegations since that time.

Ms. Wilson described how the Delta Ponds project request had been funded with American Recovery and Reinvestment Act (ARRA) funds and further noted how representatives from the federal office of the U.S. Army Corps of Engineers had participated in that process.

Ms. Wilson recommended that she and her United Front colleagues continue to travel to Washington, D.C. to pursue additional federal funding for local projects. She maintained that such efforts would continue to yield significant benefits for Eugene and the surrounding communities.

Ms. Wilson described for the benefit of the council the various federal priority projects that had been listed as part of the agenda item summary materials. She noted that the projects had been divided into three categories: Updates and Programmatic Requests; FY11 Appropriations Requests; and Reauthorization Requests.

Ms. Wilson hoped that additional funding for the projects under consideration might become available once the Federal Transportation Reauthorization bill currently under a continuing resolution was formally passed.

Ms. Wilson described the updates and programmatic requests included in the federal priorities project list and noted that those items were intended to provide information for the congressional delegations on the various funds that had already been committed. She noted that the updates also provided an opportunity for the United Front partners' congressional delegation to provide policy input on those projects funded with federal dollars.

Ms. Wilson provided information and updates regarding the various FY 11 Appropriations Requests and Reauthorization Requests included in the federal priorities project list. She noted that the Reauthorization Requests which had concerned certain area transportation projects had been carried over from earlier federal funding efforts from December of 2007.

Ms. Wilson noted that a late addition appropriation request which had not been listed in the agenda item summary materials concerned a request for \$750,000 for teen courts in Lane County. She noted that that request had garnered strong support from all of the United Front partner agencies.

Ms. Piercy expressed the City and the council's appreciation to the congressional delegation for their work in facilitating federal funding for local improvement projects. She hoped that the general public could be made better aware of the complicated nature of the federal funding mechanisms that affected the aforementioned projects.

Ms. Piercy asked if Ms. Taylor, in her capacity as Chair of the IGR Committee, had any additional comments or perspectives to provide regarding the federal priority project lists. Ms. Taylor responded that Ms. Wilson had provided sufficient information regarding the project lists and that no further comments were necessary.

Ms. Ortiz stated that Ms. Wilson's explanation of the various areas of the federal priorities project lists had been very well articulated. She further thanked Ms. Wilson for her explanations of how the United Front partner agencies had contributed to the aforementioned projects.

Mr. Poling asked how much it cost each year for the City of Eugene to participate in the United Front's congressional delegation efforts. Ms. Wilson replied that it had cost the City \$4,050 the previous year for her travel expenses, to print and ship the information packets for the congressional delegation, and also to hold a reception for Representative Peter DeFazio.

Ms. Wilson noted that the return on investment was substantial and gave as an example that the City of Eugene received a \$150,000 earmark last year for a regional simulator training center.

Mr. Poling expressed that the City's financial investment in the United Front process was relatively minimal particularly when considered in relation to the benefits which the United Front process had yielded.

Ms. Wilson, responding to a question from Mr. Poling, commented that the federal priorities project list had been developed with the assistance of City of Eugene staff and in conjunction with reviews of the capital improvement project (CIP) list.

Ms. Wilson, responding to a question from Mr. Poling, described how the teen courts project she had previously referenced was used by the City of Eugene and Lane County.

Ms. Wilson, responding to a question from Mr. Poling, described how the Delta Ponds project had been funded by the American Recovery and Reinvestment Act (ARRA).

Mr. Poling noted the Council had recently heard recommendations from a member of the Sustainability Commission and asked if any of them might be applied to the West Bank Path and Pathway Lighting project included in the reauthorization requests. Ms. Wilson was not aware of the Sustainability Commission's recommendations and stated she might speak with the City's transportation staff to see if any of that group's recommendations might be incorporated in the future.

Mr. Poling hoped that Ms. Wilson and City staff would continue to pursue every available avenue for federal funding of local projects.

Ms. Piercy noted that the Sustainability Commission had recommended that the council focus its energies on enhancing transit, bicycle and pedestrian transportation areas.

Mr. Clark thanked Ms. Wilson and the City's IGR staff for their efforts regarding the federal priority project lists.

Mr. Clark asked if the Lane County's Secure Rural Schools (SRS) initiative had been funded with federal congressional appropriation dollars. Ms. Wilson answered that that program had indeed been the recipient of federal funding and that a request for renewed or alternative funding for that initiative was expected.

Ms. Wilson, responding to a request from Mr. Clark regarding the Beltline Road and Corridor study included in the reauthorization requests, described how the City of Eugene was currently seeking \$18 million in federal funding for its portion of the project.

Mr. Clark asked if the process for the Beltline Road and Corridor study might be moved along faster. Ms. Wilson responded that with current funding mechanisms there was no way to accelerate the study. She further noted that Representative DeFazio had given the highest priority to the funding bill related to the Beltline study.

Ms. Wilson, responding to a question from Mr. Clark, reported that the Forest Legacy project included under the FY11 Appropriations Request section of the federal priority list was a program directed to purchase two properties of high environmental quality as part of the Ridgeline plan. She briefly described how each of the properties had been evaluated with respect to their purchase prices. She further described that the properties were located in the Ridgeline area and used a map to demonstrate their precise locations.

Ms. Taylor asked if the IGR staff or the United Front congressional delegation had investigated how federal funding mechanisms might be used to improve local transit systems and neighborhood bus services. Ms. Wilson replied that such projects were normally generated by LTD and that federal funding processes were not typically directed toward the operation of local transit systems.

Ms. Taylor was concerned that in the past, council involvement with respect to projects on the federal priority list had come at the end of the funding process. She hoped that the council and staff might find ways to provide input earlier in the federal funding process. Ms. Wilson commented that the council was welcome to offer input on the ongoing federal funding processes in the future.

Mr. Clark believed that the City currently faced a significant reduction in SDC revenue and asked if there were any venues available to use congressional appropriations or similar earmarks to fund the development of local park lands. Ms. Wilson responded that the federal government had generally determined that park land development was primarily a local concern and was not subject to federal funding mechanisms. Ms. Wilson further commented on the continued importance of relating to the public how federal funds could be used for projects such as Forest Legacy but not for local park land development.

Mr. Clark requested further clarification regarding the nature of the Metro Waterways General Investigative Study included in the Updates and Programmatic requests portion of the federal priority project list. Ms. Wilson replied that the Metro Waterways project was intended to restore natural habitats along the Amazon Creek waterways and to protect and improve local water resources in those areas.

Mr. Clark understood that the Metro Waterways project concerned the aesthetic, recreational and ecological preservation of the Amazon Creek waterway areas and was not singularly focused on water quality protection. Ms. Wilson concurred with Mr. Clark's understanding of the matter.

Ms. Medary, responding to a comment from Mr. Clark regarding the Metro Waterways project, stated that some but not all of the stormwater in West Eugene drained into the Amazon Creek after it had been treated. Ms. Medary further commented that the Metro Waterways project addressed habitat improvements, water quality improvements and recreational access.

Ms. Piercy commented that she and the Council members continued to be fully committed to their goal of developing a park within one-half-mile of each neighborhood area in the City. She further noted it was the goal of the council to ensure the establishment of good parks and services throughout the community.

Ms. Piercy averred that the continued preservation and enhancement of the Amazon Creek waterways would contribute to the continued economic and environmental prosperity of Eugene.

Ms. Medary reminded those present that the Metro Waterways General Investigative Study addressed not only Amazon Creek and Cedar Creek, but also a multitude of other water bodies in Eugene and the surrounding communities.

Mr. Clark, seconded by Ms. Taylor, moved to adopt the 2010 Federal Priority Project List recommendations. The motion passed unanimously, 7:0.

Ms. Piercy adjourned the meeting at 1:18 p.m.

Respectfully submitted,


Jon Ruiz
City Manager

(Recorded by Wade Hicks)