



## Eugene City Council

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[www.eugene-or.gov](http://www.eugene-or.gov)

# EUGENE CITY COUNCIL AGENDA

November 15, 2023

## 12:00 p.m. CITY COUNCIL WORK SESSION

City Council Wednesday work sessions are held using virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

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### Meeting of November 15, 2023; Her Honor Mayor Lucy Vinis Presiding

#### Councilors

Randy Groves, President  
Lyndsie Leech  
Jennifer Yeh  
Mike Clark

Matt Keating, Vice President  
Emily Semple  
Alan Zelenka  
Greg Evans

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## 12:00 p.m. CITY COUNCIL WORK SESSION

- 1. WORK SESSION: An Ordinance Adopting An Amended Urban Renewal Plan For The Riverfront Urban Renewal District**
- 2. WORK SESSION: Sports Bond Discussion**

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

For more information, contact the Council Coordinator at 541-682-5010,  
or visit us online at [www.eugene-or.gov](http://www.eugene-or.gov).

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Work Session: An Ordinance Adopting An Amended Urban Renewal Plan For The Riverfront Urban Renewal District

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Meeting Date: November 15, 2023  
Department: Planning and Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 1  
Staff Contact: Amanda D'Souza  
Contact Telephone Number: 541-682-5540

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### **ISSUE STATEMENT**

City Council will review comments received from the public, Planning Commission, River Guides, and overlapping taxing districts on a proposed ordinance to amend the Riverfront Urban Renewal Plan (Plan). On September 13, 2023, City Council (acting as the Urban Renewal Agency Board) began the plan amendment process that includes increasing the Plan's spending limit by up to \$45 million, clarifying existing projects that remain eligible for urban renewal funds, and expanding the list of projects eligible for urban renewal funds to include: support for new housing development; physical improvements in the Riverfront Urban Renewal Plan Area (Plan Area) to address safety and comfort; and projects directed or initiated by the Agency Board. At this work session, City Council is asked to provide direction on what spending scenario they would like to move forward with in order for staff to prepare the final ordinance for Council's later consideration. Council has another work session scheduled for November 27, 2023, with the opportunity to take action on the ordinance at that time.

### **BACKGROUND**

The Riverfront Urban Renewal District (District) runs from the heart of downtown to I-5. The District encompasses some of Eugene's most urban blocks, the transforming brownfield development of the Downtown Riverfront, the investments in the North Campus area, and many of the streets, sidewalks, paths, and parks that connect them. As part of the recent Downtown Priorities and Projects (DTPP) Process, staff solicited community feedback about the properties located in the western half of the District. Among the six categories of activities identified through that process (Housing, Public Safety, Social Services, Commercial Activity and Development, Public Spaces and Mobility, and Events and Culture), community members stressed the importance of building more housing in the western portion of the District and of strengthening the connections between the District and the downtown core.

Urban Renewal has been the primary tool used to realize the community's vision of transforming the former Eugene Water and Electric Board (EWEB) property into the new Downtown Riverfront neighborhood. The Agency purchased the 16-acre property in April 2018 and has made significant investments to spur the site's redevelopment (separately, the City has also purchased the City Hall building and additional property from EWEB). Most of the work to date has focused on the

following elements: the Riverfront Park, infrastructure, public-private partnerships for market-rate housing development, and Steam Plant redevelopment.

#### *Proposed Riverfront Urban Renewal Plan Amendment*

In January 2022, Council approved a poll requesting a discussion about continuation of both the Downtown and Riverfront Urban Renewal Districts. The Agency Board considered the future of the Riverfront District at its November 9, 2022, work session. The Agency Board discussed the outstanding projects in the Downtown Riverfront, the Plan amendment process, and the fiscal implications for extending the life of the District or ceasing the collection of tax increment funds. The currently adopted Riverfront Urban Renewal Plan is set to sunset on June 30, 2024. If the Agency wishes to continue collecting tax increment revenue in the Riverfront District, Council must approve an amendment to the Riverfront Urban Renewal Plan by December 2023. This would allow time for the amendment to be placed on the May 2024 ballot, if referred.

At the November 9, 2022, work session, the Agency Board directed staff to draft a proposal to amend the Riverfront Urban Renewal Plan (Plan) to expand the District's financial capacity and bring the proposal back for the Agency Board's review and comment. On September 13, 2023, the Urban Renewal Agency Board reviewed the proposal and initiated the process to consider an amendment to the Riverfront Urban Renewal Plan that would increase the spending limit in the Plan and clarify eligible project activities, both of which would result in high priority improvements within the Riverfront Urban Renewal District. The proposed ordinance for the 2023 Plan amendment is included as Attachment A to this AIS. The amended Riverfront Urban Renewal Plan is attached as Exhibit A to the ordinance. Exhibit B to the ordinance is a Report describing, among other things, the financial impact of the Plan amendment. Findings that the Riverfront Plan Area is blighted and therefore eligible for urban renewal are included as Exhibit C to the ordinance.

The proposed Plan amendment includes information on three possible spending scenarios, each of which would result in a different increase to maximum indebtedness (and a different estimated lifespan of the District):

- Scenario A would raise the maximum indebtedness by \$15 million, which is estimated to extend the District's collection of tax increment revenue by 5 years.
- Scenario B would raise the maximum indebtedness by \$25 million, which is estimated to extend the District's collection of tax increment revenue by 8 years.
- Scenario C would raise the maximum indebtedness by \$45 million, which is estimated to extend the District's collection of tax increment revenue by 15 years.

Adopting a "maximum indebtedness" figure does not authorize or obligate the District to issue bonds or pay for specific projects. Rather, it sets a spending limit on tax increment revenue for the District and allows the current and future Agency Boards the ability to fund projects over time, either with cash or by issuing debt.

At this work session, City Council is asked to provide direction on which spending scenario they would like to move forward with in order for staff to prepare the final ordinance for Council's consideration on November 27. Council can choose to move forward with an alternative spending scenario instead of the three proposed above; however, any maximum indebtedness of more than

\$45 million would require additional concurrence from the 4J School Board. The proposed Plan amendment does not include any boundary changes to the Riverfront Plan Area.

### *Proposed Projects*

The proposed Plan amendment continues the approach in the existing Riverfront Urban Renewal Plan; specifically, the Plan includes project focus areas, which outline activities eligible for tax increment funding. This allows the Agency Board to establish spending parameters in the Plan while maintaining some flexibility and responsiveness to evolving needs during Plan implementation. The project focus areas included in the proposed Plan amendment vary between spending scenarios:

- Spending scenario A is focused on completion of two outstanding Downtown Riverfront projects: the Steam Plant redevelopment and the Downtown Riverfront Affordable Housing project. Scenario A estimates most of the increased spending limit will be allocated toward these projects but does allow for the Agency Board to use any remaining funds on any other eligible projects the Board chooses to initiate.
- Spending scenarios B and C include completion of the two outstanding Downtown Riverfront projects and also include projects in the following focus areas (the same focus areas that were included in the Downtown Urban Renewal Plan Amendment): Housing, Physical Improvements to Address Safety and Comfort, and Projects Directed/Initiated by the Agency Board. These focus areas are based on feedback collected from the DTPP public engagement effort and would contribute to improvements in and connections to the downtown core.
- In addition, the Plan continues to include “Other Public Facilities” as eligible projects in all three spending scenarios, which preserves the Agency Board’s ability to use urban renewal funds for projects such as City Hall improvements.

Information about each of the project focus areas is provided in the proposed Plan amendment and the draft Report. Attachment B describes implementation steps for each of the project focus areas should Council choose to amend the Riverfront Urban Renewal Plan as proposed. Chapter 6 of the Report (Exhibit B to Attachment A) includes estimated allocations for each of the projects and categories of projects; however, actual project spending will depend on future Agency Board budgetary action and project implementation. At the September 13 work session, the Agency Board requested more information on the possible use of urban renewal funds to address the Steam Plant’s remaining financial gap; additional information is provided in Attachment B.

To use urban renewal funds on these new proposed project focus areas, the City Council must adopt an ordinance substantially amending the current Riverfront Urban Renewal Plan to increase the spending limit (i.e., maximum indebtedness) for the Plan. The Agency has nearly reached the current spending limit of \$34.8 million, with the bulk of that funding spent on property acquisition and infrastructure improvements to support the Riverfront Research Park, the Courthouse District, and the Downtown Riverfront neighborhood. If the Plan amendment is approved, the Agency will continue to collect tax increment revenue within the Riverfront District.

### *Riverfront Urban Renewal District - Fiscal Implications*

The Riverfront District generates approximately \$3.4 million in tax increment revenue per year as of FY23. The impact to City finances depends on the path chosen by the Agency Board:

- **Continue the Riverfront Urban Renewal Plan.** The annual revenue is expected to continue to grow, up to certain limits as described in Chapter 7 of the Report (Exhibit B to Attachment A) and be directed to the District to be used on eligible capital projects and operating expenses.
- **Discontinue Riverfront District's collection of tax increment revenue.** If the District no longer collects revenue from the division of tax, the tax increment revenue will be directed to the overlapping taxing districts. Under this scenario, the City's General Fund would receive approximately 41 percent of what the Riverfront District collects (\$1.4 million per year as of FY23). Lane County would receive approximately 7 percent (\$249,000 per year as of FY23). Approximately 28 percent (\$928,000 per year as of FY23) would be collected on behalf of School District 4J, although it is important to note that the impact to 4J's overall budget would be negative. This is due to State funding mechanisms for education and local properties that are in 'compression' related to State laws regarding property tax limits. If the Riverfront Urban Renewal District ceases to collect tax increment revenue, the *net impact to School District 4J would be an estimated decrease of \$45,000 per year as of FY23.*

The 2023-2025 Adopted Biennial Budget assumes an additional \$400,000 of property tax revenue annually for the City's General Fund, starting in FY25, provided by an increase to the Riverfront Urban Renewal District's frozen base of assessed value. This increase in the District's frozen base can be accomplished through Agency Board action following City Council adoption of the Riverfront Urban Renewal Plan amendment. The financial analysis contained in the draft Report on the Plan amendment (Exhibit B to Attachment A) assumes the Agency Board will increase the frozen base assessed value from \$50.6 million to \$110.4 million. This frozen base increase will generate an estimated \$800,000 per year for all of the overlapping taxing districts combined starting in FY25 if the Plan is amended; the City's General Fund will receive approximately half of the total amount, or about \$400,000 per year. This will reduce the annual tax increment revenue directed to the District by the same estimated \$800,000 per year.

### *Amendment Process*

State law requires a "substantial plan amendment" for Council to increase the spending limit. (See Attachment C for more information on the amendment process.) The substantial amendment process requires a mailed notification to all Eugene property owners; review by the Planning Commission; notification to other impacted taxing districts; and a public hearing. Concurrence from certain overlapping taxing districts is required.

*Public Comment:* A notice of the proposed Plan amendments and City Council's October 16, 2023, public hearing on the proposed plan amendments was mailed to Eugene property owners on September 29, 2023. On October 16, 2023, Council held a public hearing on the proposed Plan amendments where 6 people spoke. Comments on the proposed Plan amendments that were submitted as of November 1, 2023, are included as Attachment D to this AIS.

*Planning Commission:* Planning Commission discussed the proposed Plan amendments on October 10, 2023, and unanimously approved a motion recommending that Council adopt the proposed amendments to the Plan. At the October 10 meeting, Planning Commissioners discussed the

proposed amendment's alignment with existing plans and policies, especially the Housing Implementation Pipeline, Envision Eugene, and the Downtown Plan, and expressed the need for housing downtown. (Planning Commission Meetings are available to view online: <https://www.eugene-or.gov/2109/Planning-Commission-Webcasts.>)

*Taxing Districts:* The overlapping taxing districts (Eugene School District 4J, Lane County, Lane Education Service District, Lane Community College, and Upper Willamette Soil and Water Conservation District) received written notice of the proposed plan amendment on or before September 27, 2023. Comments on the proposed amendment were accepted until November 13.

The Lane County Board of County Commissioners reviewed the proposed Plan amendment on October 17, 2023, and expressed support for the amendment. The Board discussed the fiscal impacts of the amendment including revenue sharing and redevelopment of the Steam Plant as a needed commitment to economic development. (The County Board meeting is available to view here: <https://lanecounty.ompnetwork.org/embed/sessions/278557/board-of-commissioners-morning-meeting-october-17-2023.>)

The Eugene School District 4J Board discussed the proposed Plan amendments on October 18, 2023. The School District Board raised questions about the concurrence process, typical affordability periods for affordable housing, and how many housing units could be supported for each spending scenario. The Board voted 7:0 on November 1, 2023, to “concur with the Eugene City Council’s proposed Plan amendment to increase maximum indebtedness for the Riverfront Urban Renewal District by up to \$45 million in accordance with ORS 457.220 and 457.470(7).” (School Board meetings are available to view here: [https://www.4j.lane.edu/board/meetings/.](https://www.4j.lane.edu/board/meetings/))

*River Guides:* The River Guides (advisory committee for the Riverfront Urban Renewal District) discussed the proposed Plan amendment on October 20, 2023. The River Guides discussed the fiscal implications of the proposed amendment, how urban renewal would be used to support the creation of new housing and City Hall accessibility renovations, next steps for the Steam Plant, and also encouraged investment in multi-modal infrastructure instead of additional parking. The River Guides voted 4:0 to recommend Council approve the proposed Plan amendment using spending scenario C.

#### *Proposed Ordinance and Next Steps*

The proposed ordinance for the 2023 Plan amendment is included as Attachment A to this AIS. The amended Riverfront Urban Renewal Plan is attached as Exhibit A to the ordinance. Exhibit B to the ordinance is a Report describing, among other things, the financial impact of the Plan amendment. Findings that the Riverfront Plan Area is blighted and therefore eligible for urban renewal are included as Exhibit C to the ordinance.

The proposed ordinance was updated following the public hearing to reflect the decision of the Eugene School District 4J to concur with the proposed Plan amendments, and the Lane County Board of Commissioners’ expression of support for the proposed amendment. It was also updated to add a Transportation Systems Plan project that was unintentionally omitted. The project (PB-8, Alder Street Rail Crossing) is already eligible under the proposed project activities but has been added to Plan Exhibit C and Report Chapter 2 to make the findings more complete. The proposed

ordinance will be further updated with the spending scenario Council chooses to move forward with and to reflect comments received from any of the other overlapping taxing districts. In addition, Council action on whether to amend the Riverfront Urban Renewal Plan is scheduled for November 27.

## **RELATED CITY POLICIES**

### [Climate Action Plan \(CAP\) 2.0](#)

CAP 2.0 includes multiple strategies that support the development of downtown and increase of compact housing in the downtown. Smaller homes tend to have a smaller carbon footprint during construction and use, and housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer trips.

### [Eugene Downtown Plan](#)

- Downtown development shall support the urban qualities of density, vitality, livability, and diversity to create a downtown, urban environment.
- Emphasize Broadway, Willamette Street, 5<sup>th</sup>, and 8<sup>th</sup> Avenues as Great Streets through public improvements and development guidelines. Include portions of 8<sup>th</sup> Avenue between Willamette Street and the Willamette River.
- Enhance public places throughout downtown through the careful design of civic buildings, streetscapes, parks, and plazas. Include public art and other elements to create special places for all ages.
- Connect special places downtown with enhanced street designs, public art, directional signs, transit routes and historic markers to create an inviting and memorable route through downtown.
- Support public safety activities that increase visibility, access, actual, and perceived safety for individuals and property downtown.
- Enhance functional designs for streets, sidewalks, and related public improvements with carefully chosen design elements, including materials, alignments, plantings, and streetscape elements.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.

### [Housing Implementation Pipeline \(HIP\)](#)

Encouraging compact development in the downtown core is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability. A target goal in the HIP is to increase the amount of housing downtown by 50 percent from 2021: an increase of over 1,000 units.

### *Envision Eugene Pillars*

- Provide ample economic opportunities for all community members.
- Promote compact urban development and efficient transportation options.

- Protect, repair, and enhance neighborhood livability.
- Provide for adaptable, flexible, and collaborative implementation.

[Strategic Plan Goals: Urgent Community Needs](#)

- Strategic Goal: Stabilize the cost of housing.
  - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to increase the supply of housing.
- Strategic Goal: Increase the vibrancy, economic vitality, and livability of downtown.
  - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to support commercial activity.
  - High-Impact Action: Improve Eugene’s business environment and reputation as a place to do business, including improving overall community livability.
- Strategic Goal: Advance climate action and community resilience to natural and human-caused disasters.
  - High-Impact Action: Decrease transportation-related emissions and make the transportation network diverse and adaptable through continued implementation of the Eugene 2035 Transportation System Plan and related compact development actions in Envision Eugene.
  - High-Impact Action: Continue to implement strategies from the Climate Action Plan 2.0 to improve and enhance efficiency and resilience of buildings in Eugene, including City-owned facilities.

**PREVIOUS COUNCIL DIRECTION**

[January 26, 2022 Agency Board Work Session](#)

Moved to authorize the Agency Director to enter into an agreement for the sale and redevelopment of the Steam Plant property that is consistent with the “Proposed Terms for Sale of Steam Plant property” with the addition of the deal point that the project shall be constructed with prevailing wage. The Agency Board directed staff to continue working with the development team during due diligence to identify funding and strategies to cover the funding gap with the understanding that neither Agency nor City funds would be used to fill this funding gap.

*(Motion passed 7:0)*

[November 9, 2022 Agency Board Work Session](#)

Moved to direct the Agency Director to draft a proposal to amend the Riverfront Urban Renewal Plan to expand the District’s financial capacity and to schedule a work session to allow the Board to review and comment on that proposal.

*(Motion passed 5:2)*

[September 13, 2023 Work Session](#)

Move to direct the Agency Director to begin the process of amending the Riverfront Urban Renewal Plan using spending scenarios A, B, and C consistent with the draft Plan and Report and included in Attachments A and B.

*(Motion passed 7:0)*

## **COUNCIL OPTIONS**

1. Select a specific spending limit increase for the Riverfront Urban Renewal Plan and direct the City Manager to bring back an updated ordinance for action on November 27, 2023.
2. Take no action at this time.

## **CITY MANAGER'S RECOMMENDATION**

The City Manager recommends that the Council select a spending limit increase and direct the City Manager to bring back an updated ordinance for action.

## **SUGGESTED MOTION**

Move to direct the City Manager to bring back for action an ordinance amending the Riverfront Urban Renewal Plan and including a spending limit increase of \$\_\_ million.

## **ATTACHMENTS**

- A. Proposed Ordinance Amending the Riverfront Urban Renewal Plan
  - Exhibit A:* Riverfront Urban Renewal Plan
  - Exhibit B:* Report on the Riverfront Urban Renewal Plan
  - Exhibit C:* Blight Findings
- B. Preliminary Project Implementation Information
- C. Riverfront Urban Renewal District - Technical Details
- D. Public Written Comment received by November 1, 2023

## **FOR MORE INFORMATION**

Staff Contact: Amanda D'Souza, Development Programs Manager  
Telephone: 541-682-5540  
Staff E-Mail: [adsouza@eugene-or.gov](mailto:adsouza@eugene-or.gov)

**ORDINANCE NO. \_\_\_\_\_****AN ORDINANCE ADOPTING AN AMENDED URBAN RENEWAL PLAN FOR THE RIVERFRONT URBAN RENEWAL DISTRICT.****The City Council of the City of Eugene finds that:**

**A.** On September 11, 1985, the City Council passed Ordinance No. 19352 adopting the Riverfront Research Park Urban Renewal Plan.

**B.** On March 10, 2004, the City Council adopted Ordinance No. 20313 changing the name of the “Riverfront Research Park Urban Renewal Area” to the “Riverfront Urban Renewal Area”, adding acreage to the Riverfront Urban Renewal Area (“the Plan Area”), and adopting the amended Riverfront Urban Renewal District Plan (“the Plan”).

**C.** On February 12, 2018, the Agency Board approved Resolution 1085 adding 1.1 acres to the Plan Area.

**D.** On February 12, 2018, the Agency Board approved Resolution 1086 adding 0.76 acres to the Plan Area.

**E.** The City Council’s adopted 2021 Vision, Values, Goals and Outcomes include as a goal “A community that meets its present environmental, economic, and social needs while planning for and investing in the ability of future generations to meet their own needs,” as well as the outcomes of “encourage[ing] and sustain[ing] downtown, transit corridors, and riverfront growth,” and “[i]ncreas[ing] access and options to housing and shelter.”

**C.** In the Fall of 2022, city staff conducted a robust community outreach effort to identify priorities and projects that would enhance downtown Eugene’s role as the regional economic, governmental, and cultural center of the city. The western portion of the Plan Area includes properties that are typically considered part of the downtown core and connect downtown to the Willamette River. The effort also sought public input on projects and priorities to support downtown Eugene as a safe and vibrant place to live, work, and visit. The public outreach effort led to six categories of recommendations for Eugene’s downtown: Housing; Public Safety; Social Services; Commercial Activity and Development; Public Spaces and Mobility; and Events and Culture.

**D.** On November 9, 2022, the Urban Renewal Agency Board considered the future of the Riverfront Urban Renewal District and outstanding projects in the Downtown Riverfront and directed the Agency Director to draft a proposal to amend the Riverfront Urban Renewal Plan to expand the Riverfront Urban Renewal District’s financial capacity and to amend and clarify the list of eligible projects in the Plan.

**E.** On September 13, 2023, the Agency Board initiated the process to amend the Riverfront Urban Renewal Plan to specify the project activities to be undertaken and increase the Plan’s total maximum indebtedness.

**F.** The Plan includes as eligible projects activities previously initiated by the Agency Board, including redevelopment of the Steam Plant and development of an Affordable Housing project in Downtown Riverfront. The Plan continues to include authorization for the projects designated in Section 600A(7) of the 2004 Riverfront Urban Renewal Plan and Section 600D(5) of this amendment Plan as “Other Public Facilities.” New project categories in the proposed Plan include: development fee assistance for the creation of new housing in the Plan Area; real property acquisition and disposition to support the creation of housing in the Plan Area; physical improvements in the Plan Area to address safety and comfort, including street, curb, alley and sidewalk improvements, streetscape projects, and pedestrian, bicycle and multi-modal transportation improvements; and projects directed or initiated by the Agency Board, which could include transmission line rerouting, parking and mobility, open spaces, and/or development support.

**G.** On September 22 and 27, 2023, copies of the proposed Plan amendment and the accompanying report were delivered to the following affected taxing districts by mail and email, along with an offer to consult and confer with each district: Lane County, Lane Community College District, Lane Education Service District, and Upper Willamette Soil and Water Conservation District. Lane County Board of Commissioners reviewed the proposed Plan amendment and expressed support for the Plan amendment. The County Board discussed the fiscal impacts of the amendment including revenue sharing, and redevelopment of the Steam Plant as a needed commitment to economic development.

**H.** On September 22, 2023, copies of the proposed Plan amendment and the accompanying report were delivered to the Eugene School District 4J by mail and email, along with a request for concurrence from 4J Board in a proposed increase in total maximum indebtedness for the Riverfront Urban Renewal District of up to \$45 million. ORS 457.220 provides that in order to increase the Plan’s total maximum indebtedness by more than 20% of the Plan’s initial maximum indebtedness, the written concurrence of taxing districts imposing at least 75% of the permanent rate levy for the Riverfront Urban Renewal Plan Area is required. The City of Eugene and Eugene School District 4J impose more than 75% of the amount of the taxes imposed under permanent rate limits in the Riverfront Urban Renewal Plan Area. On November 1, 2023, the 4J Board voted to support the proposed Plan amendments and on November 3, 2023, the District provided a written statement of concurrence with the proposed Plan amendments.

**I.** On October 10, 2023, the Eugene Planning Commission reviewed the proposed Plan amendment and the accompanying report and recommended that the Council adopt the proposed Plan amendments based on the City’s land use policies.

**J.** On September 29, 2023, notice of the City Council’s public hearing on the proposed Plan amendment was mailed to all owners of real property located in the City as required by ORS 457.120.

**K.** On October 16, 2023, the City Council held a public hearing on the proposed Plan amendment. On November 15, 2023, the City Council held a work session to consider public

testimony, comments from affected taxing districts, and the Planning Commission's recommendation on the proposed Plan amendment.

**L.** Based on the recommendations of the Agency Board and the Planning Commission, and the written and oral testimony provided to the Planning Commission and the City Council, the City Council hereby finds and determines that:

(1) The Plan includes the following elements:

(a) An increase in the Plan's maximum indebtedness of \$\_\_ million [*up to \$45 million*], for a total of \$\_\_ million [*prior to Council action, insert monetary amounts*].

(b) Retention of activities previously initiated by the Agency Board as eligible projects, including redevelopment of the Steam Plant and development of an Affordable Housing project in Downtown Riverfront. The Plan also continues to include authorization for the projects designated in Section 600A(7) of the 2004 Riverfront Urban Renewal Plan and Section 600D(5) of this amended Plan as "Other Public Facilities."

(b) The addition of new project categories to the Plan, including: development fee assistance for the creation of new housing in the Plan Area; real property acquisition and disposition to support the creation of housing in the Plan Area; physical improvements in the Plan Area to address safety and comfort, including street, curb, alley and sidewalk improvements, streetscape projects, and pedestrian, bicycle and multi-modal transportation improvements; and projects directed or initiated by the Agency Board, which could include transmission line rerouting, parking and mobility facilities, open spaces, and/or development support.

(2) The area defined in the Plan attached as Exhibit A is blighted for the reasons explained in Exhibit C to this Ordinance;

(3) The rehabilitation and redevelopment described in the Plan is necessary to protect the public health, safety or welfare of the City;

(4) The Plan conforms to the Eugene-Springfield Metropolitan Area General Plan, Statewide Land Use Planning Goals, the Downtown Plan, the City's adopted Growth Management Policies, the Envision Eugene Comprehensive Plan, the Eugene 2035 Transportation Systems Plan, Eugene's Community Climate Action Plan 2.0, the Housing Implementation Pipeline, and other City plans and policies, and provides an outline for accomplishing the urban renewal projects proposed in the Plan;

(5) No specific relocation activity is identified in the Plan; however, provision has been made in Chapter 10 of the Report included in Exhibit B to this Ordinance, to, if necessary, house displaced persons within their financial means in accordance with ORS 35.500 to 35.530, and, except in the relocation of elderly individuals or individuals with

disabilities, without displacing on priority lists persons already waiting for existing federally subsidized housing;

(6) To the extent acquisition of real property is provided for by the Plan, it is necessary to implement the projects included in the Plan;

(7) Adoption and carrying out of the Plan is economically sound and feasible as described in the Report included in Exhibit B to this Ordinance;

(8) The City shall assume and complete any activities prescribed it by the Plan; and

(9) The City Council concurs in the amount of total maximum indebtedness included in the Plan attached as Exhibit A to this Ordinance.

**THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:**

**Section 1.** Based upon the above findings, the Report attached as Exhibit B, and the blight findings attached as Exhibit C to this Ordinance, all of which are hereby adopted, the revisions to the Urban Renewal Plan for the Riverfront Urban Renewal District, as reflected in Exhibit A attached hereto, are approved and adopted as the urban renewal plan for the area set forth therein.

**Section 2.** The City Manager is requested to:

(a) Publish a notice of the adoption of the amended Plan in the Register-Guard, a newspaper published within the City of Eugene and having the greatest circulation within the City, no later than four days following the date that this Ordinance is adopted. In accordance with ORS 457.135, the notice shall contain a statement that the amended Plan shall be conclusively presumed valid for all purposes 90 days after its adoption by this Ordinance and that no direct or collateral attack on the action adopting the amended Plan may be commenced thereafter;

(b) Forward a copy of this Ordinance and the amended Plan to the Urban Renewal Agency of the City of Eugene, which Agency will cause the amended Plan to be recorded in the official records of Lane County, Oregon; and

(c) Forward a copy of this Ordinance and the amended Plan to the Lane County Assessor and request that the Assessor perform the duties directed by ORS 457.430 through ORS 457.435 and ORS 457.440 through ORS 457.450.

**Passed by the City Council this**

**Approved by the Mayor this**

\_\_\_ day of November, 2023

\_\_\_\_\_ day of November, 2023

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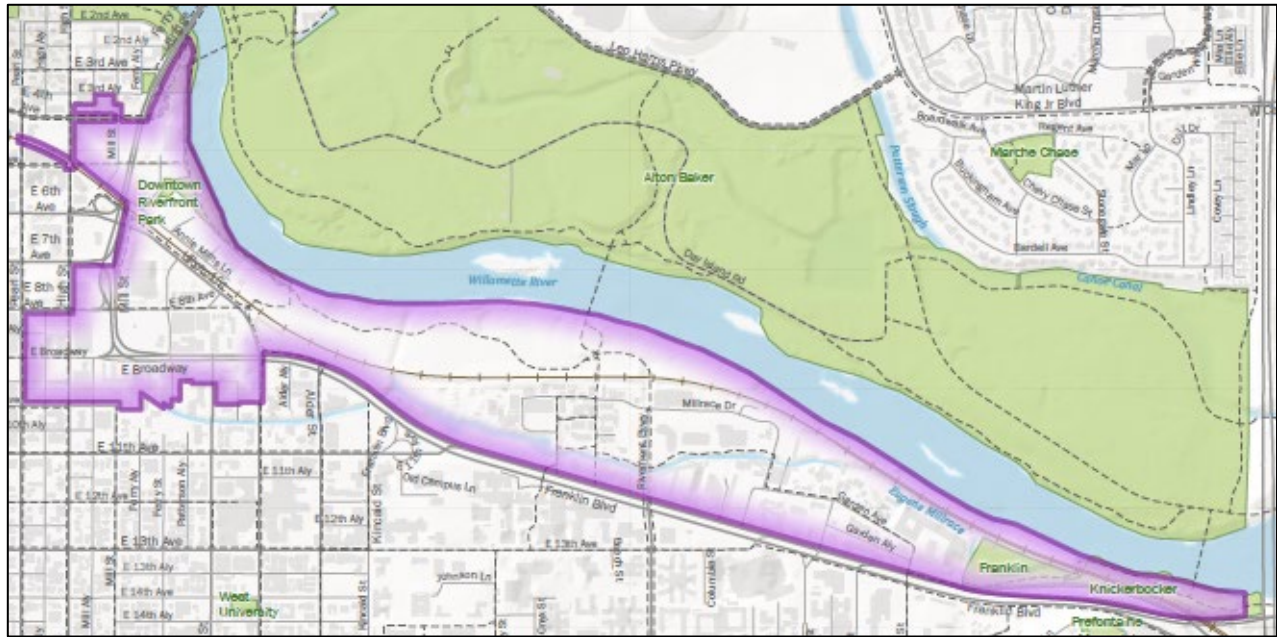
**City Recorder**

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**Mayor**

Exhibit A

# Urban Renewal Plan for the Riverfront Urban Renewal District



**Adopted September 11, 1985**  
**-Amended-**  
**March 2004**  
**February 2018**

*Amended \_\_\_\_, 2023 by Ordinance No. \_\_\_\_*

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**Urban Renewal Agency of the City of Eugene, Oregon**

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## I. ADOPTION

Ordinance Number	Date	Purpose
Ordinance No. 19352	9/11/85	Adoption of the Urban Renewal Plan

## II. AMENDMENTS

Ordinance/Resolution Number	Date	Purpose
Ordinance No. 20313	3/10/2004	<p>The First Amendment to the Riverfront Research Park Urban Renewal Plan made the following changes to the Plan:</p> <ul style="list-style-type: none"> <li>○ Changed the name of the urban renewal area from “Riverfront Research Park Urban Renewal Area” to “Riverfront Urban Renewal Area”.</li> <li>○ Added 34.5 acres of land to the renewal area.</li> <li>○ Expanded and revised the list of project activities to be undertaken under the First Amendment to the Plan.</li> <li>○ Provided new cost estimates of project activities to be undertaken under the First Amendment to the Plan.</li> <li>○ Extended the duration of time required to pay off project indebtedness to June 30, 2024.</li> <li>○ Provided new information on the impact that carrying out the Plan will have on other taxing bodies under Measure 50.</li> </ul>
Resolution No. 1085	2/12/2018	<ul style="list-style-type: none"> <li>○ Increased boundary by 1.1 acres (North of 4th Avenue Expansion)</li> </ul>
Resolution No. 1086	2/12/2018	<ul style="list-style-type: none"> <li>○ Increased boundary by 0.76 acres (Quiet Zone Expansion)</li> </ul>

## **URBAN RENEWAL PLAN FOR THE RIVERFRONT URBAN RENEWAL DISTRICT**

*[Throughout this proposed Plan, a range of spending scenarios will be used to demonstrate the effect of different increases in the Plan's maximum indebtedness: A = \$15 million, B = \$25 million, C = \$45 million.]*

### **Section 100 – Introduction**

The Riverfront Urban Renewal Plan (the “Plan”) was revised in 2023 to make the following changes:

- Specifies project activities to be undertaken;
- Increases the Plan's maximum indebtedness to allow for those specific projects; and
- General updating of the Plan.

#### *[Scenario A]*

The Plan outlines specific activities related to two projects previously initiated by the Urban Renewal Agency Board: redevelopment of the Steam Plant and development of an Affordable Housing project in the Downtown Riverfront.

The project activities are discussed in more detail under Section 600 of the Plan. Eligible activities include previously approved projects. The 2023 Amendment increases the Plan's maximum indebtedness from \$34.8 million to \$49.8 million.

The Riverfront Urban Renewal District will cease collecting tax increment dollars and return any unused tax increment funds to Lane County for redistribution to overlapping taxing districts as provided in Section 1300A of this Plan.

#### *[Scenarios B and C]*

The Plan outlines specific activities related to two projects previously initiated by the Urban Renewal Agency Board: redevelopment of the Steam Plant and development of an Affordable Housing project in the Downtown Riverfront. The Plan continues to include authorization for the projects designated in Section 600A(7) of the 2004 Riverfront Urban Renewal Plan, and Section 600D(5) of this amended Plan as “Other Public Facilities.”

The Plan also includes activities related to new projects that address the challenges in the Plan Area, including those identified through a robust community outreach effort in fall of 2022, known as Downtown Priorities and Projects. The Downtown Priorities and Projects effort led to recommended improvements for Eugene's downtown, which includes the western end of the Plan Area, in six categories: Housing; Public Safety; Commercial Activity and Development; Public Spaces and Mobility; and Events and Culture.

Eligible project activities include previously approved projects and new project categories and are discussed in more detail under Section 600 of this Plan; including, “Additional

Housing,” “Physical Improvements to Address Safety and Comfort” and “Projects Directed/Initiated by the Agency Board.” The 2023 Amendment increases the maximum indebtedness from \$34.8 million to \_\_\_ [B = \$59.8 million C = \$79.8 million].

The Riverfront Urban Renewal District will cease collecting tax increment dollars and return any unused tax increment funds to Lane County for redistribution to overlapping taxing districts as provided in Section 1300A of this Plan.

## **Section 200 – Definitions**

The following definitions will govern this Plan unless the context otherwise requires.

2004 Amendment means the update to the Plan that was completed in 2004.

2018 Amendments mean the two minor updates to the Plan Area that were completed in 2018.

Agency means the Urban Renewal Agency of the City of Eugene.

Blighted areas means areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use, or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health, or welfare of the community. A blighted area is characterized by the existence of one or more of the conditions described in the definition of “Blighted Areas” in ORS 457.010.

City means the City of Eugene.

Downtown Plan means the Eugene Downtown Plan as adopted by the Eugene City Council in 2004 as a refinement of the Eugene Springfield Metropolitan Area General Plan. The eastern portion of the Downtown Plan boundary includes the western portion of the Plan Area.

Downtown Riverfront means the 16 acres of riverfront property the Agency purchased from EWEB in 2018 to facilitate the redevelopment of EWEB’s former utility yard. The Downtown Riverfront includes the Riverfront Park and Plaza, the Steam Plant, and the parcels of the Downtown Riverfront that have been or may be sold to a private developer for new residential and/or commercial development.

EWEB means the Eugene Water and Electric Board.

ORS means the Oregon Revised Statutes. ORS Chapter 457 regulates the urban renewal process.

Plan means the Urban Renewal Plan for the Riverfront Urban Renewal District.

Plan Area means the property included in the Riverfront Urban Renewal District as more fully described in Section 300.

Projects means the urban renewal projects listed in Section 600 of the Plan.

Report on the Plan means the textual material and graphic exhibits required by ORS 457.085(3) that explains existing conditions, activities, procedures, and proposals of the Plan.

Riverfront Park and Plaza means the 3-acre Downtown Riverfront Park and 1-acre Plaza located in the Plan Area. The Park was completed in 2022. Construction of the Plaza is expected to begin in 2025.

Steam Plant means the historic structure the Agency acquired from EWEB in 2018 as part of the purchase of the Downtown Riverfront property. The multi-story masonry and steel structure was constructed in three phases from 1930-1950. Steam Plant operations ceased in 2012 and the building is currently vacant. The Agency intends to preserve and redevelop the structure.

Tax Increment Financing means a method of financing urban renewal projects as authorized by ORS Chapter 457.

Willamette to Willamette Initiative means the collection of projects focusing on infrastructure and activity along 8<sup>th</sup> Avenue between the Willamette River and Willamette Street.

## **Section 300 – Legal Description**

The Riverfront Urban Renewal District includes an area of approximately 245 acres. The Plan Area includes all of the land within the boundaries designated on the map attached as Plan Exhibit A and described as containing all lots or parcels of property situated in the City of Eugene, County of Lane, State of Oregon, bounded generally as described in Plan Exhibit B.

## **Section 400 – Goals and Objectives**

### **A. Goals**

The goals of the Plan are to:

1. Improve the function, condition, and appearance of the Plan Area by:
  - a. Supporting the creation of a mix of new housing, which will bring more people and positive activity into the Plan Area, thereby making the entire Plan Area more attractive for residents, workers, and visitors.
  - b. Supporting commercial development by creating physical conditions to help businesses thrive and by the repurposing of underutilized properties.
  - c. Making physical improvements to parks, plazas, open spaces, sidewalks, and streets to provide an inviting connection through the Plan Area and to the river.
2. Eliminate blight and blighting influences.
3. Strengthen the economic conditions of the Plan Area.
4. Improve connections between the Riverfront Plan Area, the core of downtown, the federal courthouse, and the University of Oregon.

5. Protect or enhance the riparian area.

## **B. Objectives**

Development in the Plan Area is intended to play a critical role in Eugene's economy by improving the east side of the downtown core and providing a unique opportunity to develop an area that connects downtown Eugene to the Willamette River, the federal courthouse, and the University of Oregon. These objectives are consistent with the Eugene 2035 Transportation System Plan, Envision Eugene, Eugene's Community Climate Action Plan 2.0, the City's Capital Improvement Program, and the City's Housing Implementation Pipeline. The objectives of the Plan are:

1. Address barriers to the creation of new housing by helping to make residential development projects financially feasible. The creation of new housing in the Plan Area will:
  - a. Contribute to the Plan Area's vitality;
  - b. Help alleviate the undersupply of housing in Eugene; and
  - c. Support the City's housing and climate action goals.
2. Improve public spaces and buildings in the Plan Area in order to make it a safe, accessible, and welcoming place for all users. These public improvements will:
  - a. Address public safety concerns by improving the physical environment;
  - b. Provide safe, direct, and attractive linkages between the Plan Area, the University of Oregon, downtown Eugene, and the Willamette River;
  - c. Address bicycle and pedestrian access within the Plan Area; and
  - d. Improve pedestrian and multi-modal transportation circulation between downtown Eugene and the Downtown Riverfront.
3. Strengthen the Plan Area's commercial environment by:
  - a. Investing in vacant or underutilized spaces to increase marketability and flexibility; and
  - b. Providing financial assistance for new and growing businesses.
4. Protect and enhance the key riparian areas along the river by:
  - a. Addressing impacts of Plan Area development on public open space;
  - b. Maintaining and enhancing the public's physical access to and along the Willamette River; and
  - c. Supporting design improvements or mitigations that are needed to treat stormwater, protect water quality, or to respond to other environmental protection needs.

## **Section 500 – Land Use Plan**

The use and development of all land within the Plan Area shall comply with the regulations prescribed in the City's comprehensive plan, land use regulations, City charter, and any other applicable local, State, or Federal laws regulating the use of property within an urban renewal area.

## **Section 600 – Urban Renewal Projects**

To achieve the objectives of this Plan, the Agency may incur indebtedness to finance the following urban renewal projects, and may pay that indebtedness with tax increment funds:

### **A. Existing Activities**

The Agency may complete and provide tax increment funds to urban renewal projects authorized and for which some action has been taken prior to the 2023 Plan Amendment (for example, the Downtown Riverfront Plaza, the Steam Plant Redevelopment, the Downtown Riverfront Affordable Housing Project, and the Railroad Quiet Zone). The Agency may also continue to operate the River Loans Program. All dollars loaned must come from program revenue and not from tax increment funds.

### **B. Additional Housing**

The Agency is authorized to support the creation of housing in the Plan Area through the following activities:

#### **B-1. Development Fee Assistance**

The Agency may use tax increment funds to pay development fees for development that results in the creation of new housing in the Plan Area. Development fees paid by the Agency may include Systems Development Charges, permit fees, and other government-imposed fees. The Agency Board will establish eligibility criteria for Development Fee Assistance. If the criteria are met, Agency Board approval pursuant to Section 700 of the Plan is not required. Eligible projects must result in new housing and include new construction or redevelopment of existing buildings.

#### **B-2. Real Property Acquisition and Disposition**

The Agency may use tax increment funds to acquire real property when the acquisition of the real property is necessary to support the creation of additional new housing in the Plan Area.

The process for selling or disposing of property acquired for the purpose of supporting the creation of housing will be determined by the Agency Board. Property acquired to support the creation of housing may be offered to a developer for a reduced price or at no cost, as determined by the Agency Board.

### **C. Physical Improvements to Address Safety and Comfort**

The Agency is authorized to make improvements to public spaces including streets, curbs, and sidewalks in the Plan Area to create safe, accessible, and welcoming places for users. Possible improvements include:

#### **C-1. Street, Curb, Alley, and Sidewalk Improvements**

Improvements within the Plan Area may require the construction of new streets, curbs, and sidewalks. The Agency may fund sidewalk and roadway improvements in the Plan Area including design, redesign, construction, resurfacing, repair, and acquisition of right-of-way

for curbs, streets, and sidewalks, and pedestrian and bicycle paths. Projects that may be undertaken include:

- Local street, curb, and sidewalk improvements to support commercial and other street-level activity in the Plan Area or as identified in the Eugene Capital Improvement Program; and
- Other street, curb, and/or sidewalk improvements identified by the Agency.

### **C-2. Streetscape Projects**

The Agency may participate in activities that will improve the visual appearance of the Plan Area, including but not limited to:

- Accent paving;
- Decorative lighting;
- Street trees, planters, and landscaping;
- Furnishings, including benches, trash receptacles, bicycle racks;
- Street and directional signage;
- Public art and water features;
- Gateway monuments and landscape features; and
- Undergrounding of utilities in the Plan Area.

### **C-3. Pedestrian, Bike, and Multi-Modal Transportation Improvements**

The Agency may participate in activities that support pedestrian, bicycle, other non-automobile, and transit uses in the Plan Area and connections between the Plan Area, downtown, public parks, and other areas of Eugene. Projects may include:

- Construction of bicycle parking and storage, transit stops, covered shelters, transit pullouts;
- Provide new bike paths or lanes in the Plan Area;
- Provide pedestrian connections to the broader downtown, riverfront, and surrounding areas;
- Provide more prominent entrances to the downtown area; and
- Provide weather sheltering devices for the protection of pedestrians.

## **D. Projects Directed/Initiated by the Agency Board**

The Agency is authorized to participate in eligible activities and projects should the Agency Board decide to pursue them, such as:

### **D-1. Parking and Mobility**

The Agency is authorized to participate in the development of parking and mobility infrastructure in the Plan Area, including surface lots or garages. These improvements will benefit the Plan Area by increasing public use of the area. On-street parking is anticipated to meet most of the standard daily needs of people accessing public amenities in the Plan Area, such as the Park, restaurants, and commercial spaces. However, on-street parking will not accommodate all of the parking needs during high demand periods such as nights and weekends, and during special events. In addition, the Steam Plant parcel size is not sufficient to accommodate anticipated parking needs for its future redevelopment into a mixed-use center.

While implementation of certain physical improvements in Section 600 C may reduce the need for parking, it is still expected that additional parking may be needed, at least in the medium term.

### **D-2. Transmission Lines Rerouting**

The Agency is authorized to participate in the effort to reroute the transmission lines that service the Willamette Substation and currently run from the electrical tower in the Riverfront Park, south along the river next to the Steam Plant. Rerouting of the transmission lines would allow removal of the existing Riverfront Park tower, opening up views at the southern end of the park and in front of the Steam Plant and creating more passive open space in those places.

### **D-3. Open Space Improvements**

The Agency may participate in funding the design, acquisition, construction, and/or rehabilitation of public open spaces and parks within the Plan Area. Projects to be undertaken may include:

- Walkways and plazas;
- Shelters;
- Buildings;
- Landscaping;
- Accessibility improvements;
- Lighting;
- Furniture; and
- Art.

### **D-4. Other Development Support**

The Agency is authorized to support development and commercial activities within the Plan Area through the following activities:

#### **a. Financial Assistance**

The Agency may use tax increment funds to provide financial assistance to property owners, for physical improvements to privately owned properties that will address the goals of the Plan. The activities eligible for financial assistance could include housing development, green building or renewable energy investments, improvements to ground-floor storefronts, and improvements to vacant or underutilized commercial spaces to increase flexibility and marketability.

#### **b. Real Property Acquisition and Disposition**

The Agency may use tax increment funds to acquire real property for the purpose of supporting the objectives of this Plan, including the support of commercial activity.

The process for selling or disposing of property acquired for the purpose of supporting commercial activity will be determined by the Agency Board. Property acquired to support commercial activity may be offered to a developer for a reduced price or at no cost, as determined by the Agency Board.

### **D-5. Other Public Facilities**

The Agency is authorized to participate in development of public facilities including City Hall, police and fire facilities, libraries, recreation centers, conference facilities, and community centers. These facilities will benefit the Plan Area by increasing public usage of the area, by enhancing protective services, and by stimulating additional public and private investment in the Plan Area. The extent of the Agency's participation in funding such facilities will be based upon an Agency finding on the benefit of that project to the Plan Area, and the importance of the project in carrying out Plan objectives. The type and location of these public facilities will be determined by future study. Potential public facilities to be assisted include:

- New Police Building or City Hall.

These public facility projects were designated and authorized by Section 600A(7) of the 2004 Riverfront Urban Renewal Plan, and continue to be authorized by this renumbered Section 600D(5). The only amendments made to this renumbered Section 600D(5) are to change references from "renewal area" to "Plan Area" for consistency with the language used in other areas of the Plan and removal of a new federal courthouse building as an eligible public facility project following the construction of a new federal courthouse building in 2006.

### **E. Loans and Grants**

The Agency may operate a low-interest loan and grant program to assist development and redevelopment of private property within the Plan Area. All dollars loaned must come from program revenue and not from tax increment funds. Property owners within the Plan Area proposing to improve their properties and receiving financial assistance from the Agency shall do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans, and procedures of the City.

### **F. Project Delivery and Administrative Activities**

Many of the Agency's project delivery and administrative activities are provided through a contract between the City of Eugene and the Agency dated June 15, 2004.

1. The Agency may retain the services of independent professional people or organizations to provide project delivery administrative or technical services such as:
  - a. Project management;
  - b. Preparation of market, feasibility, or other economic studies;
  - c. Public engagement;
  - d. Preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies;
  - e. Preparation of property acquisition appraisals;
  - f. Provision of special rehabilitation, restoration, or renovation feasibility and cost analysis studies;

- g. Provision of legal, debt issuance, accounting, or audit services;
  - h. Assistance with preparation of the annual financial report required under Section 800 of this Plan and the financial review required under Section 900 of this Plan; and
  - i. Support ongoing investments within the Plan Area (e.g. potential new businesses, existing businesses with expansion, dealing with safety issues).
2. The Agency may acquire, rent, or lease office space and office furniture, equipment, and facilities necessary for it to conduct its affairs in the management and implementation of this Plan.
  3. The Agency may invest its reserve funds in interest-bearing accounts or securities authorized under ORS 294.
  4. The Agency may borrow money, accept advances, loans, or grants from any legal source, issue urban renewal bonds and receive tax increment proceeds as provided for in Section 700 of this Plan.

## **Section 700 – Methods for Financing the Projects**

The Agency may borrow money and accept advances, loans, grants, and other legal forms of financial assistance from the Federal government, State of Oregon, City of Eugene, Lane County, or other public body, or from any source, public or private, for the purposes of undertaking and carrying out the Projects authorized by this Plan.

Ad valorem taxes, if any, levied by a taxing body upon the taxable real and personal property situated in the Plan Area, shall be divided in accord with and pursuant to Section 1c, Article IX of the Oregon Constitution and ORS Chapter 457, and used by the Agency for the Projects authorized by this Plan.

The Agency shall adopt and use a fiscal year ending June 30 accounting period. Every other year, the Agency shall develop a biennial budget in conformance with the provisions of ORS Chapter 294 and ORS 457, which shall describe sources of revenue, proposed expenditures, and activities.

The Agency Board must approve all projects, other than loans, in excess of \$250,000.

## **Section 800 – Annual Financial Statement Required**

A financial statement shall be prepared that includes the information required by ORS Chapter 457. The statement shall be filed with the City Council and notice shall be published and mailed to the affected taxing districts in accordance with the requirements of ORS 457.

## **Section 900 – Community Member Participation**

The activities and projects defined in this Plan, development of subsequent plans, procedures, activities, and regulations, and the adoption of amendments to this Plan shall be undertaken with the participation of citizens, owners, tenants as individuals, and organizations who reside within or who have financial interest within the project area together with the participation of general community members of the city. An advisory committee authorized by the Agency Board will advise on the activities of the Riverfront Urban Renewal District.

## **Section 1000 – Non-Discrimination**

In the preparation, adoption, and implementation of this Plan no public official or private party shall take any action to cause any person, group, or organization to be discriminated against in a manner that violates Section 4.613 of the Eugene Code, 1971.

## **Section 1100 – Recording of This Plan**

A copy of this Plan and Substantial Amendments to this Plan shall be recorded with the recording officer of Lane County.

## **Section 1200 – Procedures for Changes or Amendments**

The Plan will be reviewed and analyzed periodically and may need to be modified based on this review. The types of Plan Amendments are:

### **A. Type One Amendment – Substantial Change Requiring Special Notice**

Type One amendments shall require approval per ORS 457.095 and notice as provided in ORS 457.120. Type One amendments will consist of:

1. Increases in the Plan Area boundary in excess of one percent (1%) of the existing area of the Plan.
2. Increases in the maximum indebtedness that can be issued or incurred under this Plan.

### **B. Type Two Amendment – Substantial Change Not Requiring Special Notice**

Type Two amendments shall require approval per ORS 457.095 but will not require notice as provided in ORS 457.120. Type Two amendments will consist of any change or additions to the projects listed in Section 600.

### **C. Type Three Amendment - Minor Amendment**

Minor amendments are any change that does not require a Type One or Type Two amendment and may be approved by the Agency Board in resolution form.

## **D. Amendment to the City's Comprehensive Plan or any of its Implementing Ordinances**

Amendments to Eugene's adopted comprehensive plan and/or land use regulations that affect the Plan and/or the Plan Area shall be incorporated automatically into the Plan without any separate action required by the Agency Board or City Council. If a Type I or Type II amendment is prepared, Exhibit C of this Plan will be updated at that time.

## **Section 1300 – Duration and Validity of Approved Plan**

### **A. Duration of the Plan**

Taxes may be divided under this Plan only until the maximum indebtedness for the Plan Area has been issued and paid or defeased, or the Agency has determined that it will not issue the full amount of that maximum indebtedness, and all indebtedness that will be issued has been issued and paid or defeased. When that indebtedness has been paid or defeased the Agency will notify the assessor pursuant to ORS 457.450(2) to cease dividing taxes for the Plan Area and shall return any unused tax increment funds to Lane County for redistribution to overlapping taxing districts. However, the Riverfront Urban Renewal District and this Plan may remain in effect as long as legally required to exist and until the Agency transfers any remaining assets and liabilities of the Plan Area to the City of Eugene. As of the date of the 2023 Amendment, it is estimated that the last fiscal year for which taxes will be divided is \_\_\_ [A = FY29, B = FY32, C = FY39].

### **B. Validity**

Should a court of competent jurisdiction find any word, clause, sentence, section, or part of this Plan to be invalid, the remaining words, clauses, sentences, section, or parts shall be unaffected by any such finding and shall remain in full force and effect for the duration of the Plan.

## **Section 1400 – Maximum Indebtedness**

The First Amendment to the Riverfront Urban Renewal Plan established a maximum indebtedness for the Plan of \$34.8 million.

The 2018 type 3 amendments did not increase the maximum indebtedness.

The 2023 Amendment increased the maximum indebtedness amount by \_\_\_ [A = \$15 million, B = \$25 million, C = \$45 million] to a total of \_\_\_ [A = \$49.8 million, B = \$59.8 million C = \$79.8 million]. The maximum indebtedness limit established by this Section 1400 does not apply to or limit:

1. The obligation of the Agency to pay interest on indebtedness issued or incurred under this Plan;
2. Any indebtedness issued to refund indebtedness issued or incurred under this Plan, to the extent that the refunding indebtedness does not exceed the principal amount of the refunded indebtedness, plus the amount of the refunding indebtedness that is used to pay costs of the refunding;
3. Funds to repay indebtedness existing on the date of the 2004 Amendment; and

4. Expenditures made from funds other than tax increment funds, such as loans made from the River Loans Program.

Legislation passed in 2009 (ORS 457.220) placed additional limits on how much a municipality can increase maximum indebtedness. That same legislation, however, also provides that those limitations *“do not apply to the extent the municipality approving a plan obtains the written concurrence of taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area.”*

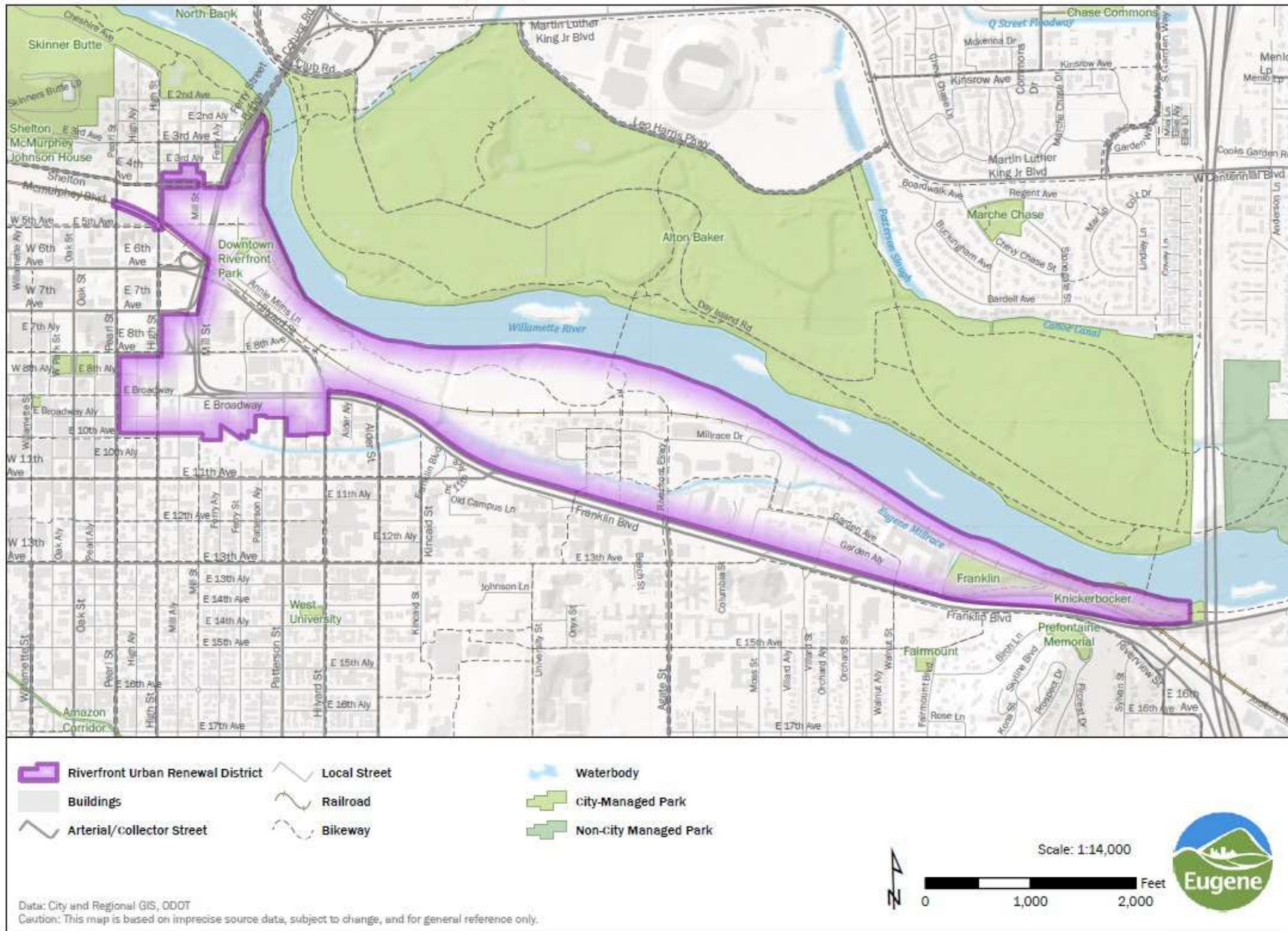
The City concurred with the increase in maximum indebtedness included in the 2023 Plan amendment when it approved the Plan. After consultation with the other overlapping taxing districts, the Eugene School District 4J Board voted 7:0 on November 1, 2023, “to concur with the Eugene City Council’s proposed plan amendment to increase maximum indebtedness for the Riverfront Urban Renewal District by up to \$45 million in accordance with ORS 457.220 and 457.470(7).” The City and Eugene School District 4J imposed at least 75% of the amount of taxes imposed under permanent rate limits in the Riverfront Urban Renewal District in FY23. Therefore, the legislative limitations on total maximum indebtedness imposed by ORS 457.220 are not applicable to the maximum indebtedness increase resulting from the 2023 amendment.

## **Section 1500 – Formal Matters**

At this time, no property is anticipated to be purchased that would result in relocation. If property is identified for purchase that would involve relocation, the Agency will develop provisions for relocation.

If the Agency acquires occupied real property in the implementation of the Plan, occupants of such property shall be offered relocation assistance, in such circumstances as may be required under the applicable state law. Those displaced will be contacted to determine their individual relocation needs. They will be provided information on available space and will be given assistance in moving. All relocation activities will be undertaken and payments made in accordance with the requirements of ORS 35.500-35.530 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 35.510. The Agency will prepare, adopt, and maintain a Relocation Policy prior to acquiring any property that will cause displacement.

# Plan Exhibit A: Plan Area Map



## Plan Exhibit B: Plan Area Description

Beginning at a point which is at the intersection of the east right-of-way line of Hilyard Street with the north right-of-way line of Franklin Boulevard; thence easterly along the north right-of-way line of said Franklin Boulevard to the intersection of the west right-of-way line of Interstate I-5; thence along said west right-of-way line of I-5 in a northerly direction to the intersection of the south bank of the Willamette River; thence along said south bank of the Willamette River in a westerly direction to the east right-of-way line of County Road No. 431 also known as Ferry Street; thence along said east right-of-way line in a southerly direction to a point on the south right-of-way line of 4th Avenue (if extended east); thence along said south right-of-way line in a westerly direction to a point at the intersection of the east right-of-way line of High Street with the south right-of-way line of 4th Avenue; thence along said east right-of-way line of High Street in a southerly direction to a point at the intersection of the east right-of-way line of High Street with the north right-of-way line of Southern Pacific Railroad; thence along said north right-of-way of Southern Pacific Railroad in an easterly direction to the intersection of said north right-of-way of Southern Pacific Railroad with the east right-of-way line of County Road No. 431 also known as Ferry Street; thence along said east right-of-way line in a southerly direction to the south right-of-way line of 7th Avenue (if extended east); thence along said south right-of-way in a westerly direction to a point at the intersection of the south right-of-way line of 7th Avenue with the east right-of-way line of High Street; thence along said east right-of-way line in a southerly direction to a point at the intersection of the east right-of-way line of High Street with the south right-of-way line of 8th Avenue; thence along said south right-of-way line in a westerly direction to a point at the intersection of said south right-of-way line with the east right-of-way line of Pearl Street; thence along said east right-of-way line of Pearl Street in a southerly direction to a point at the intersection of said east right-of-way line with the north right-of-way line of 10th Avenue; thence along said north right-of-way in an easterly direction to a point at the intersection of said north right-of-way line with the east right-of-way line of Mill Street; thence along said east right-of-way in a southerly direction to a point at the intersection of the south right-of-way line of 10th Avenue (if extended easterly) with the east right-of-way line of Mill Street; thence along said south right-of-way line (if extended easterly) to a point at the intersection of said south right-of-way line with the east margin of a north-south alley running from 11th Avenue to 10th Avenue, between Ferry Street and Mill Street, thence along said east right-of-way line of said alley in a northerly direction to a point of intersection with the south margin of the Mill Race; thence along said south margin in a southeasterly direction to a point on the east boundary of that certain tract of land described on document number 2000 WD, 00802, Lane County Oregon Deed Records; said point being the southeast corner of said parcel said point also being the southeast corner of Tax Lot 4000, Assessors Map 17-03-32-23; thence along said east boundary in a northerly direction to a point on the north margin of the Mill Race, said point being the southwest corner of that certain tract of land describe on Reel No. 1559, Instrument No. 8906959, Lane County Oregon Deed Records; thence along the south boundary of said tract of land in a southeasterly direction to the southwest corner of Tax Lot 5000, Assessors Map 17-03-32-23, said point also being the southwest corner of that certain tract of land described on Reel No. 721 Instrument No. 53549; thence along the westerly and northerly boundary of said

tract of land to its intersection with the west right-of-way line of Patterson Street; thence cantoning east on said northerly line (if extended east) to the east right-of-way line of Patterson Street; thence along said east right-of-way line in a southerly direction to the southwest corner of Lot 7, Hoffman Addition To Eugene; thence along the south boundary of said Lot 7 in an easterly direction to a point on the east boundary of said Hoffman Addition To Eugene; thence in a northeasterly direction to the south west corner of that certain tract of land described on Reel No. 1873, Instrument No's. 9353770-9353772, said point also being the south west corner of Tax Lot 7300, Assessors Map 17-03-32-23, thence along the south boundary of said tract of land in an easterly direction to the east right-of-way line of Hilyard Street; thence along said east right-of-way line of Hilyard Street in a northerly direction to the point of beginning.

The Riverfront Urban Renewal Area also includes the following property situated in the Southwest 1/4 of the Southwest 1/4 of Section 29 and in the Southeast 1/4 of the Southeast 1/4 of Section 30, all in Township 17 South, Range 3 West of the Willamette Meridian, in the City of Eugene, Lane County Oregon and described as follows:

BEING all of Lots 5, 7 and 8 in Block 7 of the plat of "Eugene City" as platted and recorded in Judgement Docket A at Page 2 in Lane County Oregon Records, together with a portion of the North-South alley in said Block 7 that lies between said Lots 7 and 8 and portions of Mill Street and East 4th Avenue, all as shown on said plat of "Eugene City". The perimeter of which lands are described more particularly as follows:

BEGINNING at the southwest corner of said Lot 7; THENCE, leaving said POINT OF BEGINNING and running northerly the following one numbered course: ( 1) along the west line of said, Lot 7 NORTH 01 °50'06" EAST 80.20 feet to the northwest corner of said lot; THENCE, easterly the following one numbered course: (2) along the north line of said Lot 7 and its easterly prolongation, SOUTH 88°04' 11" EAST 173.56 feet to the southwest corner of aforesaid Lot 5; THENCE, northerly the following one numbered course: (3) along the west line of said Lot 5, NORTH 01°48'44" EAST 80.3 1 feet to the northwest corner of said lot; THENCE, easterly the following one numbered course: (4) along the north line of said Lot 5, SOUTH 88°06'18" EAST 159.53 feet to the northeast corner of said lot, which corner lies on the west margin of Mill Street, a 66.00-foot wide right-of-way; THENCE, southerly the following one numbered course: (5) along the east line of said Lot 5 and said west margin of Mill Street, SOUTH 01°47'21" WEST 80.39 feet to the southeast corner of said lot, THENCE, easterly and crossing said Mill Street, the following one numbered course: (6) SOUTH 88°02'41" EAST 66.00 feet, more or less, to the Northwest corner of Lot 7 in Block 6 of said plat of "Eugene City", which corner lies on the east margin of said Mill Street; THENCE, southerly along the west line of said Lot 7 and east margin of Mill Street, the following one numbered course: (7) SOUTH 01°47'21" WEST 80.43 feet to the southwest corner of said lot, which corner lies on the north margin of East 4th Avenue, a 66.00- foot wide right-of-way; THENCE, continuing southerly and crossing said East 4th Avenue, the following one numbered course: (8) SOUTH 01°47'21" WEST 66.00 feet, more or less, to the northwest corner of Lot 2 in Block 11 of said plat of "Eugene City", which corner lies at the intersection of the aforecalled east margin of Mill Street with the south margin of aforecalled East 4th Avenue; THENCE, westerly along said south margin of East 4th Avenue and crossing said Mill

Street, the following one numbered course: (9) NORTH 88°02'03" WEST 66.00 feet, more or less, to the northeast corner of Lot 1 in Block 10 of said plat of "Eugene City", which corner lies at the intersection of said south margin of East 4th Avenue with the west margin of Mill Street; THENCE, northerly and crossing said East 4th Avenue, the following one numbered course: (10) NORTH 01°47'21" EAST 66.00 feet, more or less, to the southwest corner of aforesaid Lot 8 in Block 7 of the plat of "Eugene City", which corner lies at the intersection of the north margin of East 4th Avenue with the west margin of Mill Street: AND THENCE, westerly along said north margin of East 4th Avenue and the south lines of said Lot 8 and 7 in Block 7 of the plat of "Eugene City", the following one numbered course: (11) NORTH 88°02'03" WEST 333.18 feet RETURNING to the POINT OF BEGINNING and containing 1.13 acres, more or less.

The Riverfront Urban Renewal Area also includes the following property situated on a tract of land being a portion of the existing right-of-way of the Southern Pacific Railroad and portions of Pearl and High Streets located in the Northeast one-quarter of Section 31 in Township 17 South, Range 3 West of the Willamette Meridian and being more particularly described as follows;

Beginning at the Northeast corner of Lot 1, Block 16, Original Plat of Eugene City as platted and recorded in Judgement Docket A, Page 2, Lane County Oregon Deed Records in Lane County, Oregon; thence easterly to a point being the intersection of the east right-of-way line of High Street and the southerly right-of-way line of the Southern Pacific Railroad; thence northerly to a point being the intersection of the east right-of-way line of High Street and the Northerly right-of-way line of the Southern Pacific Railroad: thence northwesterly along the northerly right-of-way line of the Southern Pacific Railroad to a point being at the intersection the east right-of-way line of Pearl Street and the northerly right-of-way line of the Southern Pacific Railroad: thence westerly to a point of intersection with the west right-of-way line of Pearl Street and the northerly right-of-way line of the Southern Pacific Railroad; thence southerly to a point being at the intersection with the west right-of-way line of Pearl Street and the southerly right-of-way line of the Southern Pacific Railroad; thence southeasterly to the point of intersection of the east right-of-way line of Pearl Street and the southerly right-of-way line of the Southern Pacific Railroad; thence southeasterly along the south right-of-way line of the Southern Pacific Railroad to a point of intersection with the south right-of-way line of the Southern Pacific Railroad and the north right-of-way line of 5th street; thence south to the south right-of-way line of 5th street; thence east the point of beginning, all in Eugene, Lane County, Oregon. Per exhibit map A "Railroad Quiet Zone Riverfront Urban Renewal District Expansion" Resolution 1086 approved by the Urban Renewal Agency Board on February 26, 2018.

## Plan Exhibit C: Analysis Of The Plan's Conformance To The Comprehensive Plan And Other Local Plans

ORS 457.095 requires that an Urban Renewal Plan conform to local objectives including the comprehensive plan and economic development plan of a locality. This section provides that analysis. Additionally, ORS 457.085(2)(d) requires that the Plan include an explanation of the Plan's relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities, and other public improvements. This section complies with the statutory requirement to identify definite local objectives regarding land use, transportation, etc., by reference to local planning documents. Relevant local planning and development objectives are contained within the following local planning documents:

- Eugene-Springfield Metropolitan Area General Plan (Metro Plan)
- Envision Eugene Comprehensive Plan (Envision Eugene)
- Eugene 2035 Transportation Systems Plan
- Housing Implementation Pipeline
- Eugene Climate Action Plan 2.0
- Eugene Downtown Plan

The following section describes the purpose and intent of these planning documents, lists applicable goals and policies within each planning document, and provides an explanation of how the Urban Renewal Plan for the Riverfront Urban Renewal District (Plan) relates to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original planning document. Italicized text is text that has been taken directly from an original planning document and therefore cannot be changed. Some verbiage may say "complies with", which, in this document is synonymous with "conforms to" as stated in ORS 457.095.

### A. Eugene-Springfield Metropolitan Area General Plan (Metro Plan)

*Metropolitan Residential Land Use and Housing Element Goal: Provide viable residential communities so all residents can choose sound, affordable housing that meets individual needs.*

FINDING: The 2023 Amendment to the Urban Renewal Plan for the Riverfront Urban Renewal District (2023 Amendment) provides tax increment resources to help create additional housing opportunities, including Affordable Housing, for Eugene residents. The resources may be used for acquisition, assisting with development costs, and providing incentives to make a project economically feasible. The Plan conforms to the Housing Element Goal of the Metro Plan.

*Economic Element Goal: Broaden, improve, and diversify the metropolitan economy while maintaining or enhancing the environment.*

*Policies:*

- *B.14 Continue efforts to keep the Eugene and Springfield central business districts as vital centers of the metropolitan area.*
- *B.28 Recognize the vital role of neighborhood commercial facilities in providing services and goods to a particular neighborhood.*
- *B.29 Encourage the expansion or redevelopment of existing neighborhood commercial facilities as surrounding residential densities increase or as the characteristics of the support population change.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, for Eugene residents. The Steam Plant project will continue revitalization of the Downtown Riverfront, adding public gathering spaces and a hotel to bring more activity to the Plan Area. The Plan conforms to the Goal and Policies B.14, B.28, and B.29 of the Metro Plan.

*Transportation Element Goals:*

1. *Provide an integrated transportation and land use system that supports choices in modes of travel and development patterns that will reduce reliance on the automobile and enhance livability, economic opportunity, and the quality of life.*
2. *Enhance the Eugene-Springfield metropolitan area's quality of life and economic opportunity by providing a transportation system that is:*
  - *Balanced,*
  - *Accessible,*
  - *Efficient,*
  - *Safe,*
  - *Interconnected,*
  - *Environmentally responsible,*
  - *Supportive of responsible and sustainable development,*
  - *Responsive to community needs and neighborhood impacts, and*
  - *Economically viable and financially stable.*

*Policies:*

- *F.3 Provide for transit-supportive land use patterns and development, including higher intensity, transit-oriented development along major transit corridors and near transit stations; medium- and high-density residential development within ¼ mile of transit stations, major transit corridors, employment centers, and downtown areas; and development and redevelopment in designated areas that are or could be well served by existing or planned transit.*
- *F.4 Require improvements that encourage transit, bicycles, and pedestrians in new commercial, public, mixed use, and multi-unit residential development.*
- *F.11 Develop or promote intermodal linkages for connectivity and ease of transfer among all transportation modes.*
- *F.13 Support transportation strategies that enhance neighborhood livability.*

- *F.14 Address the mobility and safety needs of motorists, transit users, bicyclists, pedestrians, and the needs of emergency vehicles when planning and constructing roadway system improvements.*
- *F.22 Construct and improve the region's bikeway system and provide bicycle system support facilities for both new development and redevelopment/expansion.*
- *F.23 Require bikeways along new and reconstructed arterial and major collector streets.*
- *F.24 Require bikeways to connect new development with nearby neighborhood activity centers and major destinations.*
- *F.26 Provide for a pedestrian environment that is well integrated with adjacent land uses and is designed to enhance the safety, comfort, and convenience of walking.*
- *F.27 Provide for a continuous pedestrian network with reasonably direct travel routes between destination points.*
- *F.37 Consider and include among short-term project priorities, those facilities and improvements that support mixed-use, pedestrian-friendly nodal development, and increased use of alternative modes.*

FINDING: The 2023 Amendment provides tax increment resources to provide for improved multi-modal transportation systems including street, curb, alley, and sidewalk improvements; streetscape improvements; and pedestrian, bike, and transit improvements. The Plan conforms to the Goals and listed policies of the Transportation Element of the Metro Plan.

*Public Facilities and Services Element Goals:*

1. *Provide and maintain public facilities and services in an efficient and environmentally responsible manner.*
2. *Provide public facilities and services in a manner that encourages orderly and sequential growth.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, Eugene residents. This area in Eugene already has existing services and increasing the density of the area makes efficient use of existing resources. The Plan conforms to the Public Facilities and Services Element Goals of the Metro Plan.

*Parks and Recreation Facilities Element Goal:*

*Provide a variety of parks and recreation facilities to serve the diverse needs of the community's citizens.*

*Objectives:*

4. *Develop park sites and recreation facilities in the manner best suited to serve the diverse interests of local residents and in areas of greatest need.*
5. *Close the gap between the current supply of park and recreation facilities and the projected demand.*

FINDING: The 2023 Amendment provides tax increment resources to improve the public spaces within the area acknowledging that increasing the residents in the area will increase demand for park facilities. The Plan conforms to the Goal and Objectives 4 and 5 of the Parks and Recreation Facilities Element of the Metro Plan.

## **B. Envision Eugene Comprehensive Plan**

June 2017

### *Chapter 3 Economic Development*

*Downtown, Key Corridors, and Core Commercial Areas – Policies in this section support geographic areas of particular economic intensity.*

- *3.32 Priority development areas. Promote redevelopment and reuse in prioritized areas including downtown, key corridors, and core commercial areas.*
- *3.33 Urban economy. Promote downtown as a hub of creative, entrepreneurial activity that can attract new investment and retain and grow existing businesses that thrive in the urban environment.*
- *3.34 Multifaceted, regional center. Strengthen downtown's role as a destination and the functional center for government, business and commerce, entertainment and the arts, and education in Eugene and the Southern Willamette Valley.*
- *3.35 Neighborhood vitality. Recognize the vital role of commercial facilities that provide services and goods in complete, walkable neighborhoods throughout the community. Encourage the preservation and creation of affordable neighborhood commercial space to support a broad range of small business owners across all neighborhoods.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, for Eugene residents. The Steam Plant project will continue revitalization of the Downtown Riverfront, adding public gathering spaces and a hotel to bring more activity and economic input to the Area. The Plan conforms to the Economic Development Element of the Envision Eugene Comprehensive Plan.

### *Chapter 9 Transportation*

*Policy 9.1 Local transportation planning. The Eugene 2035 Transportation System Plan, not including the transportation financing program, serves as the transportation element of the Envision Eugene Comprehensive Plan and amendments to that plan shall constitute amendments to this plan.*

FINDING: The findings of conformity with the Eugene 2035 Transportation System Plan, laid out in more detail below, support a finding of conformity with the Transportation Chapter of the Envision Eugene Comprehensive Plan.

## **C. Eugene 2035 Transportation System Plan**

The following are projects specified in the Eugene 2035 Transportation System Plan located in the Plan Area.

- *Improved connections from Downtown to other corridors*
- *Neighborhood greenway*
  - *PB-111 – Broadway, Charnelton Street to High Street*
  - *PB-503 – High Street, Cheshire Ave to 6<sup>th</sup> Avenue*
  - *PB-591 – Garden Avenue, Millrace Drive to 15<sup>th</sup> Avenue*
- *Protected bike lane*
  - *PB-18 – High Street, 6<sup>th</sup> Avenue to 19<sup>th</sup> Avenue*
  - *PB-580 – Hilyard, 8<sup>th</sup> Avenue to Broadway*
  - *PB-582 – Broadway, Hilyard Street to Alder Street*
- *Shared use path*
  - *PB-376 – South Bank Path to Riverview Street*
- *Sidewalk Path*
  - *PB-508 – Franklin Boulevard, Alder Street to Millrace Park Path*
- *Multimodal*
  - *MM-9 – West Eugene EmX*
  - *MM-19 – Franklin Boulevard Reconstruction*
  - *MM-22 – Convert 8<sup>th</sup> Avenue to a two-way street*
  - *MM-24 – Railroad Quiet Zone*
  - *MM-25 – 8<sup>th</sup> Avenue railroad crossing improvements*
- *Grade Separated Path*
  - *PB-8 – Alder Street Rail Crossing*
- *Future study projects*
  - *S-3 – Improvements to North-South Travel/Circulation South of Downtown – Evaluate north/south circulation options on the Oak/Pearl Streets and Hilyard/Patterson Streets couplets*
- *Potential actions for system-wide policies*
  - *N. Promote transportation demand management programs along the Key Corridors, in downtown, and near the University of Oregon to coordinate the needs and travel options of multiple businesses and residences for purposes of reducing automobile and freight demand at times of peak congestion.*

FINDING: The 2023 Amendment provides tax increment resources to provide for improved multi-modal transportation systems including street, curb, alley and sidewalk improvements, streetscape improvements and pedestrian, bike, and transit improvements. The Plan conforms to the Eugene 2035 Transportation System Plan.

## **D. Housing Implementation Pipeline**

July 1, 2022 – June 30, 2027

*The Housing Implementation Pipeline (HIP) is an internal, cross-departmental, five-year work plan for the City. This work plan coordinates current and future City resources, goals, and priorities with a systems-thinking approach to housing across the full continuum from people*

*experiencing homelessness to overall housing supply. A target goal in the HIP is to increase the amount of housing downtown by 50% from 2021; an increase of over 1,000 units. The HIP work plan period begins July 1, 2022, and concludes June 30, 2027. The HIP will be reviewed and updated on a two-year schedule to occur in year 3 (2025) and year 5 (2027)*

### ***Downtown Housing Strategies***

*Encouraging compact development in the downtown area is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability.*

*Despite community benefits from a strong residential presence downtown, new residential construction faces a number of competitive disadvantages, particularly financial challenges, compared with development in other parts of the city.*

*Prior support for downtown housing has come in multiple forms, especially 1) Affordable Housing investments such as HOME funds and tax exemptions from Low-Income Rental Housing Property Tax Exemption (LIRHPTE), 2) tax exemption under the Multi Unit Property Tax Exemption (MUPTE) program, 3) Urban Renewal, and 4) regulatory incentives, such as the removal of parking minimums in the downtown area. These tools have led to the creation of the majority of the housing units in downtown today, including Broadway Place, First on Broadway, Aurora Building, and West Town on 8<sup>th</sup>.*

*The City could look to continue this type of support by exploring tax exemption opportunities as well as the possibility of extending the life of the Downtown and Riverfront Urban Renewal Districts for the purposes of supporting more housing downtown. Support for downtown housing will allow the City to meet its goal of adding at least 1,000 new units downtown.*

### ***Middle Housing Incentives***

*Throughout the public engagement process for Middle Housing Code Amendments (HB 2001), community members and the Planning Commission emphasized the need for incentivizing smaller and more affordable housing options. To increase desired middle housing, the City will explore a suite of incentives such as fee reductions, tax exemptions, preapproved plans, first-time home buyer assistance, and land use code changes (e.g., density bonuses). Potential incentives would complement other items in the HIP and some incentive programs could be expanded to include middle housing in certain places or city wide if specific targets are met including efficiency targets like small square footage, or income restriction targets. It is anticipated that a comprehensive approach that pairs financial incentives with regulatory changes will have the greatest impact. This policy exploration could occur starting in FY25, if the additional resources are secured.*

### ***Anti-Displacement Action Plan***

*If additional resources are made available, City staff will look to coordinate policies and actions to promote equitable development and reduce the harmful impacts of involuntary displacement as Eugene continues to grow. The action plan will guide many of our existing and proposed policies or programs.*

*Academic and professional publications on anti-displacement identify production, preservation, and protection as key policy areas to combating the negative effects of displacement. In developing the plan, the City will look to other cities and models that have proven effective at preventing the effects of involuntary displacement.*

*As shown in Appendix A [of the HIP], the plan could be created beginning in FY25, if additional resources are made available for this work. An Anti-Displacement Action Plan will be co-created with community members, building off the work of the Equity Panel and with a particular focus on engaging with communities that are most impacted by displacement. It could include direction on tenant/renter protection regulations, Affordable Housing preservation and development, rental assistance, homeownership assistance, community land trust support, inclusionary zoning requirements, and a housing-specific equity lens toolkit.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities in the downtown for Eugene residents. The Housing Implementation Pipeline includes the use of urban renewal as a potential resource for creating additional housing. The Housing Implementation Pipeline also includes exploration of incentives of middle housing production, which can occur with urban renewal. The Plan supports the Housing Implementation Pipeline.

## **E. Climate Action Plan 2.0**

July 2020

*The Climate Action Plan 2.0 identifies actions that will help Eugene reach its climate goals. The Plan includes multiple strategies that support the development of downtown and increase compact housing in the downtown. Housing policy is a cornerstone of any City's climate policy. Housing stock characteristics like size, affordability, and location relative to transit, jobs, and other amenities all impact residents' environmental impact. Size has multiple impacts including the emissions from creating the building materials and the emissions from energy used to heat and cool the home. Smaller homes tend to have a smaller carbon footprint during construction and use. In addition, housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer vehicle trips.*

**Action T11** COE to make compact urban development easier in the downtown, on key transit corridors, and in core commercial areas. This includes removing regulatory barriers, flexible uses within industrial and commercial, reduce financial obstacles, restructure SDCs for smaller additional incentives, flexible land use codes, and ensure transportation system can support planned densities. This action is part of the Promote Compact Urban Development and Efficient Transportation Options Pillar of Envision Eugene.

**Action T13** COE to plan for growth so that an increasing proportion of residents live in 20-Minute Neighborhoods where residents can meet most of their daily needs near their homes without the use of an automobile. This includes identifying location opportunities for flexible codes, transportation infrastructure improvements, parks and open space, partnerships, and

*incentives. This action is part of the Plan for Climate Change and Energy Resiliency Pillar of Envision.*

**Action T14** *COE to incentivize transit-oriented development and walkable neighborhoods using tools such as the Multi-Unit Property Tax Exemption (MUPTE), a state-enabled 10-year property tax exemption, to stimulate the construction of multiunit housing downtown and along key corridors. MUPTE is currently authorized to be used in downtown Eugene. Programs to facilitate more housing downtown, including MUPTE, are an Envision Eugene strategy anticipated to achieve an additional 1,000 dwellings by 2032.*

**Action T15** *COE to encourage housing diversity in all neighborhoods. Support the construction of duplexes, triplexes, quadplexes, townhomes, and cottage clusters throughout the community. Directly implement House Bill (HB) 2001, the state law that enables missing middle housing options on lots zoned for residential uses by June 2022. (HTS Process, Envision Eugene, SB 1051, HB 2001)*

### **Recommendation E1**

*Implement City land use policies that encourage higher density land use. Higher density housing results in more walkable, rideable, or roll-able communities.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities and affordable housing opportunities for Eugene residents. Providing for increased housing density in the downtown helps compact urban development and plans for growth for increasing the proportion of the residents who live in 20-Minute Neighborhoods, and encourages housing diversity by providing increased housing opportunities. The Plan conforms to the Climate Action Plan 2.0.

## **G. Eugene Downtown Plan**

April 12, 2004

### **Downtown Riverfront**

#### *Policies*

1. *Incorporate the Willamette River as an integral element to downtown planning and development.*
2. *Collaborate with EWEB to encourage relocation of their utility facilities.*
3. *A master plan for the EWEB riverfront property must be approved by the City before any redevelopment, land use application, rezoning, Metro Plan, or refinement plan diagram amendments are approved for uses not associated with EWEB functions. The master plan shall be evaluated based on the master plan's consistency with principles a through d below:*
  - a. *Create a "people place" that is active, vibrant, accessible, and multi-use.*
  - b. *Provide appropriate setbacks, deeper where environmental or habitat issues are more critical, shallower in other areas.*
  - c. *Incorporate appropriate building and site design techniques that address environmental concerns.*

- d. *Incorporate an educational aspect, so that the riverfront improvements teach us about our river, our history, and our city.*
- 4. *Facilitate dense development in the courthouse area and other sites between the core of downtown and the river.*

#### *Implementation Strategies*

- A. *Create inviting physical and visual access to the riverfront from 8th and 5th Avenues and explore opportunities for additional access between these two points.*
- C. *Reinforce the relationship between downtown and the river through landscaping, art, signs, street furniture, historic plaques, and markers.*
- E. *Enhance existing points of access from downtown to the river so that convenient connections are visible both from the riverfront to downtown, and from downtown to the river.*
- F. *Explore possibilities for parks or public open space along the riverfront.*

FINDING: The 2023 Amendment provides tax increment resources to help create additional housing opportunities, including affordable housing, for Eugene residents. Major policies in the Downtown Plan call for incorporating the Willamette River as an integral element to downtown planning and development and developing the EWEB property. The Steam Plant project will continue revitalization of the Downtown Riverfront, adding public gathering spaces and a hotel to bring more activity and economic input to the Area. The Plan also includes physical improvements that will strengthen the connection between downtown and the river. These policies are supported by the 2023 Amendment. The Plan conforms to the Eugene Downtown Plan.

**Exhibit B**

**RIVERFRONT URBAN RENEWAL DISTRICT REPORT**

For the Riverfront Urban Renewal Plan

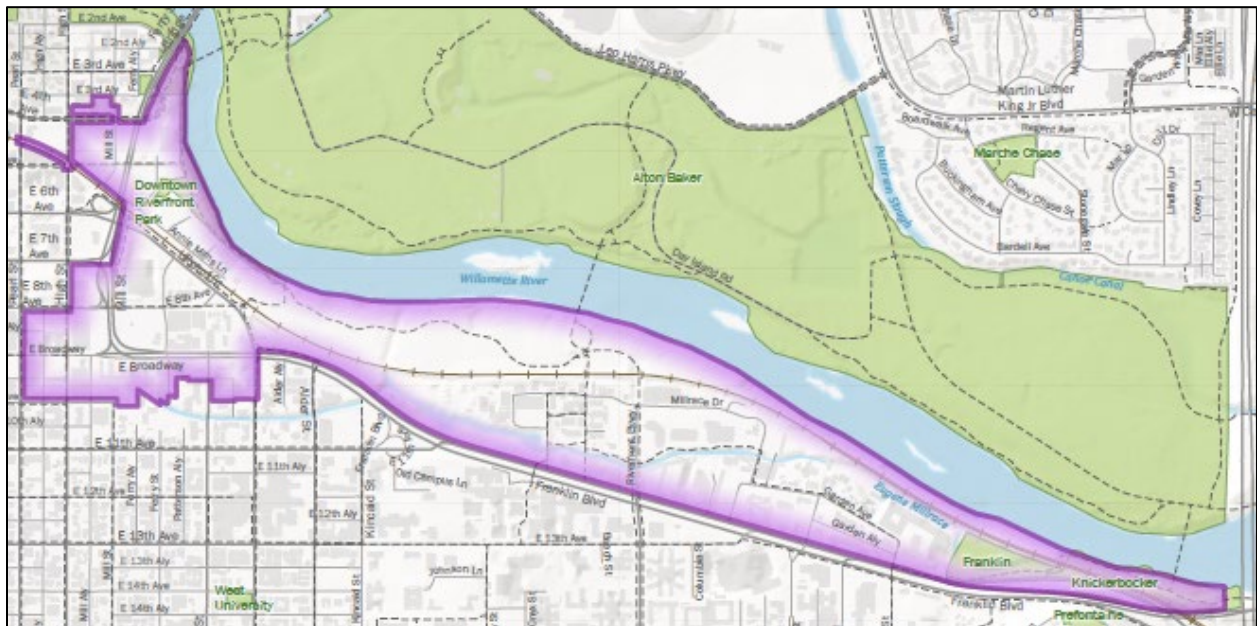
Originally Adopted September 11, 1985 by City Council Ordinance No. 19352

Amended March 10, 2004 by City Council Ordinance No. 20313

Amended February 12, 2018 by Eugene Urban Renewal Agency Resolution No. 1085

Amended February 26, 2018 by Eugene Urban Renewal Agency Resolution No. 1086

*Amended \_\_\_\_, 2023 by City Council Ordinance No. \_\_\_\_*



**Urban Renewal Agency of the City of Eugene, Oregon**



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## **REPORT ON THE RIVERFRONT URBAN RENEWAL DISTRICT PLAN**

*[Throughout this Report, a range of options will be used with different increases to maximum indebtedness: A = \$15 million, B = \$25 million, C = \$45 million. In a few instances where clarity would be unduly compromised, option C is used and shows the maximum end of what City Council is considering.]*

### **Chapter 1: Introduction**

The 2023 Amendment to the Riverfront Urban Renewal Plan (the “Plan”) makes the following changes:

- Specifies project activities to be undertaken;
- Increases the Plan’s maximum indebtedness to allow for those specific projects; and
- General updating of the Plan.

The Plan has been amended three other times: once in 2004 and twice in 2018 to add small amounts of property to the Plan Area. The 2023 Plan Amendment is considered a substantial amendment under ORS 457 because it increases the maximum indebtedness of the Plan. This Report accompanies the Plan and consists of text, tables, and appendices.

The Riverfront Urban Renewal District contains approximately 245 acres (the “Plan Area”). The legal description for the Plan Area is located in Exhibit B to the Plan.

### **Chapter 2: Description of Physical, Social, Economic, and Environmental Conditions in the Plan Area**

#### **A. Physical Conditions**

##### **1. Land Area**

The Plan Area encompasses about 245 acres. See Appendix, Exhibit A for a map of the Plan Area.

The total incorporated land area for the City of Eugene, as of July 2023, is 28,544 acres. The Plan Area represents about 0.85% of the City’s total land area. The Plan Area, combined with the area of the Downtown Urban Renewal District (approximately 75 acres), equals approximately 320 acres in urban renewal districts, which is a little more than 1.0% of the City’s total land area and well below the 15% maximum allowed by Oregon State law.

##### **2. Existing Land Use and Zoning**

Table 1 shows generalized land use in the Plan Area as of July 2023 by category. Table 2 shows the zoning of property in the Plan Area as of July 2023 by zone. A description of each use permitted is found in Chapter 9 of the Eugene Code. (The zoning map is located in the Appendix, Report Exhibit B.)

**Table 1. Generalized Land Use**

Land Use Code	Tax lots	% Total
Commercial	173	0.5%
Residential	3	0.7%
Residential Multi-Fam	36	0.6%
Miscellaneous	3	1.8%
Industrial	1	0.3%
<b>Total</b>	<b>216</b>	<b>100.0%</b>

**Table 2. Zoning**

Zoning		Acres
S-RP	Riverfront Park Special Area	82.2
S-WS	Walnut Station Special Area	37.4
S-DR	Downtown Riverfront Special Area	22.0
C-2	Community Commercial	24.3
I-3	Heavy Industrial	4.4
I-2	Light-Medium Industrial	1.9
R-4	High-Density Residential	1.9
PL	Public Land	2.1
C-3	Major Commercial	2.7
<b>Total Zoned Property</b>		<b>178.9</b>
Non-Taxloted Right-of-Way		66.1
<b>Total</b>		<b>245.0</b>

Source: Lane County Department of Assessment & Taxation

### 3. Historic Structures

Given its location just south of the Willamette River, much of the Plan Area was a mix of industrial uses and greenspace. Numerous old buildings were lost in the Plan Area due to demolition or neglect. While not all of these structures were historically or architecturally significant, their demolition and neglect demonstrate that Eugene's urban heritage was not considered worthy of preservation or reuse.

The Plan Area is adjacent to one of only two historic districts in Eugene, East Skinner Butte Historic District. This district showcases a high concentration of structures, most of which are residential homes, listed on the National Register of Historic Places and/or designated as a City Landmark.

Today, the Agency aims to take an active role in celebrating that urban heritage by preserving and reclaiming obsolete or underutilized buildings as well as parts of the urban landscape. For example, the Agency Board intends to save the historic Steam Plant building and is currently working with a developer who intends to list the building on the National Register. The Agency Board intends to preserve, conserve, and complement the natural and built environment of the Riverfront, as a whole, and by doing so holds up the integrity of the larger network of neighborhoods surrounding the Plan Area.

### 4. Telecommunications Utility System

The Eugene Water and Electric Board (EWEB) installed a fiber network throughout the Downtown Riverfront, providing the new structures access to EWEB's open-

access fiber network, known as EUGNet. The EUGNet network connects to EWEB's fiber network that serves its electrical system but offers the publicly owned fiber to private internet service providers.

Outside of the Downtown Riverfront, there are no fiber connections to individual properties in the Plan Area. EWEB has 'backbone' fiber across the Plan Area, but additional construction is needed to connect most of the Plan Area to the fiber network. On 8th Avenue, between High and Hilyard Streets, EWEB owns fiber that travels through its underground electric distribution systems, but the vault access does not have adequate space to install splice locations that would be needed to connect adjacent properties to the fiber network.

#### 5. Streets, Alleys, Sidewalks

Existing major streets in the Plan Area are all paved and are in relatively good condition. Improvements are made to rights-of-way as new development occurs throughout the Plan Area. The City and Agency recently completed construction of the infrastructure needed to bring downtown to the river. Urban Renewal funds were used to build out the street network, stormwater and wastewater systems, and utilities needed to serve the Riverfront Park and future development.

The City of Eugene's Transportation Planning team is currently in the process of redesigning Franklin Boulevard, which forms the southern border of the Plan Area, to transform it from an auto-focused highway to a multi-modal urban street safe for all users. Many of the sidewalks, especially those connecting the Riverfront Plan Area to the Downtown Plan Area are in need of maintenance and upgrade to make them safe for users.

The Ferry Street Bridge connects to the street network in the western portion of the Plan Area. The existing road network creates a physical and psychological barrier between the new development in and near the Downtown Riverfront and the downtown core east of Mill Street.

Table 3 shows the list of projects identified in the City of Eugene's Transportation System Plan (TSP) that are located in the Plan Area. *The projects listed are deficiencies in the Area but are not necessarily projects to be completed by this Plan.*

**Table 3. Transportation System Plan (TSP) Projects**

<b>TSP Number</b>	<b>Project Type</b>	<b>Name</b>	<b>Estimated Cost as identified in TSP</b>	<b>Description</b>
MM-9	Transit and Multimodal Project	West Eugene EmX	Funded; under construction	West Eugene EmX extension along W 6th, 7th, and 11th Avenues, Garfield and Charnelton Streets (project is currently funded and under construction)
MM-19	Roadway	Other project	\$27,400,000	Reconstruct Franklin Boulevard pursuant to the Walnut Station Plan; make streetscape improvements including new sidewalks on the south side and a

<b>TSP Number</b>	<b>Project Type</b>	<b>Name</b>	<b>Estimated Cost as identified in TSP</b>	<b>Description</b>
				shared use path on the north side between Onyx and Alder Streets
MM-22	Roadway	Other project	\$3,900,000	Convert 8th Avenue to two-way street
MM-24	Railway	Quiet Zone	\$5,000,000	Establish Railroad Quiet Zone; assumes 10 crossings
MM-25	Railway	Near 8th Avenue with connection to South Bank Path	\$3,100,000	Relocate highway-railroad crossing in alignment with the existing 8th Avenue improvements including track panels, lights, relocated signal, gates, audible warning devices, upgraded railroad track detection as required by ODOT Rail and/or Union Pacific Railroad, and an accessway to establish a walking and bicycling connection to the South Bank Path
PB-8	Grade Separated Path	Alder Street Railroad Crossing	TBD	South Bank Bike Path to Alder Street
PB-18	Protected Bike Lane	High Street	\$2,267,000	E 6th Avenue to E 19th Avenue
PB-111	Neighborhood Greenways	Broadway	\$47,000	Charnelton Street to High Street
PB-376	Shared Use Path	Franklin Boulevard Path	\$639,000	South Bank Path to Riverview Street
PB-503	Neighborhood Greenways/Bike Lane	High Street	\$42,000	Cheshire Avenue to E 6th Avenue
PB-508	Sidewalk Path	Franklin Boulevard sidewalk path	\$273,000	Alder Street to Millrace Park Path
PB-580	Protected Bike Lane	Hilyard Street	\$330,000	E 8th Avenue to E Broadway
PB-582	Protected Bike Lane	E Broadway	\$265,000	Hilyard Street to Alder Street
PB-591	Neighborhood Greenways	Garden Avenue	\$52,000	Millrace Drive to E 15th Avenue

Source: City of Eugene Transportation System Plan

Table 4 shows the list of transportation projects identified in the City of Eugene's Capital Improvement Program (CIP) that are located in the District. *The listed*

*projects document existing conditions only, they do not mean these are projects included in this Plan.*

**Table 4. Capital Improvement Program Projects: Transportation**

<b>CIP Project Number</b>	<b>Project Type</b>	<b>Project Name</b>	<b>2014 Cost Estimate</b>	<b>Description</b>
T8	Transportation	Coburg Road Viaduct Load Strengthening	\$1,800,000	This project is in construction to make repairs to the steel bridge over the Willamette River and the viaduct. Design work included preliminary design of seismic upgrades to the Willamette River Bridge to be constructed upon future funding
T9	Transportation	East Broadway Street Paving	\$1,800,000	This project will rehabilitate East Broadway Street from Mill Street to East 11th Avenue
T10	Transportation	Franklin Blvd: 11th Ave to Walnut Street Paving	\$2,700,000	This project will rehabilitate Franklin Boulevard from 11th Avenue to Walnut Street
T11	Transportation	Franklin Blvd: A Partnership to Rebuild and Revive a Corridor	\$35,500,000	This project will redesign Franklin Boulevard from 11th Avenue to I-5 including conversion to roundabouts, reduction of travel lanes, and reallocation of space for protected bicycle and pedestrian facilities

Source: City of Eugene Capital Improvement Program

## 6. Wastewater System

Table 5 shows the wastewater project identified in the City of Eugene's Capital Improvement Program (CIP) that is located in the District. *The listed project documents existing conditions only, it does not mean the project is included in this Plan.*

**Table 5. Capital Improvement Program Projects: Wastewater System**

<b>CIP Project Number</b>	<b>Project Type</b>	<b>Project Name</b>	<b>2014 Cost Estimate</b>	<b>Description</b>
W1	Wastewater	Franklin Boulevard Wastewater Rehabilitation	\$500,000	This project will redesign and reconstruct a section of the wastewater system along Franklin Boulevard.

Source: City of Eugene Capital Improvement Program

## 7. Stormwater Delivery System

Table 6 shows the stormwater project identified in the City of Eugene’s Capital Improvement Program (CIP) that is located in the District. *The listed project document existing conditions only, it does not mean the project is included in this Plan.*

**Table 6. Capital Improvement Program Projects: Stormwater Delivery System**

CIP Project Number	Project Type	Project Name	2014 Cost Estimate	Description
S15	Stormwater	Mill Street Water Quality Improvement	\$300,000	This project will construct a large water quality improvement structure to treat stormwater runoff from an area east of downtown, park of Franklin Boulevard, and the Millrace from Kincaid Street to Ferry Street.

Source: City of Eugene Capital Improvement Program

## 8. Parks and Plazas

The Plan Area stretches along the south side of the Willamette River, making parks and open space important components of the District. As development continues in the Plan Area, preserving and improving access to the River is an important consideration. The Plan Area currently includes the following parks and open spaces:

- (a) Riverfront Park – A new urban park that features broad river views, new bicycle and pedestrian paths, covered seating, and overlooks.
- (b) Franklin Park – This park is a forested natural area near the Willamette River that currently does not have access or recreational facilities. The site lies between Franklin Boulevard and the railroad tracks next to the Willamette River, and provides habitat for insects, birds, and small mammals.
- (c) Ruth Bascom Riverbank Path System (South Bank Bike Path) – A portion of the South Bank Bike Path and a portion of the Ruth Bascom Riverbank Path System is in the District.

Table 7 shows the Parks project identified in the City of Eugene’s Capital Improvement Program (CIP) that is located in the District. *The listed project documents existing conditions only, it does not mean the project is included in this Plan.*

**Table 7. Capital Improvement Program Projects: Parks**

CIP Project Number	Project Type	Project Name	2014 Cost Estimate	Description
P3	Parks	Downtown Riverfront Plaza	\$7,000,000	This project will develop the one-care upland portion of the Riverfront Park into an urban riverfront amenity.

Source: City of Eugene Capital Improvement Program

## B. Social Conditions

### 1. Housing

There were 1,275 housing units in the Plan Area as of July 2023. There are 18 units of Affordable Housing (income-qualifying) within the Plan Area. In the past 10 years, approximately 1,000 new residential units have been created in the Plan Area, however they are targeted to college-aged students at both the nearby University of Oregon and Bushnell University. The monthly rents that are representative of the Plan Area from two of the newer large student housing complexes in 2023 are:

- Studio            \$1,425-1,504
- 1-Bedroom      \$1,790-1,874
- 2 Bedroom      \$2,500-2,650

As part of the Downtown Riverfront redevelopment, a private development team is constructing 500 to 1,000 new market-rate housing units. In addition, the property located at the northwest corner of 4<sup>th</sup> Avenue and Mill Street is reserved for a 75-unit Affordable Housing project (included in the 2023 Plan Amendment as “Downtown Riverfront Affordable Housing”).

### 2. Socio-Economic

Based on information from the 2021 5-Year American Community Survey (ACS) data, there are 2,313 people living in the three Census block groups that overlap the Plan Area. There is quite a bit of acreage within these block groups that is not in the Plan Area, so this is probably an overestimate of the number of residents. The majority of the residents (66%) are in the 18 -24 age group and, given the proximity to the University of Oregon and Bushnell University, are likely college students. The median household income in the Plan Area is well below the median household income in the City. (Table 8 and Appendix Exhibit C – Census Boundaries Map.)

**Table 8. Median Household Income**

	<b>Population</b>	<b>Margin of Error (+/-)</b>	<b>Median Household Income</b>	<b>Margin of Error (+/-)</b>
City of Eugene	173,278	136	55,776	1,824
Census Tract 37, Block Group 1	2,640	428	24,453	4,043
Census Tract 38.02, Block Group 1	2,358	907	28,125	21,769
Census Tract 39, Block Group 1	1,296	407	35,662	4,675
<b>Total Population</b>	<b>6,294</b>			

Data source: ACS 2021-Year Estimates. B01001 Total Population, B19013 Median Household Income

### 3. Employment

*In early 2023, there were 201 employers and about 1,900 employees in the Plan Area, according to the Oregon Employment Department's Covered Employment data. The largest employers in the District were Northwest Community Credit Union and Whole Foods, based on estimates from InfoUSA, 2023. However, these data do not include employment at the University of Oregon. The University owns numerous buildings in the Plan Area, including Fine Arts studios, Campus Planning and Facilities Management, the Zebrafish International Resource Center, the Central Power Station, and the Knight Campus. Faculty and staff that work in these spaces are included in the University's overall employment numbers—the Covered Employment dataset does not disaggregate employees by building. The University's buildings accommodate hundreds of employees, the Knight Campus alone has about 500 workers. The University is constructing a second Knight Campus building, which will accommodate an additional 500 employees, which will bring the full Knight Campus capacity to approximately 1,000 workers.*

## C. Economic Conditions

### 1. Value of Property

*The FY23 taxable assessed value for the whole City of Eugene is \$18,254,461,170. The total taxable assessed value, which includes the 'frozen base' and 'increment', for the Riverfront Urban Renewal District as of FY23 is \$255,345,586. The total taxable assessed value for the Downtown Urban Renewal District as of FY23 is \$240,398,656. Of these amounts, excess value, also known as increment, of the Plan Areas for Eugene's two Urban Renewal Districts is \$411,398,048. The increment, or excess value, is the growth in assessed value of the Plan Area after its initial adoption. Table 9 below demonstrates that the combined frozen bases for the Downtown and Riverfront Urban Renewal Districts is less than 1.0%, well below the 15 % limit of the City of Eugene assessed value minus the increment (excess) value of the Urban Renewal Plan Areas as imposed by ORS 457.420.*

**Table 9. Assessed Value Limitations as of FY23**

<b>A. City of Eugene Total Assessed Value (AV)</b>	<b>\$ 18,254,461,170</b>
<b>B. Total Frozen Base AV of Districts</b>	<b>\$ 84,346,194</b>
Downtown District	\$ 33,736,746
Riverfront District	\$ 50,609,448
<b>C. Total Increment AV of Districts</b>	<b>\$ 411,398,048</b>
Downtown District	\$ 206,661,910
Riverfront District	\$ 204,736,138
<b>D. Frozen Base AV as % of City AV: B/(A-C)</b>	<b>0.5%</b>

*The Agency Board is considering a permanent increase to the frozen base in the Riverfront Urban Renewal District to \$110,395,364 starting in FY25. If the Agency Board decides to permanently increase the frozen base in the Plan Area, the Frozen*

Base assessed value as a percent of City assessed value is estimated to be 0.8%, still well below the 15% statutory limitation.

2. Relationship of the Value of Improvements to the Value of Land

The current ratio of improvement value to land value within the Plan Area, based on 2023 assessment records and excluding all tax-exempt property, is 3 to 1. This data is from the Lane County Assessor's 2023 tax records.

## **D. Environmental Conditions**

The Plan Area has been developed with a mix of commercial, industrial, and residential uses. Most streets, sidewalks, alleys, and sewers are in place and should be upgraded and maintained. The public park areas within the Plan Area should be maintained as needed by the City. There are opportunities through the additional resources from the Plan Amendment to improve the function and condition of some of the streets, public parks, and public plazas.

- The infrastructure in the Plan Area, including roads and sidewalks, is a critical piece of the Willamette to Willamette Initiative, focused on connecting the downtown core to the river. Part of that project is to transform 8th Avenue from a predominantly one-way west-bound street with inadequate pedestrian and bicycle amenities into a two-way inviting and accessible path to and from the river and the ongoing development on the Downtown Riverfront property as well as the university area to the east. Construction is underway on a portion of that project, but there are more opportunities to improve the connection within the Plan Area.
- A portion of the Plan Area is within the boundaries of the Willamette Greenway and will be subject to policies protecting riparian areas along the southern bank of the Willamette River.
- The Millrace is an environmental historical feature which is currently not maintained and portions are not accessible for public recreation.

## **Chapter 3: Expected Impact, Including Fiscal Impact, of the Plan in Light of Added Services or Increased Population**

The projects in the 2023 Amendment support the Plan goal to strengthen the economic conditions of the Plan Area. The historic Steam Plant, which is currently planned for redevelopment as a hotel, will be a commercial anchor of the Downtown Riverfront, attracting both residents and visitors to the unique project and creating more job opportunities. The increased residential uses in the Downtown Riverfront will provide increased activity to the businesses in the Plan Area. The projects will also contribute to the goal of enhancing the Plan Area's role as a key location for public and private development and investment. Improvements to right of way will contribute to the goal of reinforcing the Plan Area as a place to live, work, or visit by providing inviting and highly functional spaces for the community to enjoy on a daily basis as well as for special events.

One measure of this goal to strengthen the economic conditions is the expected increase in the taxable property values caused by the projects. Areas adjacent to the Plan Area are also expected to become more valuable. From FY23 through the estimated remaining life of the District \_\_\_ [A = FY29, B = FY32, C = FY39] assessed value in the Plan Area is estimated to increase by about \_\_\_ [A = \$170 million, B = \$208 million, C = \$553 million].

Potential direct impacts to School District 4J from the 2023 Amendment are residential development projects that will ideally increase the number of people living in the Plan Area. Whether or not those residents have school-aged children is unknown at this time. However, the schools are funded on a per pupil basis, so additional school-aged students could mean additional funding for the schools. The amount of increased residential units will not likely require new school facilities. (See Chapter 9 for a summary of the financial impact that the Riverfront District has on 4J.)

The projects included in the 2023 Amendment, like all development projects, are expected to impact police services, transportation, utilities, and other public services.

City Council selected projects within the Plan Area for the way in which they support planning efforts and strategies, such as Envision Eugene, and adopted policy documents, such as the Eugene Downtown Plan, the Housing Implementation Pipeline, and Climate Action Plan 2.0. Developed with significant public input, the planning documents were based on assumptions about the value of and expected need for higher density of uses and development, with a consequent need for new and improved services and amenities. The Amendment is expected to facilitate improvements within the Plan Area, thereby addressing the goals and policies in these documents. The policies of the Downtown Plan strongly support an active, strong urban core connected to the river, development in the Downtown Riverfront including the Steam Plant, and pedestrian improvements at Broadway and Mill Streets.

The pillars of Envision Eugene that will be addressed by the 2023 Amendment are to provide housing affordable to all income levels and to promote compact development and efficient use of transportation. Specifically, the 2023 Amendment projects are expected to meet more of Eugene's multi-unit housing needs and transform the eastern end of downtown into a mixed-use neighborhood that fosters active, walkable community living and connects to the downtown core. The projects in the Plan do not result in an intensification of development beyond that previously anticipated under the planning documents.

The Agency will use tax increment revenues to carry out the Plan. The use of tax increment revenues will affect the property tax revenues of other taxing jurisdictions that share assessed value with the Plan Area. The property tax impacts are described in Chapter 9.

## **Chapter 4: Reasons for Selection of the Plan Area**

The Plan Area was adopted in 1985 with approximately 209 acres. This area was selected with the intention of diversifying the area's economy by supporting development in an industrial area that would capitalize on research activities of the University of Oregon. The Plan Area was expanded by 34.5 acres in 2004 to achieve objectives outlined in downtown planning documents. The Plan Area was further expanded by approximately 1.9 acres in

2018 to support the redevelopment envisioned in the EWEB Riverfront Master Plan and implementation of the Railroad Quiet Zone.

The five goals of the Plan are to 1) improve the function, condition, and appearance of the Plan Area, 2) eliminate blight and blighting influences, 3) strengthen the economic conditions of the Plan Area, 4) improve connections between the Riverfront Plan Area, the core of downtown, the federal courthouse, and the University of Oregon, and 5) protect or enhance the riparian area.

According to ORS 457.010, “blighted areas” means areas that, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health, or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions:

- (a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial, or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:
  - (A) Defective design and quality of physical construction;
  - (B) Faulty interior arrangement and exterior spacing;
  - (C) Overcrowding and a high density of population;
  - (D) Inadequate provision for ventilation, light, sanitation, open spaces, and recreation facilities; or
  - (E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.
- (b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;
- (c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;
- (d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;
- (e) The existence of inadequate streets and other rights of way, open spaces and utilities;
- (f) The existence of property or lots or other areas that are subject to inundation by water;
- (g) A prevalence of depreciated values, impaired investments, and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;
- (h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare; or
- (i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

A total of \_\_\_ properties (\_\_\_%) out of a total of \_\_\_ surveyed in the Riverfront Urban Renewal District are determined to have blighted conditions. In addition to the \_\_\_ properties with blighted conditions, \_\_\_ locations found in roads, public walkways, and sidewalks also have blighted conditions. The blighted conditions impact the safety, health,

and welfare of the community through potentially unsafe conditions for accessibility through deteriorating public rights-of-way, deficiencies in maintenance of public buildings and open spaces, decreased property values and taxable values, extensive vacancies, and outdated structural designs that are deteriorating. The evidence of blight and blighting influences reduces the economic activity in the area, leading to lowered value and a disincentive to invest. Additional information about blight findings can be found in the Property Analysis Report (Exhibit C to the Ordinance).

## **Chapter 5: Relationship Between Existing Conditions and Each Project Activity Undertaken in the Plan**

All Projects set forth in Section 600 of the Plan are intended to correct the existing deficiencies in the Plan Area as described in this report (see Chapter 2).

The projects in Section 600 of the Plan are:

- 1) Existing Activities, specifically Steam Plant Redevelopment and Downtown Riverfront Affordable Housing; [all spending scenarios]
- 2) Additional Housing; [spending scenarios B and C only]
- 3) Physical Improvements to Address Safety and Comfort; and [spending scenarios B and C only]
- 4) Projects Directed/Initiated by the Agency Board. [all spending scenarios]

These projects will build on the significant efforts undertaken to redevelop the Downtown Riverfront, the former site of EWEB's operations and headquarters. These projects also align with the challenges and opportunities identified in a fall 2022 community outreach effort, known as Downtown Priorities and Projects. That effort looked at a focus area that included part of the Riverfront Urban Renewal Plan Area. It built on community outreach conducted over the previous few years and complementary professional recommendations. The Downtown Priorities and Projects effort led to recommended improvements for Eugene's downtown (which includes a portion of the Plan Area) in six categories: Housing; Public Safety; Social Services; Commercial Activity and Development; Public Spaces and Mobility; and Events and Culture. Staff presented a summary of the Downtown Priorities and Projects recommendations to the Agency Board in January 2023.

### **A. Existing Activities [all spending scenarios]**

Among other existing activities, the two prominent ones are Steam Plant Redevelopment and Downtown Riverfront Affordable Housing.

#### **1. Steam Plant Redevelopment**

Redevelopment of the Steam Plant will preserve and reuse a historically significant building, increase public use of the building, and expand access to views of the river. The developer intends to list the building on the National Register of Historic Places. The redevelopment will also improve the building's current status as a blighted condition. After not being used since 2012, the building has become a target of vandalism and theft and has significantly deteriorated. In addition, as a mixed-use building anchored by a hotel and

including retail food and drink establishments, the building will support the creation of dozens of new jobs.

## 2. Downtown Riverfront Affordable Housing

The property selected for the Downtown Riverfront Affordable Housing project is a vacant parking lot at the northwest corner of 4th Avenue and Mill Street. A housing development would result in a higher and better use of this property, as well as address the City's goals related to housing that is affordable to all income levels. See the next section for general information on how development of more housing in the Plan Area addresses existing conditions.

### **B. Additional Housing [spending scenarios B and C only]**

The Plan Area has long been challenged by underutilized or vacant properties and buildings. These structures create empty spaces between active uses that lack vibrancy, add to a perceived lack of safety, and provide for a weak link between the downtown core and the Willamette River.

Increasing the housing supply addresses these problems. Converting vacant parcels and underutilized commercial buildings to residential uses will fill in empty spaces in the Plan Area. New housing units will attract people who will in turn increase demand for retail goods and services and expand the number of people walking throughout the Plan Area, enhancing vitality and perceptions of safety.

Expanding the Plan Area's housing supply also supports Eugene's efforts to positively impact housing issues and reduce per capita carbon emissions, described in the following documents:

- The Housing Implementation Pipeline (HIP) summarizes the City's goals, efforts, and coordination of housing production across the Eugene community. The HIP has a goal of issuing 6,000 permits for new housing units by the end of FY27 to address the undersupply of housing in Eugene. Increasing the number of housing units in the Plan Area will help support this goal.
- The Climate Action Plan 2.0 (CAP 2.0) identifies strategies that the Eugene community can take to address climate change. The CAP 2.0 states that housing policy is a cornerstone of any City's climate policy, because housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer vehicle trips. Downtown already offers all of these amenities.

An important reason for the lack of housing in the western end of the Plan Area is the relatively high cost of construction in dense areas. Properties in dense areas are often constrained construction sites. The lack of 'elbow room' means more complicated logistics for the builder to manage. The sites often do not have on-site staging areas and have a higher likelihood of needing street/sidewalk closures compared to construction in less dense neighborhoods.

Some properties in the Plan Area have existing structures on them which could be converted from prior commercial uses to residential uses, but the financial feasibility of the project is hampered by the cost of the existing building. In addition, the change of use may trigger requirements for seismic upgrades and Systems Development Charges (SDCs) to cover the cost of adding to infrastructure systems. These costs can render the cost of redevelopment to be equal to the cost of new development. Redevelopment may require paying for an existing building and elevated construction costs.

The availability of incentives and predictability of the funds directly impacts the creation of new housing units. An ongoing fee assistance program that covers fees related to construction of housing would create an incentive for the projects, while also continuing to fund the programs and activities those fees pay for (such as the infrastructure capacity for new growth). For example, the Transportation System Plan and Parks and Recreation System Plan, and their companion SDC project lists, not only provide capacity for new development, they also serve as integral plans to meeting the goals of Envision Eugene, the Climate Recovery Ordinance and the Climate Action Plan 2.0.

### **C. Physical Improvements to Address Safety and Comfort [spending scenarios B and C only]**

Improvements to the public right-of-way benefit workers, visitors, and residents, as well as the community at large with a safe and attractive connection between the downtown core, the Riverfront, and the University area. Blighted conditions in these areas include barren spaces with broken, deteriorated, and poorly lit pedestrian walkways, lack of amenities such as seating or drinking water, and areas that do not meet accessibility standards. The expenditure of urban renewal funds for the spaces will improve or remove blighted conditions, which will in turn provide a healthier and safer place for Eugene residents and visitors.

There are significant new developments occurring on the Downtown Riverfront site and near the Federal courthouse. Existing street crossings and pedestrian walkways that connect downtown to these newly improved areas are narrow and uninviting. For the Plan Area to flourish it should have street connectivity to ensure multiple mobility modes can easily access the Plan Area. Enhancing these public spaces will create an improved environment, so that the on-street experience is pleasant and perceived to be safe. Enhancing connectivity for multiple modes of mobility will encourage individuals to cross streets in the Plan Area.

Street, curb, and sidewalk improvements will improve deteriorated spaces that are uneven and inaccessible. Improvements will make the pedestrian environment safe, accessible, and attractive, which will enhance the pedestrian experience as individuals move from within and through the Plan area. These improvements are consistent with the CAP 2.0, Action T7, which states the City of Eugene will develop a sidewalk infill program and strategy for upgrading unimproved streets and connectivity to parks, shopping, and important community resources.

## **D. Projects Directed/Initiated by the Agency Board [all spending scenarios]**

The east end of downtown, east of Mill Street, has seen significant redevelopment in recent years, including the Wayne L. Morse U.S. Courthouse, Northwest Community Credit Union, the Foundry Building, and new multi-story residential developments, creating a need for residents, employees, and visitors to access this area. This need is expected to continue increasing with the recent opening of the Riverfront Park, the construction of the Downtown Riverfront neighborhood, the redevelopment of the Steam Plant, and the relocation of City Hall. As activity in the area continues to increase, there is a need to evaluate how these areas are accessed and how to accommodate the new demands on the transportation system.

The Downtown Riverfront redevelopment and new Park will significantly increase the need for parking and mobility in this area. The planned housing in the Downtown Riverfront includes parking to serve the needs of the private redevelopment. On-street parking is anticipated to meet most of the standard daily needs of people accessing public amenities, such as the Park, restaurant, and commercial spaces. However, on-street parking will not accommodate all of the parking needs during high demand periods such as nights and weekends, and during special events. In addition, the Steam Plant parcel size is not sufficient to accommodate anticipated parking needs for its future redevelopment into a mixed-use center. While implementation of other mobility options may reduce the need for parking, it is still expected more parking is needed, at least in the medium term.

The Agency is authorized to participate in the effort to reroute the transmission lines that currently run from the electrical tower in the Riverfront Park, south along the river next to the Southern Plaza. Rerouting of the transmission lines would allow removal of the existing tower in the Riverfront Park, opening views at the southern end of the park and in front of the Steam Plant and creating more passive open space in those places. The realignment within Alton Baker Park would move the towers and lines away from the canoe canal creating a safer maintenance environment for EWEB, benefitting wildlife along the canal, and supporting EWEB's long-term resiliency plans.

The Plan Area includes centrally located parks and public facilities that serve the whole community. Urban Renewal funds could be used to support physical improvements to public spaces that benefit the broader community. The South Bank Path runs through the Plan Area, providing connections to the University, Eugene neighborhoods, and Springfield. Franklin Park is located on the east side of the Plan Area and does not have access or recreational facilities.

Investment in public facilities, such as a City Hall or fire station, will benefit the Plan Area by increasing public usage of the area and stimulating additional public and private investment in the District. Strategic development of public facilities on underutilized properties would help address blight in the Plan Area.

Urban renewal funds could also support physical improvements to privately owned properties to improve the look and feel of the Plan Area and enhance the experience of downtown residents, workers, and visitors. The Agency would be stimulating economic activity and bringing positive ground-floor presence to the street by assisting with façade improvements or investing to make properties more marketable for a variety of uses.

## **Chapter 6: Estimated Total Cost of Each Project or Activity, Sources of Money, and Anticipated Completion Date for Each Project or Activity**

This Report on the 2023 Amendment includes the estimated cost of projects to be carried out following the adoption of the amendment. Cost estimates are based on new tax increment revenue resulting from the increase to maximum indebtedness.

Table 10 lists the project activities included in the Plan and estimated costs for each spending scenario. Because elements of each project are yet to occur or will not be known until implemented, there is a range of opportunities within each project. The estimated range gives a sense of scale and scope that could be possible. Below is a short description of each of the projects.

### **A. Projects**

#### **1. Existing Activities - Steam Plant redevelopment [all spending scenarios]**

The Steam Plant is part of the Downtown Riverfront property that the Agency purchased from EWEB in April 2018. The building was the oldest of EWEB's operational buildings and is the only remaining industrial structure. Constructed in phases from the 1930s to the 1950s, the 28,000 square foot multi-story masonry building was used to generate standby electrical power and to provide heat to downtown businesses. Steam Plant operations ceased in 2012 and the building has since been vacant.

Following a Request for Qualifications/Proposals process, in 2019 the Agency Board directed the Agency Director to enter into negotiations with the local development team for the redevelopment of the Steam Plant.

Adaptive re-use of the existing building is ambitious, facing extraordinary challenges that include environmental, seismic, and financial obstacles. Because of those obstacles and the cost to address them, the Steam Plant has a negative value and the project is only feasible with the financial support of the Agency and/or the City. In 2022, the Agency Board approved terms for the sale and redevelopment of the Steam Plant that allocated \$1.5 million of Urban Renewal funds for asbestos abatement, system development charges, and permit fees and provides the property at no cost.

The development team estimates that even after accounting for the allocated funds, the planned redevelopment has a remaining financial gap of about \$6.3 million. Assuming the Agency Board will choose to fill the full financial gap, that would make up \_\_\_ [A = 42%, B = 25%, C = 14%] of the 2023 Amendment spending limit increase. This project is one of two projects funded in FY26 in the 2023 Amendment.

2. Existing Activities - Downtown Riverfront Affordable Housing [all spending scenarios]

The Affordable Housing project located at the northwest corner of 4th Avenue and Mill Street, also known as “Parcel 2,” in the Downtown Riverfront will need substantial public contribution to compensate for the low rents and to make it financially viable. Affordable Housing subsidies often come from a combination of federal, State, and local financial sources and the financial packages are complex. The neighborhood character of the Downtown Riverfront, first articulated in the EWEB Riverfront Master Plan and continued in subsequent City policies, includes high-quality, urban architecture. These denser, more durable buildings are a more expensive type of construction and higher cost-per-square-foot than more suburban “garden-style” apartments. All of these factors lead to high development costs.

With rising construction costs, site constraints, the desire for the building to be responsive to the urban design context of the Downtown Riverfront while keeping rents affordable, it is expected there will be a need for significant subsidy – likely in the range of \$5 million. Assuming the Agency Board will choose to allocate \$5 million to support the project, that would make up \_\_\_ [A = 33%, B = 20%, C = 11%] of the 2023 Amendment spending limit increase. This project is one of two projects funded in FY26 in the 2023 Amendment.

3. Additional Housing [spending scenarios B and C only]

Approximately \_\_\_ [B = 19%, C = 30%] of the 2023 Amendment spending limit increase would be allocated to support the creation of new housing.

For Development Fee Assistance, funds would be allocated based on projects meeting criteria approved by the Agency Board. Funds could be allocated to pay up to 100% of development fees. It is assumed it would take about four years from allocating funds to a project to when construction would be completed. Estimating based on development fees for recently completed projects in and near downtown, fees could be approximately \$10,000 per unit. Assuming 50% of the housing funding was allocated for development fee assistance, it is estimated the Agency could support the creation of the following:

- Scenario B: \$2.35 million – about 235 residential units
- Scenario C: \$6.8 million – about 680 residential units

Funds for Development Fee Assistance would be allocated during the Plan period with the final units estimated to be funded by \_\_\_ [B = FY30, C = FY31]. Total cost is dependent on the specifics of developments undertaken, and any future adjustment of fee rates during the years ahead.

For **Land Acquisition**, total cost is dependent on the properties being acquired. Approximately half of the funds allocated for housing in Scenarios B and C are estimated to be for land acquisition ([B = \$2.35 million, C = \$6.5 million]). The funding for Acquisition is available in \_\_\_ [B = FY25, C = FY25]. As stated in the Plan, Agency Board approval is required before land will be acquired or sold.

4. Physical Improvements to Address Safety and Comfort [spending scenarios B and C only]

It is estimated that approximately \_\_\_ [B = 10%, C = 15%] of project funding would be allocated to physical improvement projects that address safety and comfort. Funds would be allocated during the Plan period. Actual costs will depend on projects and priorities. Some of the funding for Physical Improvements to Address Safety and Comfort is available in \_\_\_ [B = FY25, C = FY29]. Other funding is available later in the life of the Plan.

5. Projects Directed/Initiated by the Agency Board [all spending scenarios]

It is estimated that approximately \_\_\_ [A = 13%, B = 10%, C = 15%] of project funding would be allocated to activities listed in Section 600 D, Projects Directed/Initiated by the Agency Board, which includes, as examples, Parking, Transmission Line Rerouting, Open Space Improvements, Development Support, and Other Public Facilities. Further study is needed to determine costs, feasibility, and timing for these possible projects. Based on 2022 estimates, staff estimates a 75-stall surface parking lot would cost up to \$1.2 million (preliminary cost estimate of \$300,000 to \$450,000 for construction combined with potential land acquisition cost). EWEB's 2018 cost estimate for the transmission line rerouting is about \$1.2 million and staff have had preliminary conversations about the City or Agency potentially contributing funding for the work that would occur on the Downtown Riverfront side of the river (about \$500,000 in the 2018 estimate). Funding for Open Space Improvements, Development Support, and Other Public Facilities will depend on the need and will be administered according to the rules in the Plan.

Some of the funding for Projects Directed/Initiated by the Agency Board is available in \_\_\_ [A = FY25, B = FY29, C = FY29]. Other funding is available later in the life of the Plan.

## **B. Project Delivery Administration**

Actions for this activity include program administration (project management, loan and grant administration, support for ongoing investments within the Plan Area, public engagement, financial services, debt issuance and administration); legal services; reporting (budgets, financials); preparation of market, feasibility, or other economic studies; preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies; providing accounting or audit services; providing special rehabilitation, restoration, or renovation feasibility and cost analysis studies; assisting in preparation of the annual financial reports required under Sections 800 and 900 of the Plan; providing property acquisition appraisals; and evaluation of the plan and the success of its activities. Many of the activities are provided through a contract between the City of Eugene and the Agency dated June 15, 2004. The Agency may also acquire, rent, or lease office space and office furniture, equipment, and facilities necessary to conduct its affairs in the management and implementation of this plan.

Projections for district administration assume that once the projects are complete, district administration expenses will be reduced to a level that will be sufficient to run the loan and grant program, support ongoing investments within the Plan Area, and ensure administration of outstanding debt, budget development, annual review of project activities, and financial report preparation.

The bullet points below summarize the projected administration costs, which includes staffing for project delivery, ongoing financial administration, and the loan and grant program. Additional items in the projection include legal and consulting fees necessary to protect the City/Agency and complete the projects, debt issuance cost needed for the projects, and property management. The cost estimates in the below bullets are for the largest maximum indebtedness increase of \$45 million.

- **Project Delivery - Staffing**
  - Average of 1.2 FTE at an average cost of \$266,000 per year FY25 through FY39; personnel costs are projected to increase 3-4% per year due to inflation and higher health and retirement costs.
- **Project Delivery - Legal costs, public engagement, financial administration, overhead and miscellaneous**
  - \$155,000 average per year FY25 through FY39; higher in the early years and a smaller amount for maintenance over time.
- **Debt Issuance Costs**
  - \$100,000 per issuance for a total of \$200,000 across two series of debt; to be determined.

**Table 10. List of Project Activities and Estimated Allocations of Tax Increment Revenues**

<b>Project Activity</b>	<b>A = \$15 million</b>	<b>B = \$25 million</b>	<b>C = \$45 million</b>
Steam Plant	\$6,300,000	\$6,300,000	\$6,300,000
Downtown Riverfront Affordable Housing	\$5,000,000	\$5,000,000	\$5,000,000
Additional Housing	-	\$4,700,000	\$13,600,000
Physical Improvements	-	\$2,500,000	\$6,800,000
Projects Directed/Initiated by Agency Board	\$1,900,000	\$2,400,000	\$6,800,000
Debt Issuance Costs	\$100,000	\$100,000	\$200,000
Project Delivery Administration	\$1,700,000	\$4,000,000	\$6,300,000
<b>Total</b>	<b>\$15,000,000</b>	<b>\$25,000,000</b>	<b>\$45,000,000</b>

Source: Tiberius Solutions

\* The amounts provided in Table 10 are estimates. The Agency Board will approve actual amounts to be spent on individual projects after reviewing project details. The Agency Board may ultimately approve spending for an individual project above or below the estimates listed in this table; however, the total tax increment spending for the District will not exceed the 2023 cumulative spending limit (maximum indebtedness) of \_ [A = \$49.8, B = \$59.8, C = \$79.8] million.

The increased maximum indebtedness from the 2023 Amendment will start funding projects in FY25. Decisions on priorities of funding for projects will be made by the Agency Board at regular Agency Board meetings, all of which are open to the public. Construction of the projects contemplated in the 2023 Amendment is expected to be completed by \_\_\_ [A = FY26, B = FY31, C = FY31], except for Project Delivery Administration which is expected to continue until debt is fully paid off. Debt issued to fund the projects is estimated to be paid off by \_\_\_ [A = FY29, B = FY32, C = FY39] depending on future tax increment revenue levels.

## Chapter 7: Estimated Amount of Money and Anticipated Year in Which Indebtedness will be Retired or Otherwise Provided For Under ORS 457.420 to 457.460

The total amount of tax increment revenue expected to be collected by the Agency beginning in FY25 to pay off maximum indebtedness is estimated at about \_\_\_ [A = \$17.6 million, B = \$28.6 million, C = \$59.3 million]. The projects in the Plan will be funded with a combination of urban renewal tax increment financing under ORS 457 and other sources. The Agency may apply for funding from other federal, state, and local grants in order to complete the projects.

Oregon Revised Statutes require that each urban renewal district that receives property taxes include a “maximum indebtedness” limit in their urban renewal plan. “Maximum indebtedness” is a required spending cap for all property tax expenditures over a period of time. “Maximum indebtedness” is not a legal debt limit; it is more like a spending limit.

***Adopting a maximum indebtedness figure does not authorize or obligate the Agency to spend money or enter into debt.*** Within the maximum indebtedness limitation, the Agency Board has the ability to fund projects over time, either with cash or by issuing debt.

Certain expenditures are included in the maximum indebtedness calculation and certain expenditures are excluded. For instance, cash payments for projects and administrative expenses are included in the calculation, but expenditures made from sources other than tax increment revenues are not included in the spending limit, such as from the loan program (known as River Loans). In addition, interest on debt is not included in maximum indebtedness, nor is the refinancing of existing indebtedness.

The City Council amended the Plan in 2004 to include a maximum indebtedness limit of \$34.8 million. The \$34.8 million figure represented the amount that the Agency was allowed to cumulatively spend in tax increment revenues starting in 2004, excluding existing debt and other expenditures that are excluded from maximum indebtedness as described above.

The 2023 Amendment increases the maximum indebtedness as shown in Table 11 below, adds project categories to the Plan, and includes general updating.

**Table 11. Maximum Indebtedness (MI) Calculation**

Amendment	Maximum Indebtedness Increases
2004 Plan Amendment	\$34.8M
2018 Plan Amendments (x2)	No increase
2023 Plan Amendment	A = \$15.0M, B = \$25.0M, C = \$45.0M
<i>Total Maximum Indebtedness</i>	A = \$49.8M, B = \$59.8M, C = \$79.8M

Table 13 in Exhibit D includes information about future revenues and expenditures in the Plan Area. The timing and amounts for individual project activities will be determined by the Agency Board and, every other year, during the biennial budget process. Completion dates for individual activities may be affected by changes in the plans of other private or

public partners, local economic and market conditions, changes in the availability of tax increment funds, and changes in priorities for carrying out project activities.

Current projections show that the tax increment revenues should be sufficient to pay for the projects and associated debt by \_\_\_ [A = FY29, B = FY32, C = FY39]. The District would cease collecting tax increment funds once there are sufficient tax increment funds available to repay all debt issued or obligations created to fund the projects.

These projections of future tax increment revenues account for mandatory revenue sharing (i.e., underlevying) as described in ORS 457.470. In all years after the annual tax increment revenues equal or exceed the greater of 10% of the initial maximum indebtedness of the Plan or a predetermined “transition amount” as defined in ORS 457.470 (1)(d), the Agency must begin to “share” a portion of the increment value with overlapping taxing districts. This results in only a portion of the increment value being used for the purposes of calculating tax increment revenues. This financial forecast anticipates that the Plan will be subject to revenue sharing beginning in FY30, though the timing will depend upon actual collections of tax increment revenues. The maximum amount of annual tax increment revenue for the Riverfront District is anticipated to be 12.5% of the initial maximum indebtedness of the Plan, which would be \$4.35 million.

## **Chapter 8: Financial Analysis of the Plan with Sufficient Information to Determine Feasibility**

The financial analysis of the plan shown in Table 13 in Exhibit D includes the anticipated tax increment revenues over the projected remaining life of the Plan. The anticipated tax increment revenues are based on reasonable projections of new development and appreciation in existing property values. The projection of tax increment revenues is based on the following assumptions:

- Property assessed values will increase by 3% per year, which includes increases on existing property as well as a small amount of new investment in existing Riverfront area properties.
- New taxable development is anticipated during the next several years.
- The Agency Board authorizes a permanent increase in the frozen base of the Plan Area. This would shift some of the taxes being generated within the Plan Area to be out of the portion that generates tax revenue for the Plan Area (the “increment” value) into the portion that generates tax revenue for all of the overlapping taxing districts (the “frozen base” value).

The projections result in urban renewal tax revenues between FY25 and \_\_ [A = FY29, B = FY32, C = FY39] of approximately \_\_ [A = \$17.6 million, B = \$28.6 million, C = \$59.3 million]. Together with other revenues and existing fund balances, these revenues will support \_\_ [A = \$15 million, B = \$25 million, C = \$45 million] of increased maximum indebtedness plus the interest on the debt to fund the 2023 Amendment projects. In addition to the redevelopment projects, the revenues will be sufficient to pay for other obligations, such as project delivery administrative activities, including an allocation of overhead costs. Those costs are projected to increase over time due to inflation and higher health and retirement costs at a rate of about 3-4% per year.

The Agency will also carry a balance equal to two months of operating costs each year, per City financial policy and a debt service reserve account, if required by lenders.

## **Chapter 9: Fiscal Impact Statement that Estimates the Impact of the Tax Increment Financing, Both Until and After the Indebtedness is Repaid, Upon All Entities Levying Taxes Upon Property in the Plan Area**

Taxing bodies that overlap with the Plan Area are affected by the use of tax increment funds to implement the Plan. When a district is first created, the assessed value within the Plan Area is established as the “frozen base.” This is a way of keeping the overlapping taxing districts “whole” as of the date the urban renewal district is created. Property taxes from the overlapping jurisdictions (schools, general governments) are then divided among the jurisdictions that continue to receive taxes on the frozen base. In theory, urban renewal investments will spur additional development and the assessed value of the district will grow above the base. That increase is called the “incremental value” or “excess value.” The Agency receives taxes on the incremental value. This has an impact on the amount of revenue that the overlapping jurisdictions receive, versus what they would have received if there were no urban renewal districts in effect.

### **A. Impact on Tax Bills**

In addition to the impact on the overlapping taxing jurisdictions, urban renewal also makes individual tax bills look different. Urban renewal districts do not impose new taxes; rather, they redistribute taxes from overlapping taxing districts to the urban renewal districts. There are two basic steps to understand how an individual’s tax bill is affected by tax increment financing in Oregon. The first step determines the amount of property taxes that the urban renewal agency should receive, and the second step determines how the taxes are accounted for on property tax statements.

The first step consists of applying the tax rates of the taxing districts (such as the city, county, and school districts) to the incremental value of the urban renewal district. That product is the amount of taxes that the urban renewal agency should receive. The second step determines how to divide or split the tax rates of the taxing districts so that when those “divided rates” are applied to all tax bills in the city, the urban renewal agency receives its share, and the taxing districts receive the remainder. As of July 2023, there were eight urban renewal districts in Lane County, and the calculation is done for each of these districts.

The Lane County Assessor determines how the tax rates for the schools, city, and county are divided between the taxing districts and the urban renewal districts. As an example, the City’s permanent tax rate is \$7.0058 per \$1,000 of assessed value. For the FY23 tax year, the Lane County Assessor divided that tax rate into three pieces: \$6.8480 goes to the City of Eugene, \$0.0793 goes to the Downtown Urban Renewal District, and \$0.0785 goes to the Riverfront Urban Renewal District. This calculation is done for each tax rate on the tax bill.

With the information from the Lane County Assessor about the division of tax rates, an analysis can determine how an individual tax bill is affected by urban renewal division of tax. For the typical Eugene home that the Lane County Assessor calculated for FY23, this taxpayer would pay the same amount of total taxes before or after urban renewal division of taxes. The only difference is that some of the tax revenues go to the urban renewal districts, instead of to the overlapping taxing districts. Table 14 in Exhibit E sets out this calculation for the typical taxpayer in Eugene. As can be seen, **the before and after urban renewal views of this taxpayer's bill are exactly the same.**

## **B. Impact on Tax Rates**

Prior to the 2023 Amendment, the Riverfront Urban Renewal District was a “standard rate plan” under State statutes, which meant that property taxes used to fund urban renewal activities were limited to the permanent tax rates and bonded debt levies. Per updated State statutes, the 2023 Amendment turns the Plan into a “permanent rate plan”, meaning it may only take taxes from the permanent rate levies going forward. Bonded debt levies will no longer be impacted by this urban renewal plan.

## **C. Impact on Overlapping Taxing District Revenues**

A share of property taxes from the “excess value” or “incremental value” is not collected by the overlapping jurisdictions during the period of an active district, which is foregone revenue. The incentive for the overlapping districts to support urban renewal is higher property tax revenues in the long run and potential direct and indirect benefit from the urban renewal funded projects.

The estimated amount of urban renewal taxes to be divided over the remaining term of the Plan (net of discounts, delinquents, etc.) is shown in Table 15 in Exhibit F. As can be seen in the table, in FY25, once this amendment is effective, it is estimated that the City of Eugene would forego about \$1.4 million of revenue because of the Riverfront Urban Renewal District division of tax calculation. In \_\_\_ [A = FY30, B = FY33, C = FY40] after tax increment financing is terminated, the City of Eugene is estimated to receive \$2.2 million of additional tax revenue per year as shown in Table 12. Lane County is estimated to forego \$254,000 of revenue in FY25 per Table 15, and to benefit by \$399,000 of additional tax revenue per year in \_\_\_ [A = FY30, B = FY33, C = FY40] after division of tax is terminated as shown in Table 12. The amount of revenue in the future when tax increment is terminated is equal in all scenarios due to ORS 457 mandatory revenue sharing, which limits the amount of tax increment revenue to the Riverfront District to a specific, set amount. For more information about revenue sharing, see Chapter 7.

The impact on school districts from the termination of the urban renewal district is more complicated. Table 15 shows the foregone taxes, excluding any impacts from tax rate compression under Measure 5 and Measure 50 and excluding any impacts from the State school funding formula. Compression occurs when levied property taxes exceed the Measure 5 limits of \$5 per \$1,000 of real market value for education taxes (or \$10 per \$1,000 for general government taxes). If taxes exceed that limit, a property is in “compression” and the taxes are reduced until the limits are met. Table 15 shows that the combined school districts (4J, Lane Community College, and Lane Education Service District) are estimated to forego \$1.1 million of revenue in FY25. Table 12 shows that the

combined school districts will benefit by \$1.7 million of additional annual tax revenue in \_\_\_ [A = FY30, B = FY33, C = FY40] after the division of tax is terminated. This is not the complete story, however.

The impact on K-12 schools from the division of tax calculation for urban renewal districts is largely an impact on the State's budget because schools are mainly funded on a per-pupil funding formula (rather than by the level of property tax dollars generated within their boundaries). The State determines how much money must be allocated for the education of each pupil across the state. If the money is not available from local property taxes, the State will make up the difference. If more funds are available through local school property taxes, the State would have additional dollars to allocate as it chooses. In other words, the State can choose to allocate any extra money to education or to some other budgetary priority. If the State chooses to keep the money in education, some of that money would return to schools and education service districts based on the applicable statewide school funding formula and the rest would be distributed to school and education service districts across Oregon.

The Lane County Assessor conducted an analysis of the impact of the Riverfront Urban Renewal District on School District 4J's local option levy, including the impacts of tax rate compression in FY23. The analysis, which is included as Table 16 in Exhibit G, shows that the Riverfront Urban Renewal District currently provides 4J an estimated net benefit of \$45,000 per year. Table 16 shows the impact of tax rate compression in the education category for an additional 143 properties that would occur if the Riverfront District were not collecting division of tax revenue.

This analysis concludes that 4J is better off financially if the Riverfront Urban Renewal District continues to collect tax increment funds than it would be if tax increment financing were terminated. The reason is that taxes that are currently counted under the "general government" category for Measure 5 tax rate limitations (i.e., the "school property tax dollars" that now go to urban renewal) would move into the "education" category. When that happens, the education category of taxes must be reduced for a number of individual properties within the City because schools are already collecting as much as they can under Measure 5 limits for those properties. State law says that local option levy proceeds are the first to be reduced in the event of compression.

In order to understand the Lane County Tax Assessor's analysis for 4J impact for FY23, there are two factors to consider:

1. Revenue from 4J's permanent levy would increase by approximately \$866,000, for a net gain of approximately \$26,000 after applying the State school funding formula. (4J receives about 3% of the total State-wide funding.) This is the best-case scenario that assumes all else is equal, and the State decides to provide more funding for schools as a result of having more property tax revenue available.
2. 4J would lose about \$71,000 of local option levy proceeds (after discounts and delinquencies) if the Riverfront District no longer collects tax increment funds because of compression. The State funding formula does not apply to local option levies, so the full impact of this reduction would be felt in 4J's budget. Both of these

estimates are based on FY23 tax roll information and would vary in future years with changes in market conditions.

In summary, 4J would experience an ongoing loss in its budget of about \$45,000 annually as a result of terminating tax increment collections in the Riverfront District. Lane Education Service District is also funded through the State School Fund and would experience similar impacts as 4J on the permanent rate levy, however, Lane Education Service District does not have a local option levy. Lane Community College is also funded on a formula according to classes taken, not directly through permanent rate property taxes.

The financial analysis in this Report accounts for mandatory revenue sharing as previously described in Chapter 7. The financial analysis also assumes that the Agency Board will authorize a permanent increase in the frozen base of the Plan Area to \$110,395,364. This shifts some of the taxes being generated within the Plan Area to be out of the portion that generates tax revenue for the Area (the “increment” value) into the portion that generates tax revenue for all of the overlapping taxing districts (the “frozen base” value). This allows for a portion of the increased assessed value within the Plan Area to be shared with overlapping taxing districts including the City of Eugene. The City of Eugene permanent rate levy is the largest tax rate impacted by the Plan Area and thus the City’s General Fund would receive the largest share of increased revenue from the frozen base. The frozen base increase will generate an estimated \$800,000 per year for all of the overlapping taxing districts combined starting in FY25; the City’s General Fund will receive approximately half of the total amount, or about \$400,000 per year. This will reduce the annual tax increment revenue directed to the District.

Table 12 shows the impacts to taxing districts in FY40, which is the first year after the Riverfront District is expected to terminate taking division of taxes in scenario C (\$45 million). Some definitions help with the understanding of this table:

- Frozen Base is the total assessed value of the District at the time it was established, plus any voluntary increases by the Agency. ‘Revenue from Frozen Base’ is the tax revenue from that assessed value.
- Excess Value is the growth in assessed value in the District from the time it was established, also known as ‘increment.’ ‘Revenue from Excess Value Used’ is the tax revenue received by the urban renewal agency from the excess value. This column represents the estimated new revenue that overlapping taxing districts would receive in FY40 upon termination of Riverfront District division of taxes (excluding the aforementioned State school fund and compression impacts).
- ‘Revenue from Excess Value Shared’ is the taxes received by the taxing districts from the excess value that was subject to revenue sharing. The excess value becomes subject to revenue sharing (i.e., not subject to the division of tax) in all years after the annual tax increment revenues equal or exceed the greater of 10% of the initial maximum indebtedness of the Plan or a predetermined “transition amount” as defined in ORS 457.470 (1)(d).
- ‘Total Revenue at District Termination’ reflects the full taxes from the assessed value of the properties within the District at termination of the District.

**Table 12. Estimated Revenue in FY40 After Termination of Riverfront Urban Renewal District**

Taxing District	Type	Tax Rate per \$1,000 of AV	Revenue from Frozen Base	Revenue from Excess Value Used	Revenue from Excess Value Shared	Total Revenue at District Termination
<b>General Government</b>						
City of Eugene	Permanent	7.0058	\$773,000	\$2,185,000	\$3,135,000	\$6,093,000
Lane County	Permanent	1.2793	\$141,000	\$399,000	\$572,000	\$1,112,000
Upper Willamette Soil & Water	Permanent	0.0700	\$8,000	\$22,000	\$31,000	\$61,000
<b>Education</b>						
Eugene SD 4j	Permanent	4.7485	\$524,000	\$1,481,000	\$2,125,000	\$4,130,000
Lane Community College	Permanent	0.6191	\$68,000	\$193,000	\$277,000	\$538,000
Lane ESD	Permanent	0.2232	\$25,000	\$70,000	\$100,000	\$195,000
<b>Total:</b>		<b>13.9459</b>	<b>\$1,539,000</b>	<b>\$4,350,000</b>	<b>\$6,240,000</b>	<b>\$12,129,000</b>

Source: Tiberius Solutions

Note: This table shows gross revenues before subtracting discounts and delinquencies, which are estimated to be 5%.

## Chapter 10: Relocation Report

### A. Requirement

An analysis of the existing residences or businesses required to relocate permanently or temporarily as a result of Agency actions under ORS 457.170.

#### Response

No specific relocation activity is identified in the Plan. If urban renewal assistance results in relocation requirements, a relocation plan will be developed for that purpose. Relocation activities and assistance would be provided in accordance with ORS 35.500 through 35.530.

### B. Requirement

A description of the methods to be used for the temporary or permanent relocation of persons living in and businesses situated in, the Plan Area in accordance with ORS 35.500 through 35.530.

#### Response

No specific relocation activity to be initiated by the Agency is identified in the Plan. If urban renewal assistance results in relocation requirements, a relocation plan will be developed for that purpose. Relocation activities and assistance would be provided in accordance with ORS 35.500 through 35.530.

### C. Requirement

An enumeration, by cost range, of the existing housing units in the Plan Area to be destroyed or altered and new units to be added.

Response

No specific existing housing units are proposed to be removed by actions of the Plan.

D. Requirement

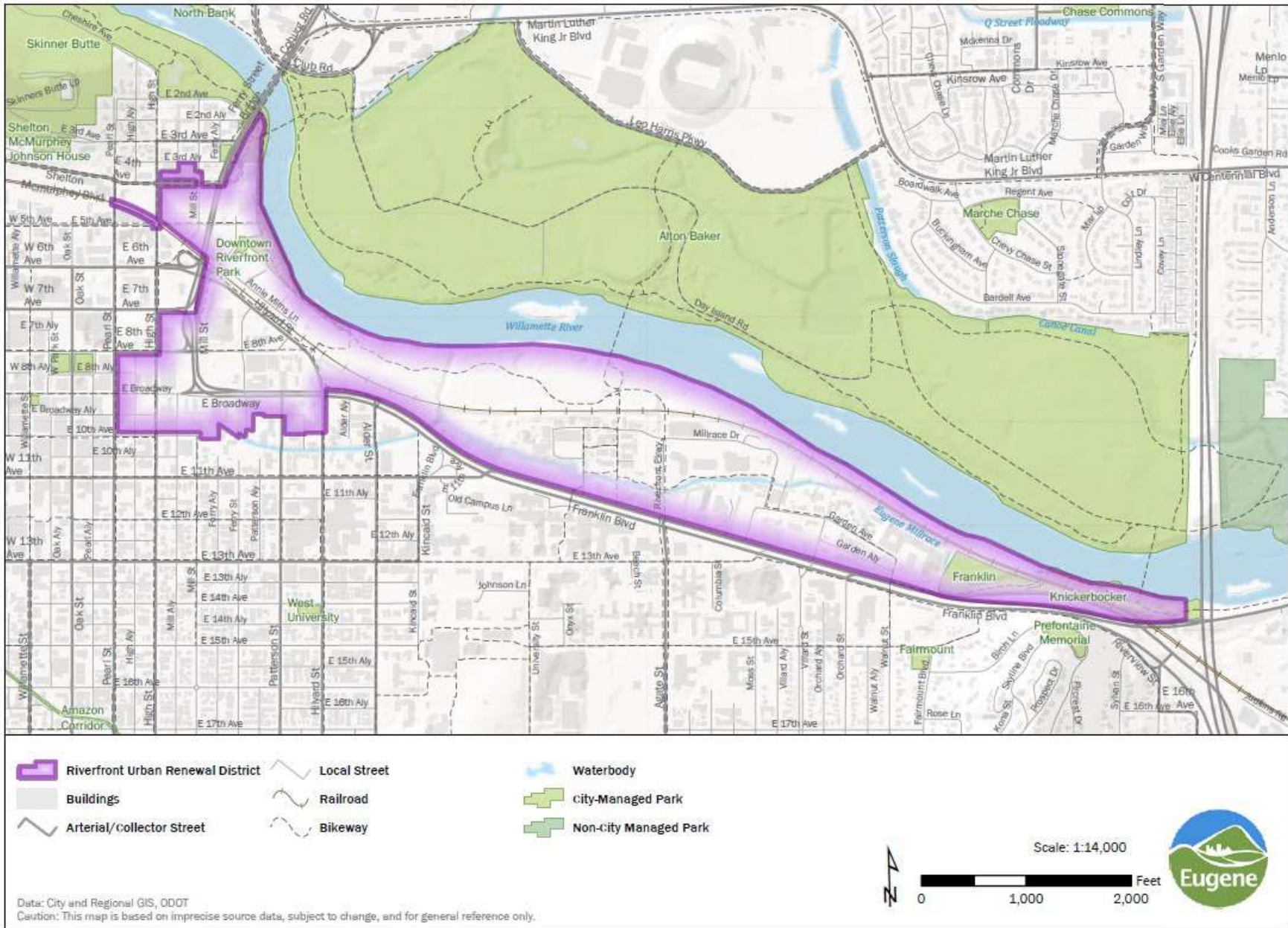
A description of new residential units which are likely to be constructed within the Plan Area.

Response

Some new residential units are expected to be constructed within the Plan Area.

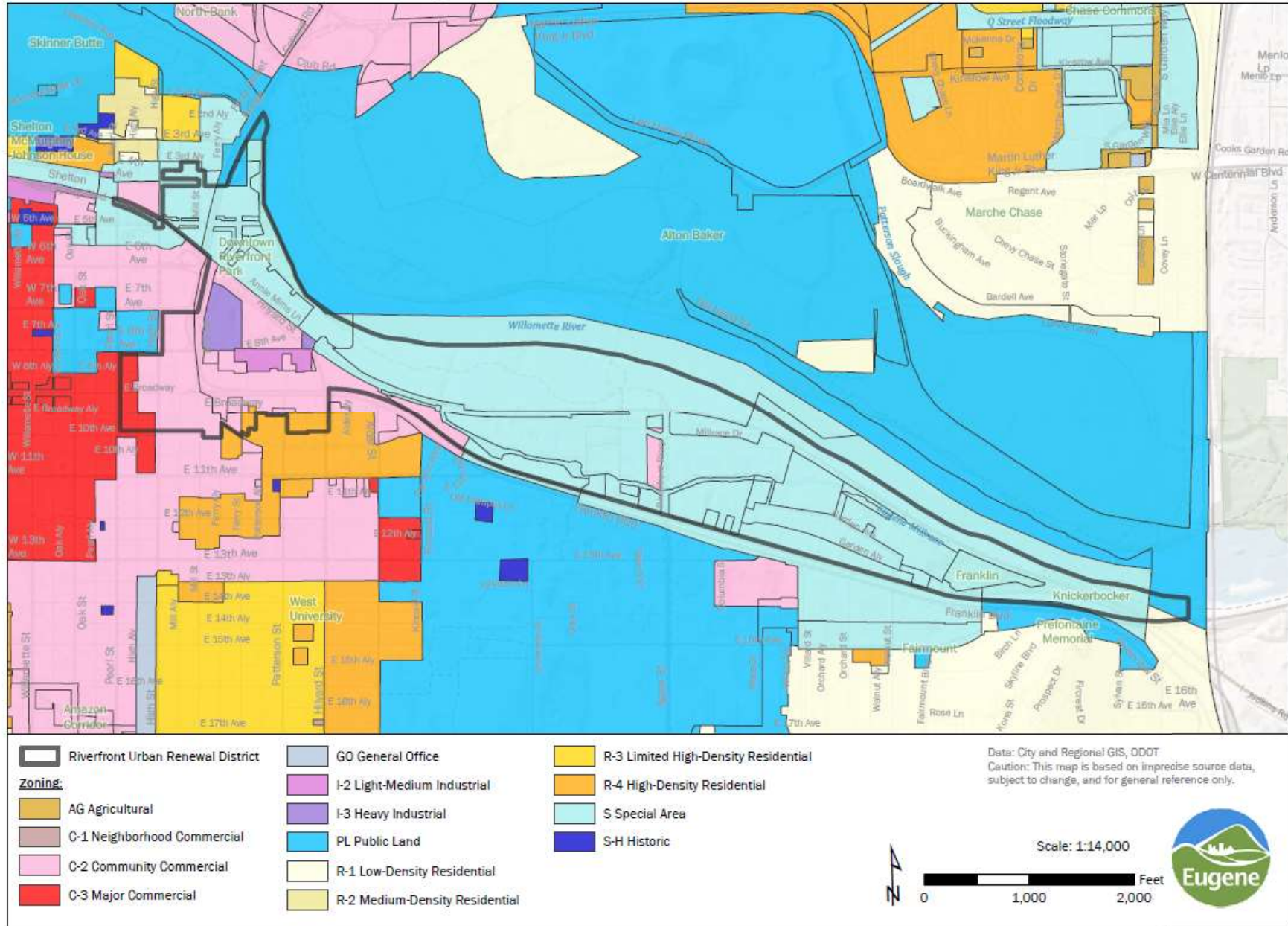
## **Chapter 11: Appendix**

- Exhibit A: Plan Area Map
- Exhibit B: Zoning District Map
- Exhibit C: Census Boundaries Map
- Exhibit D: Table 13. – Projected Revenues and Expenditures for the Plan Area
- Exhibit E: Table 14. – Impact of Urban Renewal on an Individual Tax Bill
- Exhibit F: Table 15. – Estimated Division of Tax Impact of the Plan on Overlapping Taxing Jurisdictions, FY25 – FY39
- Exhibit G: Table 16. – Estimated Impact of Riverfront District Tax Increment Collections on Overlapping Jurisdictions, FY23 Tax Data (Including the impact of State school funding formula and Measure 5/50 tax rate compression)

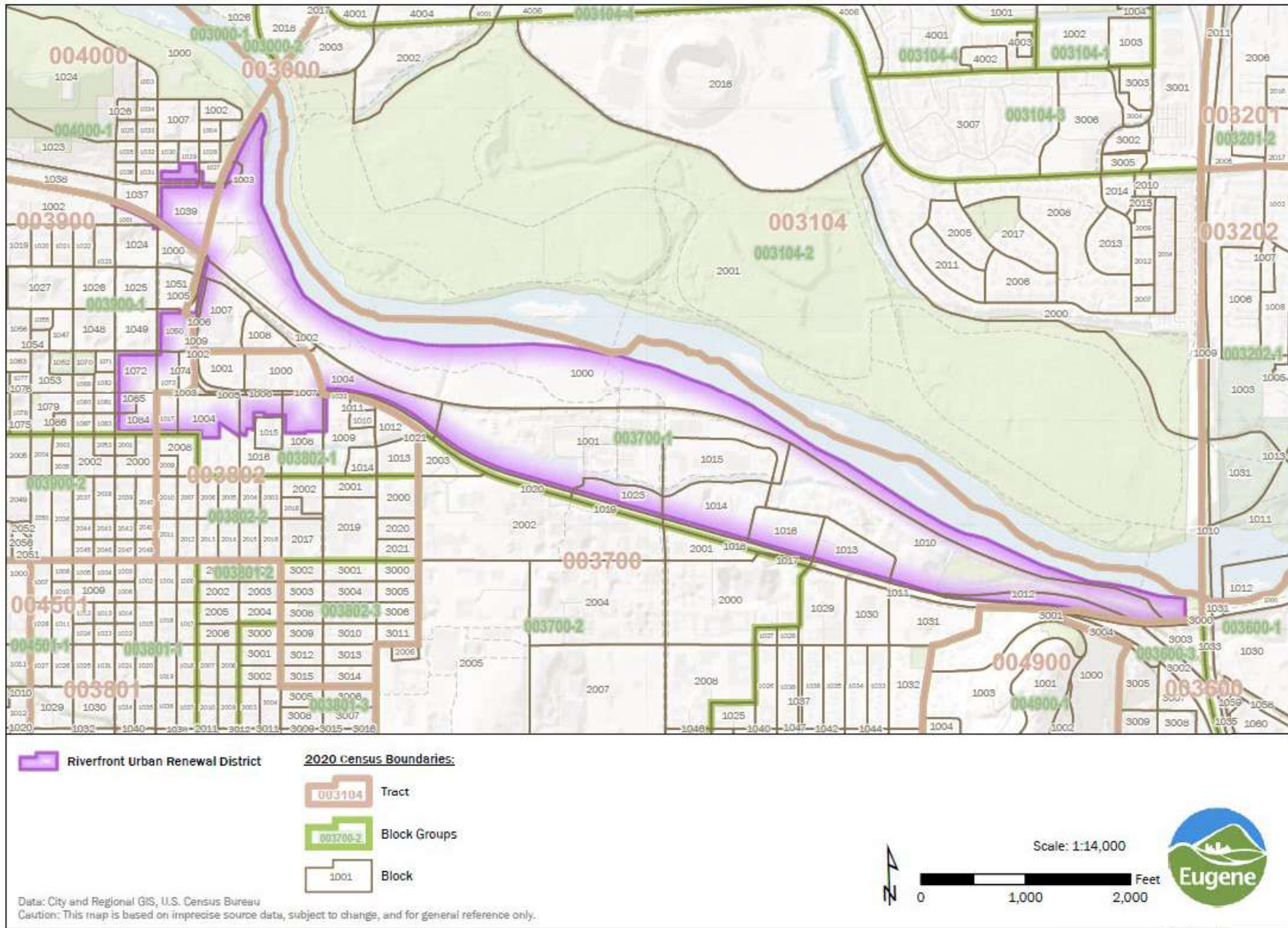


7/18/2023 PWE Ad-hoc #SR2306\_1202

Report Exhibit B - Zoning District Map



7/18/2023 PWE Ad-hoc #5R2300\_1202



7/18/2023 PWE Ad-hoc #5R2306\_1202

**Report Exhibit D:****Table 13. Projected Revenues and Expenditures for the Plan Area (page 1)**

Table 13 shows estimated revenues, expenditures, and allocation to projects over the life of the Plan (project timing may vary). This table reflects Scenario C, a \$45 million increase in maximum indebtedness. Scenario A (\$15 million) would terminate in FY29, and Scenario B (\$25 million) would terminate in FY32. See Table 10 for project allocations under each scenario.

	<b>Total</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>
<b>Resources</b>								
Beginning Working Capital		9,351,000	5,041,000	139,000	1,031,000	364,000	929,000	2,367,000
Interest Earnings	139,000	47,000	25,000	1,000	5,000	2,000	5,000	12,000
Tax Increment Revenues	59,286,000	2,773,000	3,240,000	3,377,000	4,064,000	4,238,000	4,195,000	4,194,000
Bond/Loan Proceeds	26,700,000		5,700,000			21,000,000		
<b>Total Resources</b>	<b>95,476,000</b>	<b>12,172,000</b>	<b>14,006,000</b>	<b>3,517,000</b>	<b>5,100,000</b>	<b>25,604,000</b>	<b>5,128,000</b>	<b>6,573,000</b>
<b>Requirements</b>								
<i>Debt Service</i>								
Existing Debt Service	7,942,000	1,324,000	1,323,000	1,324,000	3,547,000	424,000		
New Debt Service	39,516,000		497,000	497,000	497,000	2,328,000	2,328,000	2,328,000
Subtotal	47,458,000	1,324,000	1,820,000	1,821,000	4,044,000	2,752,000	2,328,000	2,328,000
<i>Existing Maximum Indebtedness</i>								
Additional Housing	848,000	848,000						
Subtotal	848,000	848,000						
<i>New Maximum Indebtedness</i>								
Steam Plant	6,300,000		6,300,000					
Downtown Riverfront Affordable Housing	5,000,000		5,000,000					
Additional Housing	13,607,000	2,167,000				7,800,000		3,640,000
Physical Improvements	6,800,000					6,800,000		
Projects Initiated by Agency Board	6,800,000					6,800,000		
Debt Issuance Costs	200,000		100,000			100,000		
Project Delivery Administration	6,293,000	621,000	647,000	665,000	692,000	424,000	434,000	338,000
Subtotal	45,000,000	2,788,000	12,047,000	665,000	692,000	21,924,000	434,000	3,978,000
<i>Funded by Program Income</i>								
River Loans	2,068,000	2,068,000						
Additional Housing	103,000	103,000						
Subtotal	2,170,000	2,170,000						
Ending Fund Balance		5,041,000	139,000	1,031,000	364,000	929,000	2,367,000	268,000
<b>Total Requirements</b>	<b>95,476,000</b>	<b>12,172,000</b>	<b>14,006,000</b>	<b>3,517,000</b>	<b>5,100,000</b>	<b>25,604,000</b>	<b>5,128,000</b>	<b>6,573,000</b>
Annual Impact on Maximum Indebtedness	45,848,000	8,769,000	7,120,000	1,556,000	20,000	22,487,000	1,867,000	1,867,000
Cumulative Maximum Indebtedness Used to Date		42,721,000	49,841,000	51,397,000	51,417,000	73,904,000	75,771,000	77,638,000

Source: Tiberius Solutions

## Report Exhibit D:

Table 13. Projected Revenues and Expenditures for the Plan Area (page 2)

	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039
<b>Resources</b>								
Beginning Working Capital	268,000	1,821,000	1,803,000	1,527,000	1,240,000	945,000	643,000	326,000
Interest Earnings	1,000	9,000	9,000	8,000	6,000	5,000	3,000	2,000
Tax Increment Revenues	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	3,842,000
Bond/Loan Proceeds	-	-	-	-	-	-	-	-
<b>Total Resources</b>	<b>4,463,000</b>	<b>6,024,000</b>	<b>6,006,000</b>	<b>5,729,000</b>	<b>5,440,000</b>	<b>5,145,000</b>	<b>4,840,000</b>	<b>4,170,000</b>
<b>Requirements</b>								
<i>Debt Service</i>								
Existing Debt Service								
New Debt Service	2,328,000	3,899,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	3,842,000
Subtotal	2,328,000	3,899,000	4,194,000	4,194,000	4,194,000	4,194,000	4,194,000	3,842,000
<i>Existing Maximum Indebtedness</i>								
Additional Housing								
Subtotal								
<i>New Maximum Indebtedness</i>								
Steam Plant								
Downtown Riverfront Affordable Housing								
Additional Housing								
Physical Improvements								
Projects Initiated by Agency Board								
Debt Issuance Costs								
Project Delivery Administration	315,000	323,000	285,000	295,000	301,000	308,000	320,000	328,000
Subtotal	315,000	323,000	285,000	295,000	301,000	308,000	320,000	328,000
<i>Funded by Program Income</i>								
River Loans								
Additional Housing								
Subtotal								
Ending Fund Balance	1,821,000	1,803,000	1,527,000	1,240,000	945,000	643,000	326,000	
<b>Total Requirements</b>	<b>4,463,000</b>	<b>6,024,000</b>	<b>6,006,000</b>	<b>5,729,000</b>	<b>5,440,000</b>	<b>5,145,000</b>	<b>4,840,000</b>	<b>4,170,000</b>
Annual Impact on Maximum Indebtedness	1,867,000	295,000						
Cumulative Maximum Indebtedness Used to Date	79,505,000	79,800,000	79,800,000	79,800,000	79,800,000	79,800,000	79,800,000	79,800,000

Source: Tiberius Solutions

Note: The current Plan is projected not to reach the existing maximum indebtedness limit by \$848,000 at the end of FY24. The Plan Amendment will allow more time to collect enough tax increment revenue to reach the existing maximum indebtedness limit. It is anticipated that these funds will be used towards housing, but the actual allocation will be made during the budgeting process.

## Report Exhibit E:

### Table 14. Impact of Urban Renewal on an Individual Tax Bill

Taxing District	Taxes	Taxes Directed To:			Taxes	Difference
	Before UR Reallocation	Taxing Districts	Downtown UR District	Riverfront UR District	After UR Reallocation	
<b>Education Taxes</b>						
Eugene School District 4J	\$1,131.55	\$1,100.34	\$15.68	\$15.54	\$1,100.34	(\$31.22)
Eugene School District 4J LOL	357.45	357.45	0.00	0.00	357.45	0.00
Lane Community College	147.53	144.22	1.67	1.64	144.22	(3.31)
Lane Education Service District	53.19	52.00	0.60	0.60	52.00	(1.19)
<b>Total</b>	<b>\$1,689.72</b>	<b>\$1,654.00</b>	<b>\$17.94</b>	<b>\$17.78</b>	<b>\$1,654.00</b>	<b>(\$35.72)</b>
<b>General Government Taxes</b>						
City of Eugene	\$1,669.46	\$1,631.86	\$18.90	\$18.71	\$1,631.86	(\$37.60)
City of Eugene Library LOL	37.20	37.20	0.00	0.00	37.20	0.00
City of Eugene Parks & Rec LOL	41.11	41.11	0.00	0.00	41.11	0.00
Lane County	304.85	298.01	3.43	3.41	298.01	(6.84)
Lane County 4-H/Extension LOL	6.67	6.67	0.00	0.00	6.67	0.00
Lane County Public Safety LOL	131.06	131.06	0.00	0.00	131.06	0.00
Upper Willamette Soil & Water	16.68	16.35	0.17	0.17	16.35	(0.33)
Eugene UR Downtown District	0.00	0.00	0.00	0.00	40.44	<b>40.44</b>
Eugene UR Riverfront District	0.00	0.00	0.00	0.00	50.28	<b>50.28</b>
<b>Total</b>	<b>\$2,207.04</b>	<b>\$2,162.26</b>	<b>\$22.50</b>	<b>\$22.28</b>	<b>\$2,252.98</b>	<b>\$45.94</b>
<b>Bonded Debt Taxes</b>						
City of Eugene Bond I	\$1.02	\$1.02	\$0.00	\$0.00	\$1.02	\$0.00
City of Eugene Bond II	184.94	182.87	0.00	2.07	182.87	(2.07)
Eugene School District 4J Bond II	532.67	525.37	0.00	7.29	525.37	(7.29)
Lane Community College Bond II	53.09	52.50	0.00	0.60	52.50	(0.60)
Lane Community College Bond III	25.31	25.05	0.00	0.26	25.05	(0.26)
<b>Total</b>	<b>\$797.03</b>	<b>\$786.81</b>	<b>\$0.00</b>	<b>\$10.22</b>	<b>\$786.81</b>	<b>(\$10.22)</b>
<b>Total Taxes</b>	<b>\$4,693.78</b>	<b>\$4,603.06</b>	<b>\$40.44</b>	<b>\$50.28</b>	<b>\$4,693.78</b>	<b>\$0.00</b>

Source: City of Eugene from Lane County Assessment & Taxation, Table 4e, Detail of Urban Renewal Plan Areas by Taxing District, Tax Year 2022-23.

Note: Calculations based on assessed value of \$238,297 for typical (i.e., median) Eugene home per Lane County Assessor media release October 2022. The 2023 Amendment turns the Plan into a "permanent rate plan", meaning it may only take taxes from the permanent rate levies going forward. Bonded debt levies will no longer be impacted by this urban renewal plan.

## Report Exhibit F:

**Table 15. Estimated Division of Tax Impact of the Plan on Overlapping Taxing Jurisdictions, FY25 – FY39**

FY	City of Eugene	Lane County	Upper Willamette Soil & Water	Eugene School District 4J	Lane Community College	Lane Education Service District	Total
2025	1,393,000	254,000	14,000	944,000	123,000	44,000	2,773,000
2026	1,628,000	297,000	16,000	1,103,000	144,000	52,000	3,240,000
2027	1,697,000	310,000	17,000	1,150,000	150,000	54,000	3,377,000
2028	2,042,000	373,000	20,000	1,384,000	180,000	65,000	4,064,000
2029	2,129,000	389,000	21,000	1,443,000	188,000	68,000	4,238,000
2030	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,195,000
2031	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2032	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2033	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2034	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2035	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2036	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2037	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2038	2,107,000	385,000	21,000	1,428,000	186,000	67,000	4,194,000
2039	1,930,000	352,000	19,000	1,308,000	171,000	61,000	3,842,000
<b>Total:</b>	<b>29,783,000</b>	<b>5,438,000</b>	<b>298,000</b>	<b>20,186,000</b>	<b>2,632,000</b>	<b>949,000</b>	<b>59,286,000</b>

Source: Tiberius Solutions

### Notes:

1. Property tax collections for all years is projected to be 95%.
2. Analysis does not include impact on School District 4J's local option levy, which currently benefits from the existence of the urban renewal districts. Additionally, the impact on schools is really an impact on the State's budget because schools are mainly funded on a per-pupil funding formula rather than by the level of property tax dollars generated within their boundaries. See Chapter 9 "Impact on Overlapping Taxing District Revenues" section for more information and Exhibit G – Table 16.
3. Existing property values are projected to increase 3% per year.
4. The final year for each scenario assumes only a partial year of tax increment collection is needed to reach maximum indebtedness.

## Report Exhibit G:

**Table 16. Estimated Impact of Riverfront District Tax Increment Collections on Overlapping Jurisdictions, FY23 Tax Data (Including the impact of State school funding formula and Measure 5/50 tax rate compression)**

Taxing District	Levy	With Riverfront Tax Increment <sup>1</sup>	Without Riverfront Tax Increment <sup>1</sup>	Difference	Estimated Revenue If Riverfront District Ends Tax Increment Collection <sup>2</sup>
<b>EDUCATION</b>					
Eugene School District 4J	Permanent Rate	68,469,322	69,375,908	906,586	26,000 <sup>3</sup>
Eugene School District 4J	Local Option Levy (LOL)	24,906,721	24,831,879	(74,842)	(71,000)
Lane Community College	Permanent Rate	10,973,980	11,090,774	116,794	112,000
Lane Education Service District	Permanent Rate	3,956,579	3,998,913	42,334	40,000
<b>Total Education</b>		<b>\$108,306,602</b>	<b>\$109,297,474</b>	<b>\$990,872</b>	<b>\$107,000</b>
<b>GENERAL GOVERNMENT</b>					
City of Eugene	Permanent Rate	125,004,018	126,436,974	1,432,956	1,366,000
City of Eugene	Library LOL	2,849,477	2,849,477	-	-
City of Eugene	Parks and Rec LOL	3,148,847	3,148,847	-	-
Lane County	Permanent Rate	22,828,924	23,089,963	261,039	249,000
Lane County	4-H/Extension LOL	1,105,267	1,105,267	-	-
Lane County	Public Safety LOL	21,710,714	21,710,714	-	-
Upper Willamette Soil & Water	Permanent Rate	1,252,248	1,265,026	12,778	12,000
Eugene Urban Renewal Downtown	Urban Renewal	2,877,334	2,877,334	-	-
Eugene Urban Renewal Riverfront	Urban Renewal	3,530,764	-	(3,530,764)	(3,370,000)
<b>Total General Government</b>		<b>\$184,307,593</b>	<b>\$182,483,602</b>	<b>(\$1,823,991)</b>	<b>(\$1,743,000)</b>
<b>BONDS</b>					
City of Eugene	Bond I	78,494	78,494	-	-
City of Eugene	Bond II	14,008,436	14,167,252	158,816	152,000
Eugene School District 4J	Bond II	32,865,721	33,321,880	456,159	436,000
Lane Community College	Bond II	4,017,756	4,063,351	45,595	44,000
Lane Community College	Bond III	1,916,777	1,936,838	20,061	19,000
<b>Total Bonds<sup>4</sup></b>		<b>\$52,887,184</b>	<b>\$53,567,815</b>	<b>\$680,631</b>	<b>\$651,000</b>
<b>TOTAL</b>		<b>\$345,501,379</b>	<b>\$345,348,891</b>	<b>(\$152,488)</b>	<b>(\$985,000)</b>

Source: City of Eugene Notes:

1. Data provided by Lane County Assessment & Taxation, tax year 2022-23.

2. Revenue estimates adjusted for discounts, delinquencies, State school funding formula, and compression.

3. Assumes that legislature allocates the additional property taxes to schools throughout the State and 4J receives approximately 3% of the total.

4. The 2023 Amendment turns the Plan into a “permanent rate plan”, meaning it may only take taxes from the permanent rate levies going forward. Bonded debt levies will no longer be impacted by this urban renewal plan.

**EXHIBIT C: Property Analysis Report****Riverfront Urban Renewal Amendment:  
Documentation of Blighted Areas**

September 2023

In the summer of 2023, public and private properties within the Riverfront Urban Renewal District were evaluated by City of Eugene staff for conditions of blight, as defined by ORS 457.010. This Property Analysis Report provides a summary of staff's findings. A more detailed report with photos and descriptions of examples of blight is provided in Attachment 2 to this Property Analysis Report. Maps showing the area included in this analysis are provided as Attachment 1 to this Property Analysis Report. Properties and locations reviewed for characteristics of "blight" as the term is defined in ORS 457.010(1), are listed in Attachment 3 to this Report.

## **1 SUMMARY OF FINDINGS**

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A total of 184 tax lots are located in the Riverfront Urban Renewal District. Eighty-two percent (or 151) of the 184 tax lots surveyed are determined to have blighted conditions. Fifty-two percent (or 97) of the tax lots in the District were considered to be very blighted because they have a ratio of Improvement Value to Land Value of 2:1 or less. To better describe the current uses of these tax lots, for the purposes of this analysis, the tax lots with blighted conditions were consolidated based on uses, resulting in a total of 69 properties that have at least one tax lot with very blighted conditions (e.g., a building and its parking lot on two different tax lots would be considered one "property"). In addition to the tax lots surveyed, 20 locations in rights-of-way, roads, public walkways, and sidewalks also demonstrate blighted conditions. Blight conditions are so prevalent and consistent in the Plan Area that the City Council concludes that the entire Riverfront Urban Renewal Plan Area is blighted. The blighted conditions impact the safety, health, and welfare of the community through: potentially unsafe conditions for accessibility through deteriorating public rights-of-way; deficiencies in maintenance of public buildings and open spaces; decreased property values and taxable values; extensive vacancies; and outdated structural designs that are deteriorating. The evidence of blight and blighting influences reduces the economic activity in the Plan Area, leading to lowered value and a disincentive to invest.

Urban renewal funds that are directed at improving or reducing the blighted conditions will attract positive activity in the Riverfront Urban Renewal District, stimulate economic development and private investment, promote the continued revitalization of the Downtown Riverfront, and enhance the value of the area as a whole. As the number of businesses and opportunities for investment increases, existing businesses, and development, including restaurants, retail, and housing, will also benefit, leading to improved conditions and higher property values within the Riverfront Urban Renewal District.

This survey of properties was performed August and September 2023, following three and a half years of COVID-19 pandemic related issues, including significant increases in material, labor, and financing costs. Properties throughout the City of Eugene, including properties in the Riverfront Urban Renewal District, were heavily impacted by the necessary restrictions put in place in response to the pandemic and the current economic issues of inflation and tightening of financial lending. These restrictions have happened in a tiered process with businesses only recently opening more fully to serve customers. Vandalism and unsanctioned camping have become increasingly prevalent in the downtown core area, which includes the western part of the Riverfront District. This impacts the business community along with those wishing to visit the Riverfront District, increasing

the risk for continued blighting influences. The current state of the economy and impact of the duration of the pandemic were taken into consideration with this inventory.

## 2 INFORMATION ABOUT THIS REPORT

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The determination of blight for a particular property is an indication of the character of the area and substantiation of the need for reinvestment and improvement in the District; it is not an indication that a specific property is targeted for improvement or for demolition. Even though not every property in the Riverfront Urban Renewal District is determined to be “blighted,” the City concludes that overall, the area within the Riverfront Urban Renewal District is blighted due to the number of properties with blighted conditions. This conclusion is supported by substantial evidence, as discussed below. Information related to surveyed properties was gathered primarily from visual surveys of the building exteriors and property, and of public rights-of-way; however, information collected does also include staff knowledge of particular sites.

This analysis presents information on the conditions of 69 properties that include at least one tax lot considered to be very blighted. This analysis also includes an evaluation of 20 right-of-way locations with blighted conditions. The Blight Findings Matrix (Attachment 3) includes a row for each of these properties and right-of-way locations, corresponding to numbered locations on the maps in Attachment 1. The matrix includes columns relating to each of the criteria in ORS 457.010(1), and described below. For a determination that a property is “blighted,” only one of the criteria evaluated needs to be met. The final column on the table indicates whether there are property characteristics that make it “blighted” under the definition/criteria of ORS 457.010(1). Attachment 2 is a detailed report with photos and descriptions of examples of blight in the Riverfront Urban Renewal District.

## 3 GENERAL FINDINGS

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Properties were evaluated against nine categories of blight included in the statutory definition of “blighted areas” in ORS 457.010(1). The categories are located in ORS 457.010(1)(a) through (1)(i). ORS 457.010(1)(a) includes five sub-categories (A-E) related to whether a building is “unfit” or “unsafe” to occupy or for living, commercial, industrial, or other purposes. ORS 457.010 does not elaborate on what “unfit” or “unsafe to occupy” means, nor does it state that the building must be literally unusable or uninhabitable. **The City concludes that a building meets the criteria under ORS 457.010(1)(a)(A) – (E) if it has conditions that indicate that the structure is “unfit” for its intended purpose or “unsafe to occupy,” even if the building is in fact occupied and otherwise habitable.** These conditions are described below.

### Conditions of Blight

Note: Properties are identified by number in Attachments 1-3 to this Report. Where properties are offered as examples of the conditions of blight listed below, they are identified by name or address and by number for ease of cross-reference with the Attachments.

#### **ORS 457.010(1)(a)**

“The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions”.

**ORS 457.010(1)(a)(A):** Defective design and quality of physical construction

The Steam Plant (#14) and 967 Patterson (#61, recently demolished after Fire Marshal's Office deemed it unsafe) have been determined to be structures that are unfit for their intended purposes or unsafe to occupy because of "*defective design and quality of physical construction.*"

**ORS 457.010(1)(a)(B):** Faulty interior arrangement and exterior spacing

None of the properties surveyed were determined to be unfit or unsafe to occupy based on "*faulty interior arrangement and exterior spacing.*"

**ORS 457.010(1)(a)(C):** Overcrowding and a high density of population

None of the properties surveyed were determined to contain structures that are unfit for their intended purpose or unsafe to occupy due to "*overcrowding and a high density of population.*"

**ORS 457.010(1)(a)(D):** Inadequate provision for ventilation, light, sanitation, open spaces, and recreation facilities

None of the properties surveyed were determined to be unfit or unsafe to occupy based on "*inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.*"

**ORS 457.010(1)(a)(E):** Obsolescence, deterioration, dilapidation, mixed character or shifting of uses

Four properties, the Steam Plant (#14), Former Greyhound Station (#33), Motel 66 (#56), and 967 Patterson (#61) were determined to be unfit or unsafe to occupy based on "*obsolescence, deterioration, dilapidation, mixed character or shifting of uses.*" due to building deterioration and extended vacancy.

**ORS 457.010(1)(b):** An economic dislocation, deterioration or disuse of property resulting from faulty planning

Four properties were determined to be blighted due to "*economic dislocation, deterioration or disuse of property resulting from faulty planning.*" These are the properties identified as the Steam Plant (#14), Former Greyhound Station (#33), Motel 66 (#56), and 967 Patterson (#61) in the Attachments to this Report. These properties were identified as blighted based on this criterion due to prior environmental contamination, extended vacancy, deterioration, and damage. These properties have had maintenance issues that led to deterioration of the quality of the property, impacting the District.

**ORS 457.010(1)(c):** The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development

The grouping of three properties North of Broadway/Franklin Boulevard, and East of Hilyard (#3, #16, and #26) were classified as blighted due to the "*division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.*" These properties comprise multiple tax lots that are a variety of sizes and held in ownership by the City and University.

Two City-owned vacant parcels at the intersection of Broadway and Hilyard (#69), are too small to build on and surrounded by the former Motel 66 (#56), which also consists of two parcels of irregular size.

**ORS 457.010(1)(d):** The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions

None of the properties surveyed are characterized by the existence of *“property or lot layouts in disregard of contours, drainage or other physical characteristics of the terrain and surrounding conditions”*.

**ORS 457.010(1)(e):** The existence of inadequate streets and other rights of way, open spaces, and utilities

A total of 20 locations and/or properties were determined to be blighted based on the criterion: *“the existence of inadequate streets and other rights of way, open spaces and utilities”* (#69-89). Of these, 18 are locations in various rights-of-way (ROW), such as sidewalks, pedestrian walkways, alleys, or crosswalks. Locations were classified as meeting this criterion if there were extensive breaks in the sidewalk resulting in an uneven surface, large holes in the pavement, or crosswalks with holes and uneven ramps; all of which contribute to lack of accessibility. See Attachment 2 for photos of these locations.

**ORS 457.010(1)(f):** The existence of property or lots or other areas that are subject to inundation by water

None of the properties surveyed are characterized by the existence of property or lots or other areas that are subject to inundation by water.

**ORS 457.010(1)(g):** A prevalence of depreciated values, impaired investments, and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered

151 tax lots constituting 82% of total tax lots in the District were determined to meet the blight criterion: *“a prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered”*.

Specifically, properties with very depreciated values were classified as blighted. Depreciated values are defined in this Report as those tax lots with a ratio of 4:1 or less of Property Improvement Value to Land Value. Tax lots with a ratio of 2:1 or less were considered to be very blighted. The 69 properties included in Attachment 3 consist of at least one tax lot determined to be very blighted. Tax data for the year 2022 was used for this calculation.

The depreciation ratio is based on staff research in 2010 comparing analyses completed by other communities in Oregon, including Springfield, Tillamook, and Portland.

**ORS 457.010(1)(h):** A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare

Nine properties were determined to be blighted based on the following criterion: *“a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare”*. These properties are identified as 8<sup>th</sup> and Pearl parking lot (#1), Franklin Boulevard parking lots (#3, #16, and #26), Moss Street and Garden Avenue parking lot (#12), the Steam Plant (#14), the former Greyhound Station (#33), City Hall (#47), and 961 Patterson Street (#61) in the Attachments to this Report. These properties were classified as blighted under this criterion due to extended vacancies and/or property damage, all of which negatively contribute to the surrounding community.

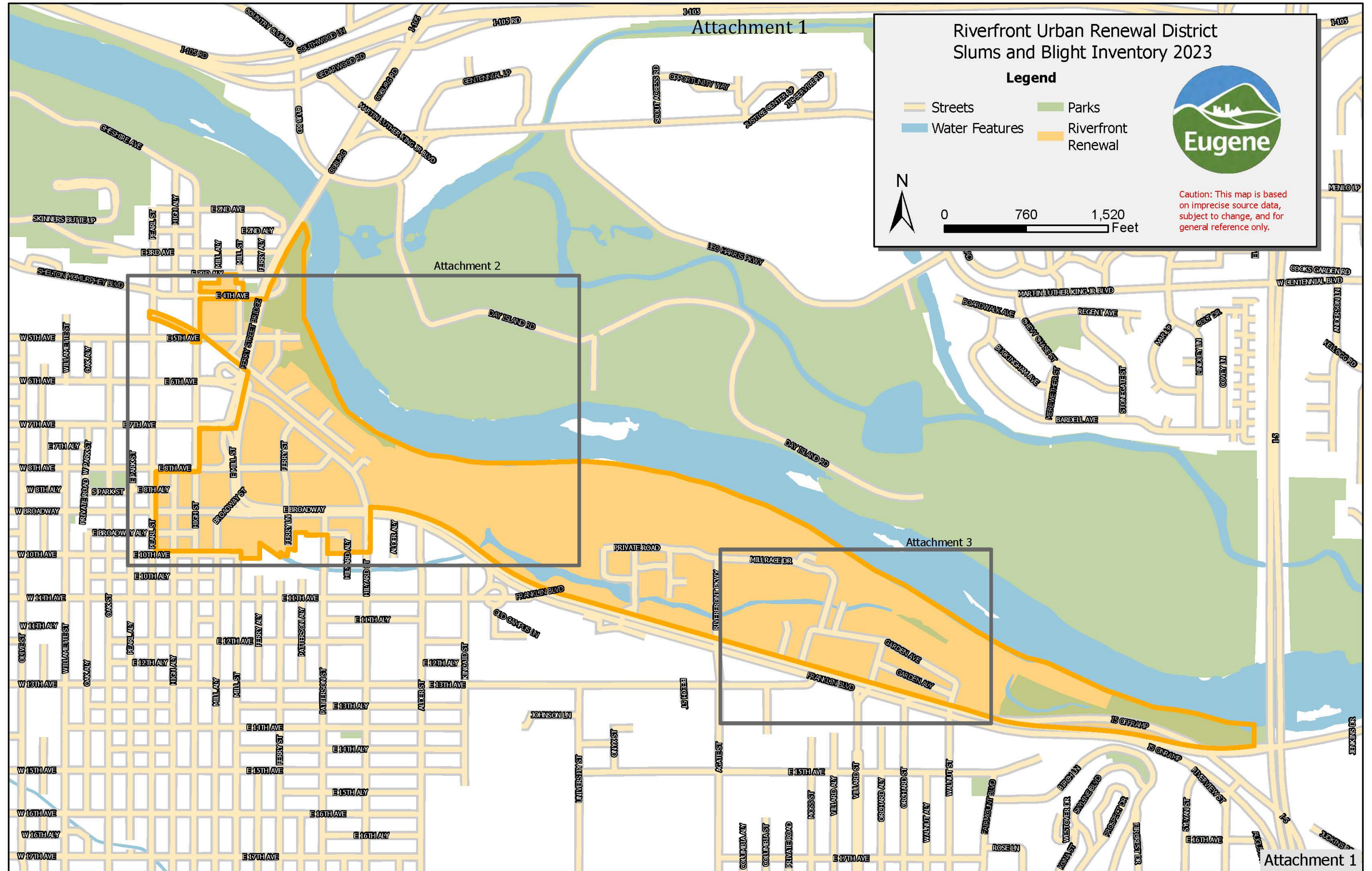
**ORS 457.010(1)(i):** A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere

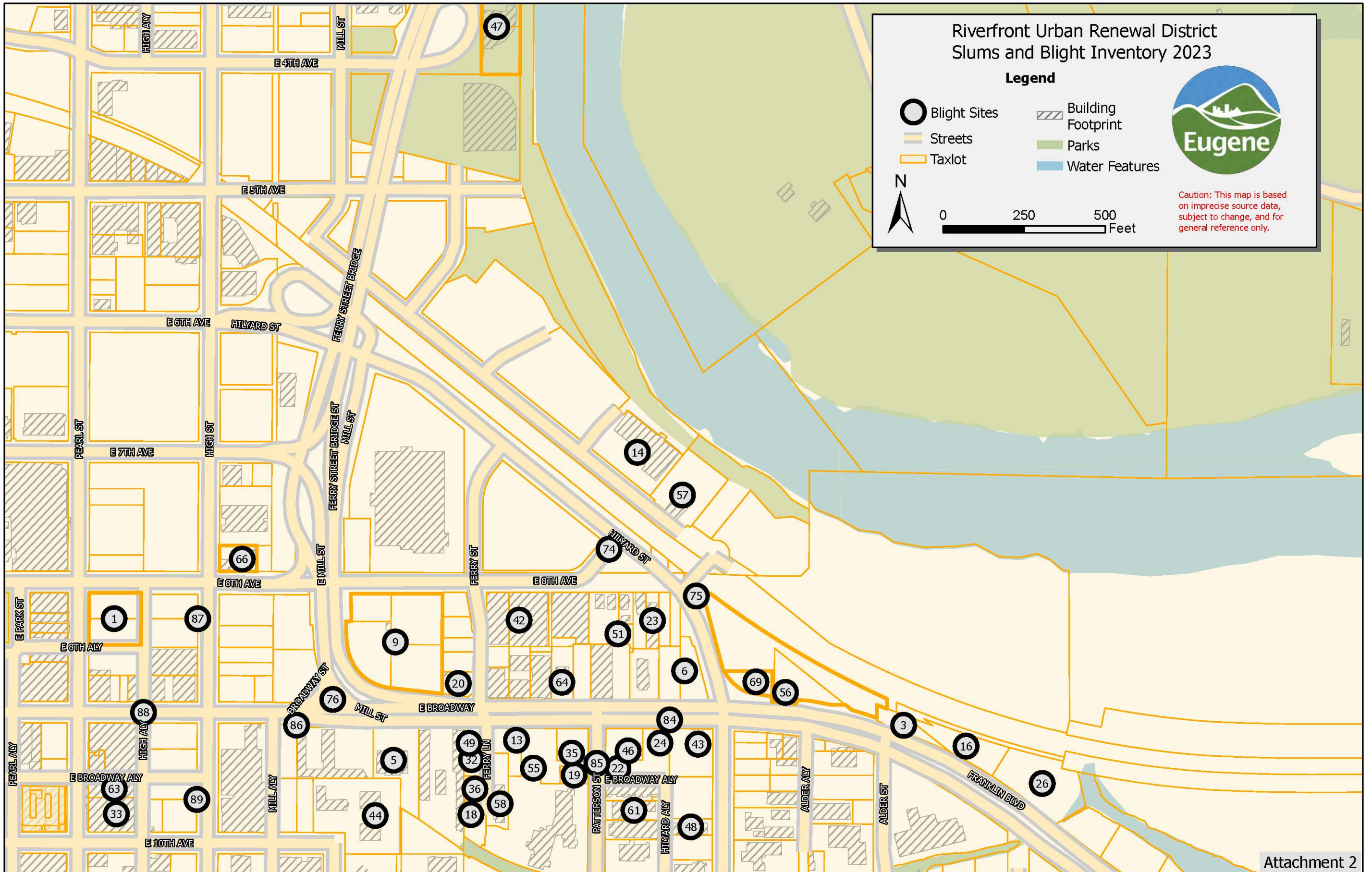
Eight properties were determined to be blighted based on the criterion: *“a loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere”*. This determination was based on a review of the properties’ state of disrepair and lack of apparent maintenance including vegetation overgrowth, rusted materials, graffiti, garbage, and potential contamination. Property in these conditions and the continued deterioration of those properties add to current costs of maintenance and public services. The properties found to comply with this criterion are identified as the 8<sup>th</sup> Avenue and Pearl Street parking lot (#1), Franklin Boulevard parking lots (#3, 16, #26), the Moss Street and Garden Avenue parking lot (#12) and the Steam Plant (#14), the former Greyhound Station (#33), and 967 Patterson Street (#61) in the Attachments to this Report.

## 4 CONCLUSION

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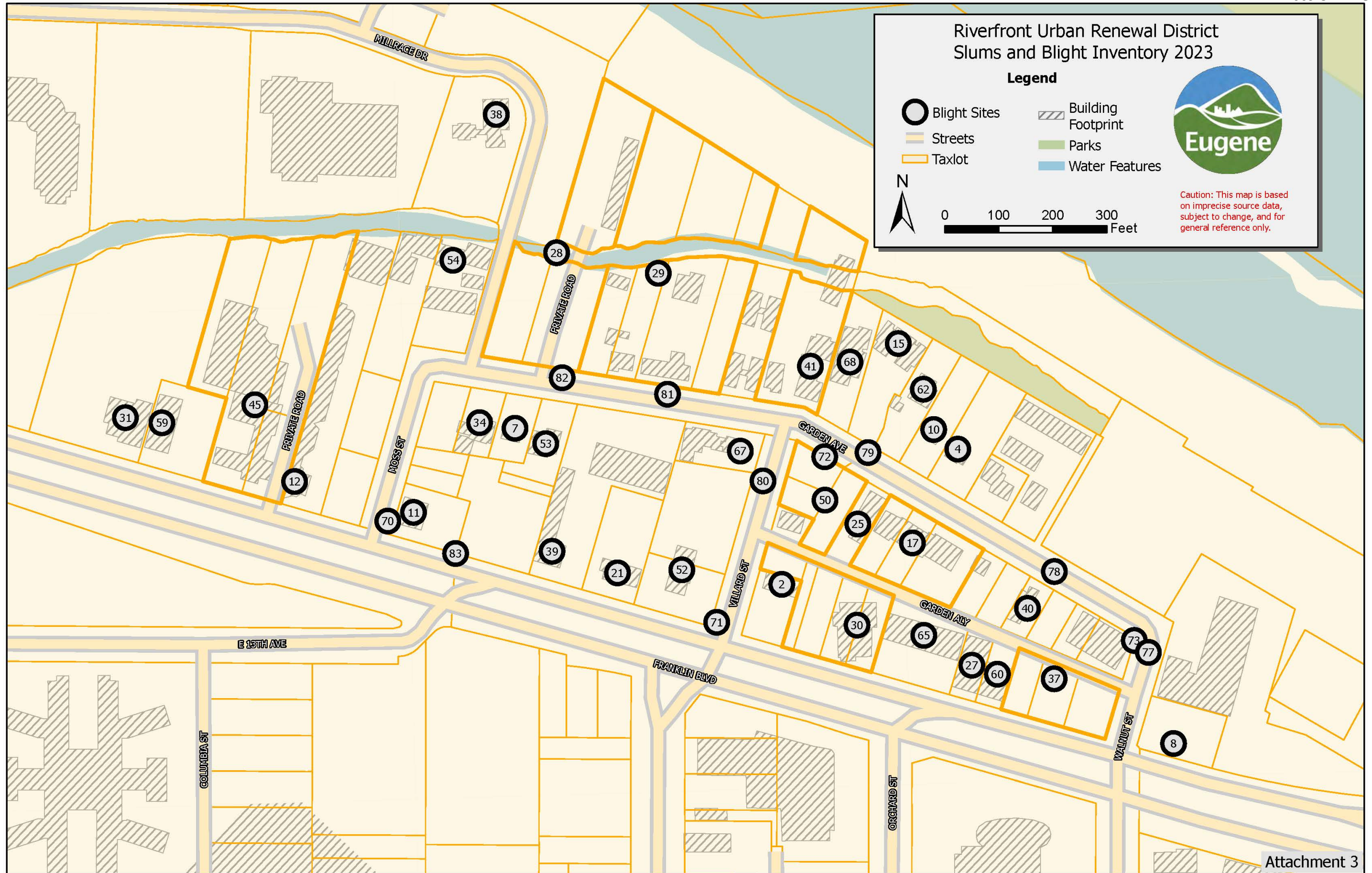
The City Council finds that 151 tax lots (82% of tax lots in the Riverfront Urban Renewal District) demonstrate blighted conditions consistent with ORS 457.010(1). Of those 151 blighted tax lots, 97 tax lots (53%) were considered to be very blighted. In addition, 20 locations in roads, public walkways, and sidewalks within the Plan Area demonstrate blighted conditions. Due to the high property depreciation value, the state of disrepair of buildings, inefficient utilization of properties, and the state of disrepair of right-of-way pedestrian infrastructure within the Plan Area, the City Council finds that the entire area of the Riverfront Urban Renewal District is blighted.





Attachment 2

SR2306\_0877 9/19/2023



Attachment 3

SR2306\_0877 9/19/2023

## Riverfront Urban Renewal District Blight Survey

### Detailed Property Report 2023

This attachment provides documentation and additional information about properties in the Riverfront Urban Renewal District (District) that were determined to have blighted conditions.

This attachment provides additional information on notable blighted properties and right-of-way locations in the Riverfront Urban Renewal District.

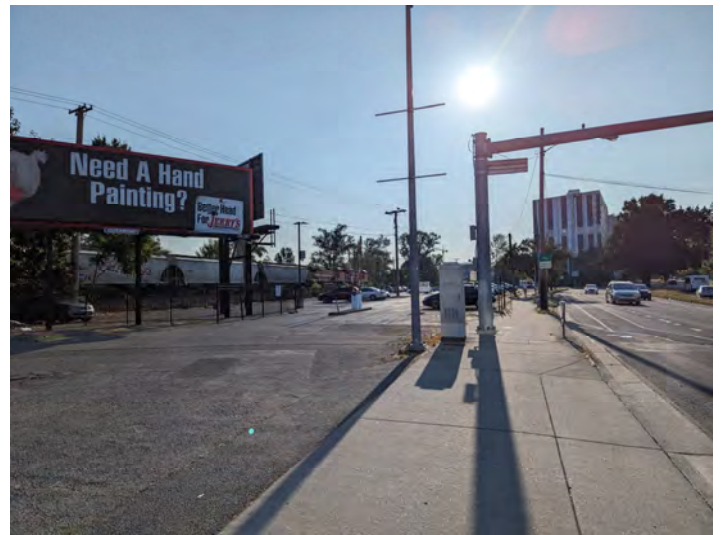
To assist the user with reading this report a list of definitions are provided below:

- **Property:** This corresponds to the property location on the maps included in Attachment 1 and the matrix included in Attachment 3.
- **Name:** This is the main business name, address, or descriptor for the property. There may be multiple businesses on a property.
- **Determination of Blight:** This is the finding of blight associated with the property. This finding will correspond with Attachment 3 to Exhibit C.
- **Depreciation Ratio:** Using data from the Lane County Tax and Assessment office, a mathematical calculation creates a ratio from the improvement values to land values, where the improvement value for a property is divided by the land value for a property. If there are multiple tax lots for an identified property, then the values for each tax lot were totaled to create this ratio. Tax data is from tax year 2022 and derived from regional geographic information systems (GIS).
- **Tax lot(s):** These are the tax lot(s) associated with that property.
- **Property Notes:** The property notes are the observations collected during inventory, and do not necessarily indicate blight.

- **Property: #1**
- **Name:** 8<sup>th</sup> and Pearl Parking Lot
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.05
- **Tax lot(s):** 1703311402100, 1703311402200
- **Property Notes:** The property is currently a public, permitted parking owned by the City of Eugene. The asphalt has seen some degradation and needs some maintenance.



- **Property:** #3 and 16
- **Name:** City-owned Parking Lots along Franklin Boulevard
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.10 and 0.05
- **Tax lot(s):** 1703322405100, 1703322400101
- **Property Notes:** These properties has depreciated values. The property is currently a permitted parking owned by the City of Eugene. Asphalt is uneven and grass is overgrown.



- **Property: #4**
- **Name:** Offices, 1991 Garden Avenue
- **Determination of Blight:** Depreciated Value
- **Depreciation Ratio:** 0.51
- **Tax lot(s):** 1703333210400
- **Property Notes:** Property has depreciated values. Building is in need of maintenance.



- **Property: #10**
- **Name:** Offices, 1973 Garden Avenue
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 0.50
- **Tax lot(s):** 1703333210300
- **Property Notes:** Property has depreciated values. Building is in need of maintenance. Building is currently vacant.



- **Property: #14**
- **Name: Steam Plant**
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio: 0.23**
- **Tax lot(s): 1703322203000**
- **Property Notes:** Property has depreciated values. Building is long vacant. Lots vandalism and graffiti. Building is in significant state of disrepair.



- **Property: #19**
- **Name: 950 Patterson Street**
- **Determination of Blight: Depreciated values**
- **Depreciation Ratio: 1.13**
- **Tax lot(s): 1703322306100**
- **Property Notes: Property has depreciated values. Property needs maintenance, including parking area in front of building.**



- **Property: #22**
- **Name:** Housing, 937 Patterson Street
- **Determination of Blight:** Depreciated value, graffiti
- **Depreciation Ratio:** 0.74
- **Tax lot(s):** 1703322306400
- **Property Notes:** Property has depreciated values. Fence on edge of property has graffiti. Property is in need of maintenance.



- **Property: #26**
- **Name:** University of Oregon-owned Parking Lot on Franklin Boulevard
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.01
- **Tax lot(s):** 1703322400102
- **Property Notes:** The property has depreciated values. The property is currently a parking lot owned by the University of Oregon. The asphalt has seen some degradation and needs some maintenance.



- **Property: #29**
- **Name:** Apartments, 1853 Garden Avenue
- **Determination of Blight:** Depreciated Value
- **Depreciation Ratio:** 0.25
- **Tax lot(s):** 1703332300600, 1703332300800, 1703332300900, 1703332301000
- **Property Notes:** Property has depreciated values. Property needs maintenance, including parking area in front of building.



- **Property: #33**
- **Name:** Former Greyhound Bus Station and Parking Lot
- **Determination of Blight:** Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.16
- **Tax lot(s):** 1703311408300, 1703311408000
- **Property Notes:** Property has depreciated values. Building is currently vacant and in need of maintenance.



- **Property: #35**
- **Name: 7-11 (590 E. Broadway)**
- **Determination of Blight: Depreciated value**
- **Depreciation Ratio: 1.26**
- **Tax lot(s): 1703322306200**
- **Property Notes: Property has depreciated value.**



- **Property: #40**
- **Name:** Apartments, 2050 Garden Avenue
- **Determination of Blight:** Depreciated value
- **Depreciation Ratio:** 1.05
- **Tax lot(s):** 1703333200400
- **Property Notes:** Property has depreciated values.



- **Property: #49**
- **Name:** Restaurant, 490 E Broadway
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 1.62
- **Tax lot(s):** 1703322304100
- **Property Notes:** Property has depreciated values.



- **Property:** #54
- **Name:** Apartments, 1805 Garden Avenue
- **Determination of Blight:** Depreciated values
- **Depreciation Ratio:** 0.80
- **Tax lot(s):** 1703332301700
- **Property Notes:** Property has depreciated values.



- **Property:** #56
- **Name:** Former Motel 66
- **Determination of Blight:** Shifting Use from Motel to Parking Lot, Economic Dislocation & Disuse, Depreciated Value , All windows boarded up, Graffiti on all sides, Active Camping on Property
- **Depreciation Ratio:** 0.40
- **Tax lot(s):** 1703322401600, 1703322401601
- **Property Notes:** Property has depreciated values. Building is current vacant and boarded up. Property is used for a private parking lot.



- **Property: #59**
- **Name: EWEB Substation**
- **Determination of Blight:**
- **Depreciation Ratio: 0.11**
- **Tax lot(s): 1703322200803**
- **Property Notes: Depreciated Value**



- **Property:** #61
- **Name:** Vacant lot, 967 Patterson Street
- **Determination of Blight:** Deemed Unsafe, Dilapidated, Economic Dislocation, ROW in poor condition, Depreciated Value, Lack of Proper Utilization, Reduction in Proper Utilization
- **Depreciation Ratio:** 0.04
- **Tax lot(s):** 1703322307100
- **Property Notes:** Property has depreciated values. Building was deemed Unsafe by Fire Marshal's Office after multiple fires and was demolished. Site is now vacant.



- **Property:** #69
- **Name:** City-owned Vacant Parcels, northeast corner of Broadway and Hilyard Street
- **Determination of Blight:** Graffiti, Trash, Vacant, Lots of irregular form
- **Tax lot(s):** 1703322401602, 1703322401700
- **Property Notes:** Properties are currently vacant with overgrown shrubbery and garbage. Graffiti on adjacent wall. Properties are adjacent to the vacant Motel 66 property.



- **Property:** #70
- **Location:** Intersection of Franklin Boulevard and Moss Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Inadequate crosswalk and possible accessibility issues



- **Property: #71**
- **Location:** Intersection of Villard Street and Franklin Boulevard
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Damaged sidewalk, uneven surface



- **Property:** #72
- **Location:** Intersection of Villard Street and Garden Avenue
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Uneven sidewalk, overgrown shrubbery



- **Property:** #73, 77, and 78
- **Location:** Intersection of Garden Avenue and Walnut Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Uneven asphalt, degraded sidewalk



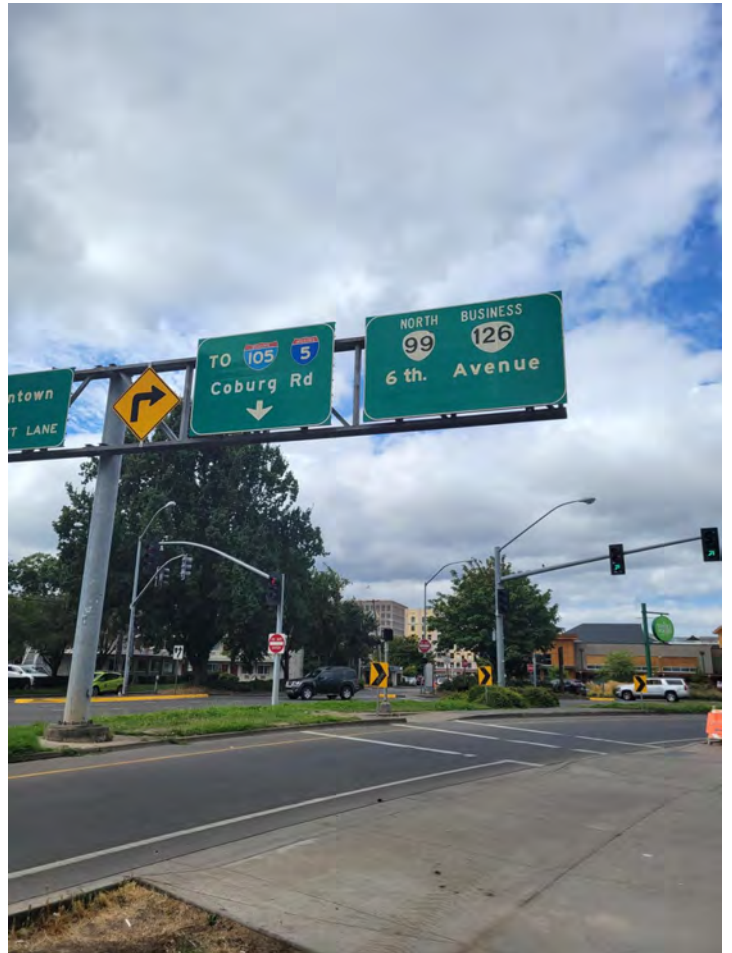
- **Property:** #74
- **Location:** Intersection of 8th Avenue and Hilyard Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Garbage remaining in railroad right-of-way, damaged wayfinding sign with graffiti



- **Property:** #75
- **Location:** 8<sup>th</sup> Avenue and Hilyard Street, City right-of-way behind Motel 66,
- **Determination of blight:** Graffiti behind motel 66
- **Property Notes:** Graffiti on wall behind the Motel 66 property. Property is vacant with overgrown shrubbery. Needs maintenance.



- **Property:** #76
- **Location:** Broadway and Mill intersection
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Inadequate sidewalk accessibility (light pole in middle of sidewalk). Unsafe and substandard road crossing.



- **Property:** #79
- **Location:** Sidewalk – Garden Avenue between Villard and Walnut
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken pavers, Uplifted sections.



- **Property:** #80
- **Location:** Sidewalk – Both sides of Villard Street between Garden Avenue and Franklin Boulevard
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #81 & 82
- **Location:** Sidewalk – Garden Ave between Moss Street and Villard Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #83
- **Location:** Sidewalk - North side of Franklin Blvd, near Moss Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #84
- **Location:** South side of E Broadway between Patterson and Hilyard
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #85
- **Location:** Both sides of Patterson St between Broadway and E 11<sup>th</sup> Ave
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Broken and deteriorated pavement in ROW



- **Property:** #86
- **Location:** 444 E. Broadway
- **Determination of Blight:** Inadequate ROW, Graffiti on Utility Boxes in ROW
- **Property Notes:** Above ground electrical box covered in graffiti



- **Property:** #87
- **Location:** Sidewalk – West side of High Street between Broadway and 8<sup>th</sup> Ave
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Pavers uplifted by tree roots, Broken pavers



- **Property:** #88
- **Location:** Sidewalk – Both sides of street of Broadway between High Alley and High Street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Pavers uplifted by tree roots, Broken pavers, Utility access raised above grade



- **Property:** #89
- **Location:** 975 High Street – Both sides of street
- **Determination of Blight:** Inadequate ROW
- **Property Notes:** Pavers uplifted by tree roots, Broken pavers, Vegetation in ROW



Map ID	Taxlot	Address/Use	Depreciation Value (Improvement to Land Ratio)	(A) Bldg unsafe or unfit to occupy: Defective design and quality of physical construction.	(B) Bldg unsafe or unfit to occupy: Faulty interior arrangement and exterior spacing.	(C) Bldg unsafe or unfit to occupy: Overcrowding and a high density of population.	(D) Bldg unsafe or unfit to occupy: Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.	(E) Bldg unsafe or unfit to occupy: Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.	(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning.	(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.	(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions.	(e) The existence of inadequate streets and other rights of way, open spaces and utilities.	(f) The existence of property or lots or other areas that are subject to inundation by water.	(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.	(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.	(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services else-where.	Right-of-Way
1		829 Pearl St - Parking Lot (City-owned)	0.05	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
	1703311402100		0.05														
	1703311402200		0.05														
2	170333201500	1917 Franklin Blvd - Auto shop	0.03	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
3	1703322405100	Franklin Blvd - Parking Lot (City-owned)	0.10	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
4	170333210400	1991 Garden Ave - House	0.51	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
5	1703322303901	440 E Broadway - Apartments	0.73	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
6	1703322300300	685 E Broadway - Goodwill Boutique	0.14	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
7	170333208900	1824 Garden Ave - House	0.03	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
8	1703333100700	2115 Franklin Blvd - Dutch Bros.	0.06	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
9		Broadway & Mill - Apartments (new)	0.13	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703322303000		0.00														
	1703322303001		0.15														
	1703322303003		0.01														
	1703322303100		0.23														
10	170333210300	1973 Garden Ave - Offices	0.50	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
11	170333209500	1809 Franklin Blvd - Track Town Pizza	0.95	No	No	No	No	No	No	No	No	No	No	Yes			N
12	170333209100	Moss St & Garden Ave - Parking lot	0.10	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
13	1703322304600	510 E Broadway - Burrito Boy	0.10	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
14	1703322203000	Steam Plant	0.23	Yes	No	No	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	N
15	1703332302200	1933 Garden Ave - Apartments	1.39	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
16	1703322400101	Franklin Blvd - Parking Lot (City-owned)	0.05	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
17		1976 Garden Ave - Offices	1.56	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	170333200800		0.83														
	170333200801		1.69														
	170333200802		1.89														
18	1703322304400	996 & 998 Ferry Ln	0.90	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
19	1703322306100	950 Patterson - Apartments	1.13	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
20	1703322302400	485 E Broadway - Dispensary	0.55	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
21	170333208701	1861 Franklin Blvd - Pig & Turnip Restaurant	0.35	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
22	1703322306400	935 Patterson Ave - Apartments	0.74	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
23	1703322300700	642 E 8th Ave - Martial Arts Studio	0.47	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
24	1703322306600	652 E Broadway - Manola's Thai Cuisine	0.41	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
25	170333200900	1966 Garden Ave - Offices	0.56	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
26	1703322400102	Franklin Blvd - Parking Lot (UofO-owned)	0.01	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	N
27	170333202300	2025 Franklin Blvd - Auto Shop	0.54	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
28		1841 Garden Ave - Apartments	1.29	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703332301100		1.28														
	1703332301200		1.31														
29		1883 Garden Ave - Apartments	0.25	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703332300600		1.27														
	1703332300800		0.00														
	1703332300900		0.03														
	1703332301000		0.02														
30		1933 Franklin Blvd - Empire Buffet	0.81	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	170333201400		0.14														
	170333201600		0.10														
	170333201700		0.10														
	170333201800		1.43														
	170333201900		1.50														
31		1655 Franklin Blvd - Best Western	2.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703321401000		2.80														
	1703321400900		1.75														
32	1703322304200	942 Ferry Ln - Office	0.52	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
33		987 & 995 Pearl St - Former Greyhound Station	0.16	No	No	No	No	Yes	No	No	No	No	No	Yes	Yes	Yes	N
	1703311408300		0.06														
	1703311408000		0.25														

Map ID	Taxlot	Address/Use	Depreciation Value (Improvement to Land Ratio)	(A) Bldg unsafe or unfit to occupy: Defective design and quality of physical construction.	(B) Bldg unsafe or unfit to occupy: Faulty interior arrangement and exterior spacing.	(C) Bldg unsafe or unfit to occupy: Overcrowding and a high density of population.	(D) Bldg unsafe or unfit to occupy: Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.	(E) Bldg unsafe or unfit to occupy: Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.	(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning.	(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.	(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions.	(e) The existence of inadequate streets and other rights of way, open spaces and utilities.	(f) The existence of property or lots or other areas that are subject to inundation by water.	(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.	(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.	(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services else-where.	Right-of-Way
34	1703333209000	1814 Garden Ave - House	0.16	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
35	1703322306200	590 E Broadway - 7-11	1.24	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
36	1703322304300	962 Ferry Ln - House	0.69	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
37	1703332025000	2091 Franklin Blvd - Gas Station	1.02	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703333202500		0.56														
	1703333202600		2.15														
	1703333202700		0.27														
38	1703321402400	1900 Millrace Dr - UofO	0.59	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
39	1703333208700	1859 Franklin Blvd - Hotel	1.22	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
40	1703333200400	2050 Garden Ave - Apartments	1.05	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
41	1703332300301	1901 Garden Ave - Apartments	0.37	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703332300301		0.65														
	1703332300400		0.32														
42	1703322302100	540 E 8th Ave - Lane 5 Cross Fit	0.72	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
43	1703322306700	686 E Broadway - Elk Horn Brewery	0.89	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
44	1703322303601	399 E 10th Ave - Hult Plaza Offices	0.25	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
45	1703321400300	1715 Franklin Blvd - Offices	1.65	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703321400300		0.02														
	1703321400400		0.51														
	1703321400500		2.96														
	1703321400600		1.71														
46	1703322306601	610 E Broadway - Chula's Restaurant	0.81	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
47	1703293302900	502 E 4th Ave - City Hall	5.99	No	No	No	No	No	No	Yes	No	No	No	No	Yes	Yes	N
	1703293302900		5.75														
	1703322200100		9.95														
	1703293302700		0.03														
	1703293302901		1.48														
48	1703322307300	978 Hilyard St - Apartments	0.85	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
49	1703322304100	490 E Broadway - Moi Poki	1.62	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
50	1703333201000	Garden Ave & Villard St - Parking Lot	0.15	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
50	1703333201200		0.14														
50	1703333201300		0.16														
51	1703322301200	600 - 610 E 8th Ave - Apartments	0.19	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
52	1703333208600	1895 Franklin Blvd - Starbucks	0.63	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
53	1703333208800	1840 Garden Ave - Apartments	0.32	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
54	1703332301700	1805 Garden Ave - Apartments	0.80	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
55	1703322304900	540 E Broadway - Travelers Inn	1.55	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
56	1703322401600	755 E Broadway - Former Motel 66	0.43	No	No	No	No	Yes	Yes	No	No	No	No	Yes	No	No	N
	1703322401600		0.40														
	1703322401601		0.44														
57	1703322200803	777 Annie Mims Ln - EWEB Substation	0.11	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
58	1703322304700	963 Ferry Ln - Apartments	0.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
59	1703321400700	1675 Franklin Blvd - Wild Goat	0.22	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
60	1703333202400	2045 Franklin Blvd - Auto Shop - Dispensary	0.87	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
61	1703322307100	967 Patterson St - Vacant Lot	0.04	Yes	No	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	N
62	1703333210200	1953 Garden Ave - Apartments	1.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
63	1703311407900	957 Pearl St - Eugene Asian Market	1.77	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
64	1703322301500	579 E Broadway - Pizza Hut	1.37	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
65	1703333202000	2001 Franklin Blvd - Retail	0.64	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
66	1703311112900	313 E 8th Ave, 797 & 795 High St - Apartments	1.07	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
66	1703311113000		2.03														
66	1703311113000		1.07														
67	1703333208500	1884 Garden Ave - Apartments	1.08	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
68	1703332300200	1923 Garden Ave - Apartments	0.89	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
69	1703322401602	Broadway & Hilyard - Vacant lot	0.00	No	No	No	No	No	No	No	No	No	No	Yes	No	No	N
	1703322401700		0.00														

Map ID	Taxlot	Address/Use	Depreciation Value (Improvement to Land Ratio)	(A) Bldg unsafe or unfit to occupy: Defective design and quality of physical construction.	(B) Bldg unsafe or unfit to occupy: Faulty interior arrangement and exterior spacing.	(C) Bldg unsafe or unfit to occupy: Overcrowding and a high density of population.	(D) Bldg unsafe or unfit to occupy: Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.	(E) Bldg unsafe or unfit to occupy: Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.	(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning.	(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development.	(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions.	(e) The existence of inadequate streets and other rights of way, open spaces and utilities.	(f) The existence of property or lots or other areas that are subject to inundation by water.	(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.	(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.	(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services else-where.	Right-of-Way
70		n/a Sidewalk: Poor - Moss St & Franklin Blvd		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
71		n/a Sidewalk: Poor - Villard St & Franklin Blvd		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
72		n/a Sidewalk: Poor - Villard St & Garden Ave		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
73		n/a Sidewalk: Poor - Garden & Walnut		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
74		n/a Inadequate Intersection & Graffiti - 8th & Hilyard		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
75		n/a Graffiti behind Motel 66		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
76		n/a Intersection - Broadway & Mill		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
77		n/a Sidewalk: Poor - Garden Ave & Walnut St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
78		n/a Sidewalk: Poor - Walnut St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
79		n/a Sidewalk: Poor - Walnut St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
80		n/a Sidewalk: Poor - Villard St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
81		n/a Sidewalk: Poor - Garden Ave		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
82		n/a Sidewalk: Critical - Garden Ave		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
83		n/a Sidewalk: Poor - Franklin Blvd		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
84		n/a Sidewalk: Poor - E Broadway		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
85		n/a Sidewalk: Poor - Patterson St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
86		n/a Graffiti - E Broadway on Utility in ROW		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
87		n/a Sidewalk: Critical - High St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
88		n/a Sidewalk: Poor - NW corner of High St & E Broadway		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y
89		n/a Sidewalk: Critical - Across from 975 High St		No	No	No	No	No	No	No	Yes	No	No	No	No	No	Y

## Preliminary Project Implementation Information

To be eligible for Urban Renewal funds, a project must be included in the proposed Plan amendment. However, additional work and research is needed for each of the proposed projects to move forward. This document provides preliminary information on implementation steps should Council approve the proposed 2023 Amendment to the Riverfront Urban Renewal Plan included in Exhibit A to the proposed ordinance in Attachment A.

### Proposed Project Focus Areas

#### A. Existing Projects [All 3 spending scenarios]

The proposed Plan amendment includes continuation of two existing activities:

##### 1) Steam Plant

*Summary:* The Steam Plant is part of the Downtown Riverfront property that the Agency purchased from EWEB in April 2018. Preservation and adaptive re-use of the historic building has long been a community-wide goal. Following a competitive selection process, the Agency Board chose to move forward with a local development team. The team's proposal includes a ground floor accessible to the community and a hotel on the upper floors that provide the fiscal foundation for the project.

Adaptive re-use of the building is ambitious, facing extraordinary challenges that include environmental, seismic, and financial obstacles. The Agency Board approved terms for the disposition and redevelopment of the Steam Plant in 2022, allocating \$1.5 million to support the project. The team estimates that even after accounting for the Urban Renewal funds and their other investment funds, the planned preservation and redevelopment has a remaining financial gap, estimated at \$6.3 million.

At the September 13 meeting, the Agency Board requested more information about how the \$6.3 million would be used if the additional funds were allocated to the Steam Plant. The development team identified that a number of the public benefits that are needed to transform the building into a special place also increase the project costs.

In addition to the ground floor accessible to the community, other public benefit aspects of the project that could be accomplished with the additional funding include:

- The public performance space, relocation, and restoration of boiler #1 and associated construction.
- Elements of the historic renovation of the exterior of Phase 1 and Phase 2 of the original building, including restoration of the historic factory sash windows, estimated to be around \$1 million.
- A historic industrial artifact park, including the restoration of the gantry crane as the gateway element to the building and turbines at the entry to the building.
- The public roof top observation deck.
- The cataloging and restoration of industrial artifacts and documents found throughout the current building for integration into the new building, used to tell the story of the Steam Plant in the public spaces throughout the building.

*Implementation if Plan is approved:* If the Agency Board would like to allocate additional funds to the Steam Plant redevelopment, they will need to approve revised development agreement terms. Staff estimates revised terms could be ready by early 2024.

## **2) Downtown Riverfront Affordable Housing**

*Summary:* The Downtown Riverfront lot reserved for Affordable Housing is on the northwest corner of Mill Street and 4th Avenue. The terms approved by the Agency Board in May 2020 for redevelopment of the Downtown Riverfront call for the Affordable Housing project to consist of not less than 75 units of housing rented to households with income at or below 60% of area median income.

The project will need substantial public contribution to compensate for the low rents and to make it financially viable. Affordable Housing subsidies often come from a combination of Federal, State, and local financial sources and the financial packages are complex. The neighborhood character of the Downtown Riverfront, first articulated in the EWEB Master Plan and continued in subsequent City policies, includes high-quality, urban architecture. These denser, more durable buildings are a more expensive type of construction and higher cost-per-square-foot than more suburban “garden-style” apartments. All of these factors lead to high development costs.

With rising construction costs, site constraints, the desire for the building to be responsive to the urban design context of the Downtown Riverfront while keeping rents affordable, it is expected there will be a need for significant subsidy to make a project feasible – likely in the range of \$5 million.

*Implementation if Plan is approved:* The Agency would consider a disposition process for the site including a possible Request for Proposals, project criteria, and financial assistance. Staff estimates this project could be brought to the Agency Board in spring of 2024.

## **B. Additional Housing [Spending scenarios B and C only]**

In order to support the creation of new housing (in addition to Downtown Riverfront Affordable Housing above) in the Riverfront Urban Renewal District, the proposed 2023 Plan Amendment adds two eligible activities:

### **1) Development Fee Assistance**

*Summary:* Under this program, Urban Renewal funds would be used to pay for development fees that result in the creation of new housing. Development fees paid by the Agency may include System Development Charges (SDCs), permit fees, and other government-imposed development fees. Eligible projects would include new housing either in new construction or redevelopment of existing buildings.

An important reason for the lack of housing in the Plan Area is the relatively high cost of construction in dense areas. Payment of development fees would help offset construction costs and make projects more financially feasible, while also continuing to fund the programs and activities those fees pay for (such as infrastructure capacity for new growth).

*Implementation if Plan is approved:* This activity is included in the 2023 Amendment to the Downtown Urban Renewal Plan and staff are currently working on drafting a program for the

Agency Board's consideration. Staff have begun the process of drafting the program scope, including any eligibility criteria, for Agency Board consideration, feedback, and approval.

Staff estimates bringing an initial program scope to the Agency Board in early 2024. In addition, the Agency Board would allocate funds for this program as part of the standard budgeting process. Funds would be allocated based on meeting the established criteria and available funds.

## **2) Real Property Acquisition**

*Summary:* Under this program, Urban Renewal funds could be used to acquire real property to support the creation of new housing in the Plan Area. Offering real property for reduced or no cost can help offset construction costs and make projects financially feasible. In addition, targeting underutilized properties in the Plan Area would support efforts to revitalize the Plan Area, including the eastern area of downtown.

*Implementation if Plan is approved:* Staff would begin developing a strategy for this project. Staff could identify a process to acquire property, for example, by identifying strategically located properties and conducting negotiations with the property owner. Staff could also identify publicly owned properties that have redevelopment potential. To dispose of properties at reduced costs, staff could identify a process and criteria to select qualified developers. Agency Board action is required before the acquisition or disposition of any real property in the Plan Area.

## **C. Physical Improvements to Address Safety and Comfort [Spending scenarios B and C only]**

*Summary:* Under this focus area, the Agency would be able to use Urban Renewal funds to make physical improvements to public spaces in the right-of-way in the Plan Area to create safe, accessible, and welcoming spaces for users. Improvements could include street, curb, alley, and sidewalk improvements; streetscape projects; and pedestrian, bike, and multi-modal improvements.

Improvements to the public right-of-way benefit workers, visitors, and residents, as well as the community at large with safe and attractive connections between the downtown core, the Riverfront, and the University area. In addition to improving the quality of public spaces, improvements to street, curbs, and sidewalks can accomplish other City goals related to public safety, alternative, low carbon transportation, local economic development, and events and culture.

*Implementation if Plan is approved:* Right-of-way improvement projects would be implemented on an as-needed basis. Any project that costs more than \$250,000 would require Agency Board approval. Community Development staff would work with other City divisions and private partners to determine needs and priorities and to coordinate implementation.

## **D. Projects Directed/Initiated by the Agency Board [All 3 spending scenarios]**

The projects included in this section are examples of possible projects that have been previously discussed by the Agency Board or City Council. All activities listed here require Agency Board direction for the project to move forward. This category can also include projects not explicitly mentioned here.

### **1) Parking and Mobility**

*Summary:* This focus area would allow for Urban Renewal funds to be used on the development of parking and mobility infrastructure in the Plan Area.

*Implementation if Plan is approved:* Agency Board direction is needed for this work to move forward. Should the Agency Board want to pursue a parking or mobility project, further study is needed to determine type, location, design, cost, feasibility, and timing. The Agency Board would have multiple opportunities to review specifics before deciding whether to pursue a parking and/or mobility project.

### **2) Transmission Lines Rerouting**

*Summary:* This focus area would allow for Urban Renewal funds to be used to support EWEB in the effort to reroute the transmission lines that service the Willamette Substation and currently run from the electrical tower in the Riverfront Park.

*Implementation if Plan is approved:* Agency Board direction is needed for this work to move forward. Should the Agency Board want to consider supporting rerouting of the transmission lines, staff would work with EWEB to bring back information on updated costs, design, and timing for Agency Board consideration.

### **3) Open Space Improvements**

*Summary:* This focus area allows for the use of Urban Renewal funds for revitalization of Open Spaces and Parks within the Plan Area. This could include improvements along the South Bank Bike Path or enhancement of other designated open space areas.

*Implementation if Plan approved:* Agency Board direction is needed for this work to move forward. Further study is needed to determine design, costs, priorities, feasibility, and timing.

### **4) Other Development Support**

*Summary:* To support development and commercial activities within the Plan Area, especially the revitalization of vacant storefronts and underutilized property, the Agency would be able to offer financial assistance for physical improvements to privately owned properties, such as renovating ground-floor storefronts or underutilized commercial spaces. Incentivizing improvements to buildings can lead to an enhanced experience for residents, workers, and visitors. Updated commercial spaces could stimulate economic activity and bring positive ground-floor presence to the street.

Urban Renewal funds could be used to acquire real property to support commercial activity in the Plan Area. Offering real property for reduced or no cost can help offset construction costs and make projects financially feasible, which could catalyze positive commercial activity.

*Implementation if Plan approved:* Staff would begin developing a strategy for these activities. Staff could identify a process to competitively offer funds for renovation (i.e., a Request for Proposals) or a simple application process, with clearly identified criteria. Such a program could be used to complement the existing River Loans Program, offering grants in combination with loans. Staff would begin the process of drafting the program scope for Agency Board consideration, feedback, and approval.

If the Agency chooses to acquire and dispose of property for commercial redevelopment, staff could identify strategically located properties and conduct negotiations with property owners. To dispose of properties at reduced costs, staff could identify a process and criteria to select qualified developers. Agency Board action is required before the acquisition or disposition of any real property in the Plan Area.

### 5) Other Public Facilities

*Summary:* This allows Urban Renewal funds to be used to support the development of public facilities including City Hall, police and fire facilities, libraries, recreation centers, conference facilities, and community centers. These facilities will benefit the Plan Area by increasing public usage of the area, by enhancing protective services, and by stimulating additional public and private investment in the Plan Area.

*Implementation if Plan approved:* Agency Board direction is needed for this work to move forward. Further study is needed to determine design, costs, priorities, feasibility, and timing.

### Spending Scenarios

The proposed Plan amendment (Exhibit A to the ordinance in Attachment A) includes three possible spending scenarios for Council consideration. Table 1 shows the increase to the District's total spending limit (i.e., maximum indebtedness) and the estimated number of years for the District to reach that new limit for the three proposed scenarios.

*Table 1. Summary of Proposed Spending Limit Increases*

Spending Scenario	Spending Limit Increase	Estimated extension
A	\$15 million	5 years (FY29)
B	\$25 million	8 years (FY32)
C	\$45 million	15 years (FY39)

Table 2 shows the estimated funds that would be available to the three proposed project focus areas for the three proposed spending scenarios. Chapter 6 in the draft Report (Exhibit B to the ordinance in Attachment A) provides detailed information about cost estimates. The dollar figures in Table 2 are estimates and actual amounts will depend on future Agency Board decisions on specific projects. The proposed Plan amendment does not specify funding allocation to the different projects, giving the Agency Board and staff the ability to shift funds and processes to respond to shifting economic conditions.

Table 2. Estimated Amounts Available for Project Focus Areas

Proposed Project Focus Areas	Spending Scenario		
	A	B	C
Existing Activity: <b>Steam Plant</b>	\$6.3 million	\$6.3 million	\$6.3 million
Existing Activity: <b>Downtown Riverfront Affordable Housing</b>	\$5.0 million	\$5.0 million	\$5.0 million
<b>Additional Housing</b>	-	\$4.7 million	\$13.6 million
<b>Physical Improvements</b>	-	\$2.5 million	\$6.8 million
<b>Projects Directed/Initiated by Agency Board</b>	\$1.9 million	\$2.4 million	\$6.7 million
<b>Debt Issuance Costs</b>	\$0.1 million	\$0.1 million	\$0.2 million
<b>Project Delivery Administration<sup>1</sup></b>	\$1.7 million	\$4.0 million	\$6.3 million
<b>Total</b>	<b>\$15 million</b>	<b>\$25 million</b>	<b>\$45 million</b>

1: Includes cost of project delivery, legal and consulting fees, and property management costs

Spending scenario A is focused on completion of two outstanding Downtown Riverfront projects: the Steam Plant redevelopment and the Downtown Riverfront Affordable Housing project. Scenario A estimates most of the increased spending limit will be allocated toward these projects but does allow for the Agency Board to use remaining funds on any eligible projects it would choose to initiate.

Spending scenarios B and C include completion of the two outstanding Downtown Riverfront projects but also includes the same focus areas from the Downtown Urban Renewal Plan Amendment: Housing, Physical Improvements to Address Safety and Comfort, and Projects Directed/Initiated by the Agency Board. These focus areas emerged from the Downtown Priorities and Projects public engagement effort from early 2023 and would contribute to improvements in and connections to the downtown core.

Spending scenarios B and C estimate that approximately half of the Additional Housing funds would be allocated for Development Fee Assistance. Based on development fees for recently completed multi-unit projects in and near downtown, staff estimate fees will be about \$10,000 per unit. Under scenarios B and C, it is estimated the Agency could support the creation of about 235 (B) or 680 (C) new housing units through the Development Fee Assistance program. This does not take into account real property acquisition for housing.

## **Riverfront Urban Renewal District - Technical Details**

### **Urban Renewal Basics**

In Oregon, Urban Renewal is enabled by ORS 457 and is used to help cities and counties implement plans to revitalize specified areas within their jurisdiction. An Urban Renewal district has a Plan that documents planned investments and infrastructure improvements that stimulate private investment, leading to economic vitality and livability. Urban Renewal districts have an Agency Board and in Eugene, the City Council has the role of the Agency Board.

### **Tax Increment Revenue**

The primary revenue source for Urban Renewal is tax increment revenue. Tax increment revenue comes from taxable property value increases since the district was created. These increased property values generate tax increment revenue, which is directed to the District. When an Urban Renewal district is first created, the assessed value within the District boundaries is established as the “frozen base.” If any boundary expansions subsequently occur, the assessed value within the expansion area is added to the District’s existing frozen base. The Agency may also voluntarily increase the frozen base. Any new property taxes generated within that area through increased taxable value is called the “incremental” or “excess” value. Overlapping taxing jurisdictions continue to receive property taxes on the frozen base, while the Urban Renewal Agency receives property taxes related to the incremental value. This is called the “division of tax” method of raising revenue in an urban renewal district.

An Urban Renewal Plan identifies planned investments, their estimated costs, and expected tax increment revenue. The Plan sets a spending limit, known as the “maximum indebtedness.” When an Urban Renewal District is established, taxing jurisdictions that overlap the district forgo some of the tax revenue they would otherwise collect from that area. Overlapping jurisdictions regain that revenue stream once the District expires. To the extent that the District increases assessed value over what would otherwise have occurred without Urban Renewal investment, the taxing districts should see an increase in tax revenues in the long term.

Although school property taxes are reduced as a result of urban renewal division of tax, in Oregon the net impact on an individual school system’s operating budget is complicated because schools are funded by the state on a per-pupil basis. The state determines how much money must be allocated for the education of each pupil across the state. If the money is not available from local property taxes, the state will make up the difference. An additional factor is the impact of compression, which results in 4J experiencing a net benefit as a result of the Urban Renewal districts in Eugene. (See explanation below in “fiscal implications” section.)

### **Eligible Uses of Tax Increment Revenue Funds**

To be eligible for tax increment funds, projects must be included in the Urban Renewal Plan. The identified projects in the Plan, however, can be specific (such as ‘high-speed fiber’), or broad (such as ‘infrastructure’). Section 700 of the Riverfront Urban Renewal Plan requires Agency Board approval of projects over \$250,000.

The Urban Renewal Agency must determine the scope and types of projects that are included in the Urban Renewal Plan. Oregon statutes (ORS 457.170) govern the types of projects that may be funded with tax increment funds:

- Plan and implement neighborhood development programs;
- Rehabilitation or conservation work;
- Repair and rehabilitation of buildings and improvements;
- Acquisition, sale, and lease of real property;
- Clearance or rehabilitation of property acquired by the Agency;
- Construction or reconstruction of streets, utilities, and site improvements;
- Relocation of individuals living in the Agency; and
- Carry out work which a housing authority is authorized to perform (under ORS 456.055 to 456.235).

Some Urban Renewal agencies use tax increment funds to pay all or some system development charges, building permit fees, or local improvement district assessments. These costs are part of ‘site improvements,’ which are allowed under state statute.

### **Process to Amend the Riverfront Urban Renewal Plan**

If Council wishes to continue to use Urban Renewal as a redevelopment tool in the Riverfront District, it will need to approve a substantial Plan amendment, known as a “Type 1” amendment. A Type 1 amendment requires multiple steps and public outreach, which would take approximately four to six months from when the Agency Board (Council) starts the amendment process. The steps include:

1. Agency Board directs the Agency Director to prepare a draft of an amendment to the District Plan. This step initiates the staff work to draft the Plan and to conduct an analysis of blight in the District.
2. Agency Board holds a work session to start the Plan amendment process. Staff provides a draft proposed Plan amendment for the work session.
3. Notify overlapping taxing districts and the general public.
  - Notify overlapping taxing districts that amendments are proposed and inform them of the proposed hearing date. Districts receive a copy of the draft Plan amendment and are given 45 days to provide written comments.
  - Solicit concurrence from overlapping districts. (A Type 1 amendment requires concurrence.)
  - Mail out postcards to the general public and place materials and proposals on the City website.
4. Planning Commission reviews and comments on the proposed amendment.
5. City Council Public Hearing on the ordinance amending the Plan.
6. Council work session to review overlapping taxing district recommendations, comments from the public, and the Planning Commission recommendation.
7. Council meeting to consider the ordinance amending the Plan.

In order to amend the Riverfront Urban Renewal Plan to retain the current level of tax increment revenues, Council would need to approve any amendment by December 2023. This estimate would allow for the 30-day referral period and, if referred, the necessary amount of time for the amendment to be placed on the May 2024 ballot.

**Fiscal Implications – If the Riverfront Urban Renewal Plan is amended with an increase to the spending limit**

The Riverfront District generates approximately \$3.4 million in tax increment revenue per year as of FY23. The annual revenue will continue to be directed to the District, and that revenue will continue to grow, up to certain limits as described in the following section and Chapter 7 of the Report (Exhibit B to Attachment A). Table 1 below shows estimates of tax revenue from the overlapping districts as of FY23.

*Table 1. Division of Tax Impact on Overlapping Taxing Jurisdictions as of FY23, Estimate of Current Property Taxes, Net of Discounts and Delinquencies*

<b>Taxing District</b>	<b>Type of Tax</b>	<b>Riverfront</b>
<b>Education Taxes</b>		
Eugene School District 4J	Permanent Rate	\$928,000
Eugene School District 4J	Local Option Levy (LOL)	0
Lane Community College	Permanent Rate	120,000
Lane Education Service District	Permanent Rate	44,000
<b>Total</b>		<b>\$1,092,000</b>
<b>General Government Taxes</b>		
City of Eugene	Permanent Rate	\$1,366,000
City of Eugene	Library LOL	0
City of Eugene	Parks and Rec LOL	0
Lane County	Permanent Rate	249,000
Lane County	4-H/Extension LOL	0
Lane County	Public Safety LOL	0
Upper Willamette Soil & Water	Permanent Rate	12,000
<b>Total</b>		<b>\$1,627,000</b>
<b>Bonded Debt Taxes</b>		
City of Eugene	Bonded Debt	\$152,000
Eugene School District 4J	Bonded Debt	436,000
Lane Community College	Bonded Debt	63,000
<b>Total</b>		<b>\$651,000</b>
<b>Total Taxes</b>		<b>\$3,370,000</b>

*Source: Lane County Assessment & Taxation, Table 4e, Detail of Urban Renewal Plan Areas by Taxing District, Tax Year 2022-23.*

Note: Although local property taxes to schools are reduced as a result of the division of taxes, school budgets are only minimally reduced, all else being equal, because schools are funded through a per-pupil formula from the state, and any loss in local property taxes is made up by an increase in state funding. This chart does not take into account any effects of Measure 5 compression on education taxes.

### **Fiscal Implications – Revenue Sharing**

If the Riverfront Urban Renewal Plan is amended with an increase to the spending limit, the annual collection of tax increment revenue will eventually hit a cap per a newer state-mandated requirement in ORS 457.470, known as revenue sharing. This annual cap does not affect the overall Plan spending limit, but rather it is a cap on the amount of tax increment revenue the District can collect in any one year. When the cap is reached, the annual tax increment revenue will plateau and remain flat in each subsequent year until the total spending limit of the Plan is realized. (Tax revenue beyond the annual cap would be directed to the overlapping taxing districts.) The practical impact of the annual cap is that it would take longer to collect enough tax increment revenue to reach the spending limit of the Plan.

The financial forecast in the proposed Plan Amendment estimates that if amended, the Plan will be subject to revenue sharing beginning in FY30, though the actual timing will depend upon actual collections of tax increment revenues. See Chapter 7 in the Report (Attachment B) for more information about revenue sharing in the financial forecast.

### **Fiscal Implications – if the District no longer collects revenue from the division of tax**

If the District no longer collects revenue from the division of tax, the tax increment revenue will be directed to the overlapping taxing districts. Under this scenario, the City's General Fund would receive approximately 41% of what the Riverfront District collects (\$1.4 million per year as of FY23). Lane County would receive approximately 7% (\$249,000 per year as of FY23). Approximately 28% (\$928,000 per year as of FY23) would be collected on behalf of School District 4J, although it is important to note that if the Urban Renewal district no longer collects tax revenue, the impact to School District 4J's overall budget *would be negative*:

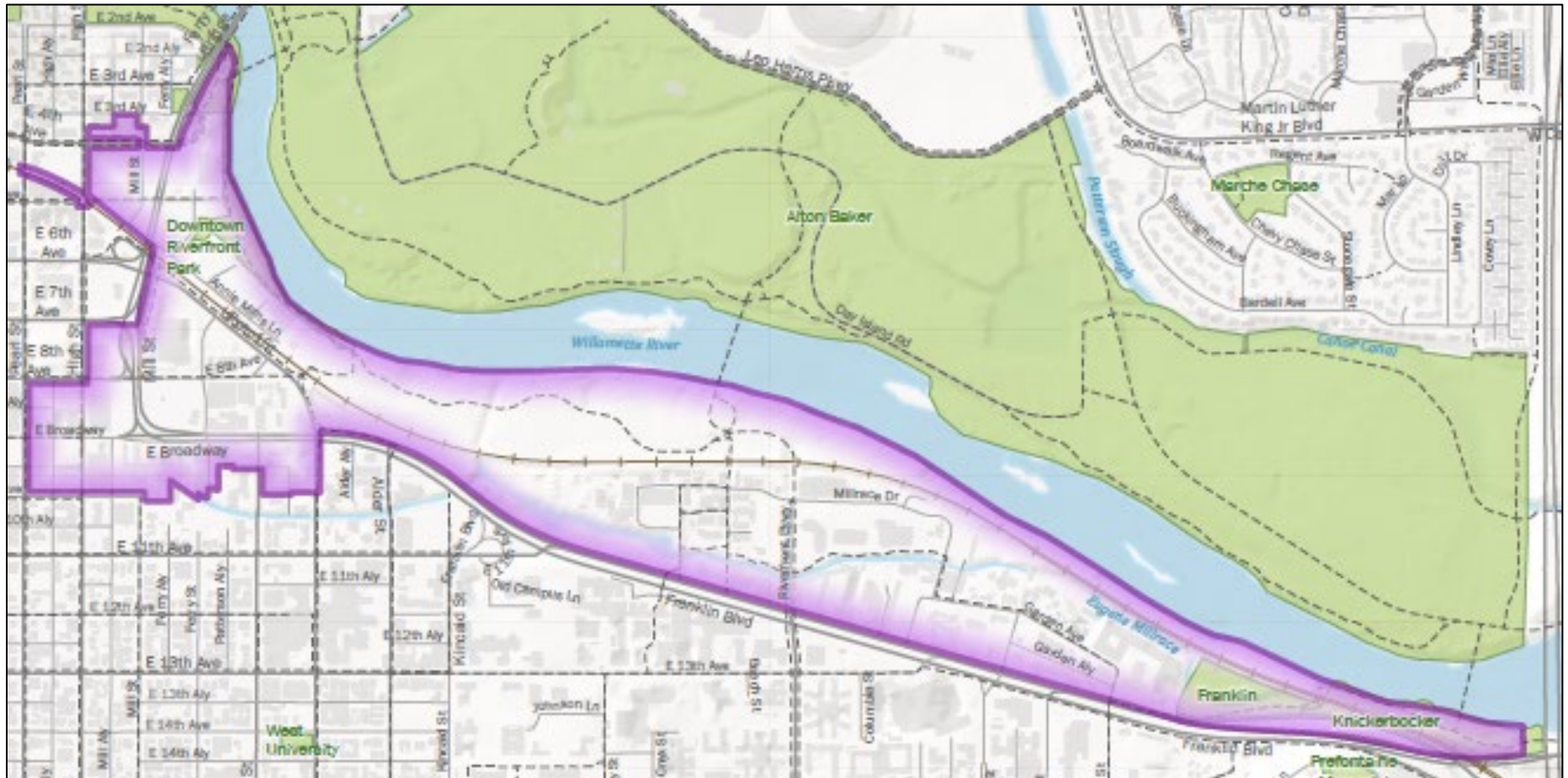
- **4J's permanent rate.** Schools in Oregon are primarily funded on a statewide per-pupil funding formula, rather than by the level of tax dollars generated within school district boundaries. If the local property tax revenue does not meet the per-pupil level, the state makes up the difference. If we assume a constant school funding formula and all else remains equal, staff estimate that 4J loses around \$26,000 annually as a result of permanent rate tax dollars diverted to the City's Riverfront Urban Renewal District, much less than the amount of property tax revenue that flows to the District.
- **4J's Local Option Levy.** The Riverfront District generates no revenue from the local option levy. However, it indirectly impacts the revenue generated by the levy, due to compression. The Urban Renewal District diverts permanent rate tax dollars out of the education category and into the general government category, which causes reduced compression in the education tax rate category for some properties. The end result is that 4J receives around \$71,000 more revenue from the local option levy annually because of the compression relieved by the Riverfront Urban Renewal District. The state funding formula does not apply to local option levies, so 4J realizes the full benefit of this increase.

The net impact to 4J of the District ceasing to collect revenue from the division of tax is a decrease of approximately \$45,000.

**Increasing the Frozen Base**

Under Oregon law, an Urban Renewal Agency has the authority to voluntarily increase the frozen base. The 2023-2025 Adopted Biennial Budget assumes an additional \$400,000 of property tax revenue annually for the City's General Fund, starting in FY25, which would be provided by an increase to the Riverfront Urban Renewal District's frozen base of assessed value. This can be accomplished through Agency Board action following City Council adoption of the Riverfront Urban Renewal Plan amendment. The financial analysis contained in the draft Report on the Plan amendment assumes the Agency Board will increase the frozen base assessed value from \$50.6 million to \$110.4 million. This frozen base increase will generate an estimated \$800,000 per year for all of the overlapping taxing districts combined starting in FY25 if the Plan is amended; the City's General Fund will receive approximately half of the total amount, or about \$400,000 per year. This will reduce the annual tax increment revenue directed to the District by the same estimated \$800,000 per year.

# Map of Riverfront Urban Renewal District Plan Area



FW: Hearing Notice: Riverfront Renewal District

SELSER Lindsay R <LSelser@eugene-or.gov>

Tue 10/10/2023 1:52 PM

To: HINMAN Daniel G <DHinman@eugene-or.gov>; HUBER-HEIDORN Dylan K <DHuber-Heidorn@eugene-or.gov>; D'SOUZA Amanda M <ADSouza@eugene-or.gov>

Forwarding due to RF topic

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From: splittb2000 <splittb2000@yahoo.com>

Sent: Sunday, October 8, 2023 11:22 PM

To: \*Eugene Mayor, City Council, and City Manager <MayorCouncilandCityManager@eugene-or.gov>; YEH Jennifer K <JYeh@eugene-or.gov>

Subject: Re: Hearing Notice: Riverfront Renewal District

[EXTERNAL 

Representative Yeh,

Than your for that information. I have taken a hard look at the EETAC directives and schedule. It has been in place for 5 years and has produced **zero**. Endless meetings, presentations, reviews, recommendations, reports, studies, analysis. Overpaid bureaucrats that have produced nothing except spreadsheets, which evidently includes yourself.

How long it will be until residents here can look forward to actual organic growth of new homes they can buy? Everyday that passes the city is 3 years behind. While your committee is viewing the next PP presentation meanwhile the population grows, rents and home values increase, low income suffer the most. The people you claim to have so much compassion.

Time is of the essence. We will be watching closely on real progress that positively affects real lives. We count on the state hold to the cities feet to the fire via 2023 HB 2001. We shall see.

Brek,

If you'd like to know more about our work on the UGB I think you would be interested in tracking the EETAC.

They reviewed the Urban Reserves process that finished recently and are moving to growth monitoring and UGB analysis.

<https://www.eugene-or.gov/3942/Envision-Eugene-Technical-Advisory-Comm>

Thanks,

Jennifer

Jennifer Yeh

Eugene City Council

Ward 4

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From: splittb2000 <splittb2000@yahoo.com>

Sent: Sunday, October 8, 2023 5:29:17 PM

To: \*Eugene Mayor, City Council, and City Manager <MayorCouncilandCityManager@eugene-or.gov>

Subject: Hearing Notice: Riverfront Renewal District

[EXTERNAL 

Mayor and City Council,

The Riverfront hearing notice states, "**The creation of new housing across Eugene is a priority for the City Council**".

If that was true, then explain the hardcore objection to growing the UGB? The Council has been talking about it for 10 years. Please point me to the upcoming agenda when that issue up for discussion? It is not even on your flipping radar. Radicals are in control, we can tell.

If that was true, then explain the attached spreadsheet that shows September 2023 YTD a grand total of 136 permits for new building have been issued. Is this wrong? I wish it was. **WHAT A JOKE**. The state says Eugene needs to grow 6,000 units. Even if you opened more land now for development it will be 3 years until a homeowner or renter has a key in their hands. Everyday that passes your 3 years behind.

What you want is the creation rentals destroying the wealth and future security of young generations. **GET OFF** the anti-urban sprawl BS. It is getting really, really stale. A lame excuse to do the right thing for residents by taking pressure off the housing market which will lower prices. Have you ever been on River Rd north of the UGB? That's your bogie. Vast lands ready for development. Grow a brain. Grow the UGB.

This is still not Amsterdam. Take the Euro-trash elsewhere.

Brek Splittgerber

Concerned Citizen, Santa Clara

# Notice of Public Meeting

## *Riverfront Urban Renewal Plan*

*Monday, October 16, 2023, 5:30 p.m*

The Riverfront Urban Renewal District (Riverfront) is proposing to amend some of Eugene’s most urban blocks, the transportation corridor along Oregon’s North Campus area, and the streets, including the streets, to be included in the Riverfront Urban Renewal Plan for 2023, the Eugene City Council (acting as the Urban Renewal Authority) adopted the Riverfront Urban Renewal Plan to allow t

### Proposed Riverfront Projects

**Housing** – The creation of new housing and the renovation of existing housing to enhance the Riverfront District’s vibrancy and downtown core and the Willamette Riverfront. The amendment to increase the supply of housing and reduce Eugene’s housing shortage. One of the projects in the amendment is support for the development of a new housing project at the northwest corner of 4th Avenue and

**Steam Plant** – As the economic anchor of the downtown core, the Steam Plant offers a rare opportunity: repurposing the building for new uses.

visitors. With a ground floor gathering space, the project needs investment to achieve complete

**Physical Improvements to Address Safety**  
connections between the downtown core and the riverfront will be accessible, and attractive will enhance the district's appeal on a large scale.

**Projects Initiated by the Agency Board**  
improvements, parking and mobility options. The City can assist with making the Riverfront District

## Why is the City Council considering the Riverfront District?

The Riverfront Urban Renewal Plan exists to support the strengthening of economic conditions and improve the downtown core, the courthouse district, and the University of Oregon development of the federal courthouse, the downtown Riverfront neighborhood, and the University of Oregon. However, the community's vision for the Riverfront District is to create a vibrant, walkable, and accessible district.

Achieving the City's goals for the Riverfront District requires a source of funding that *does not* impact other City, County, and school district budgets, such as the City, County, and schools, to focus on other priorities like funding for K-12 schools and Oregon's property tax. *positive* revenue impact for School District 4J. The Riverfront District amendment aim to increase the supply of housing and create safe and accessible connections for residents.

D'Souza at 541-682-5540 or adsouza@euger

**FW: Stadium**

SELSER Lindsay R &lt;LSelser@eugene-or.gov&gt;

Tue 10/10/2023 10:35 AM

To: HINMAN Daniel G &lt;DHinman@eugene-or.gov&gt;; HUBER-HEIDORN Dylan K &lt;DHuber-Heidorn@eugene-or.gov&gt;; D'SOUZA Amanda M &lt;ADSouza@eugene-or.gov&gt;

I'm forwarding this as it mentions Riverfront...

-----Original Message-----

From: Steven Hunnicutt &lt;sjhunnicutt3907@outlook.com&gt;

Sent: Tuesday, October 10, 2023 8:39 AM

To: \*Eugene Mayor, City Council, and City Manager &lt;MayorCouncilandCityManager@eugene-or.gov&gt;

Subject: Stadium

[EXTERNAL 

You're Building the River Front Project, so taken from the Field of Dreams, Build it they will come" this is what you're hoping.

When they come, what is next? What will they do? What will the city have to offer?

We have a shortage of Doctors, but then we have no hospitals.

You hired firms from other areas to make this dreams of yours come true, the reason being that you liked what they have done and you want this in Eugene. Did the people have a vote on this, is this what the people wanted for Eugene, to be like other cities?

Other cities have hospitals, we lost two.

If only 13.3% are Affordable Housing Units, you must have had certain people in mind that would come to Eugene, we were known once to have more millionaires per capita in this country, is that what your going for?

You don't have the funds to even think of helping the Stadium but you made \$11.1 million from selling the land for the River Project, where did all this money go?

Sure wish you would have taken the time to allow us taxpayers to vote on this, but then again you're looking out for our best interest.

A Portland firm hired by the County said the Fairgrounds is residential, reason the people don't want the stadium. If that is the case, I suggest the County move the fairgrounds elsewhere, and then work out a deal with the city and build Affordable Housing Units.

See, you went outside of this city and the County went outside of this city, we must have no one in Eugene that meets your standards.

Did you know that the cost of the Stadium is the same as the cost of the New City Hall, took so long, the sot went up. But let's not forget all the money spent on looking for a new city hall, cost to have drawings of the new city hall. Could this be the reason you don't have the money for the Stadium?

You do realize the longer you take the more the Stadium will cost. So waiting to make a decision will just increase the cost and this is the reason you're giving now, so what is the difference?

As i said before, if you want Eugene to look like other cities, why not move there and save Eugene Money, so we are not in a deficit and can afford to have a Stadium, hospital (at least one).

In Star Trek 'Deep Space Nine' you recall the saying 'No Good Deed goes Unpunished'.

The Ems under Allan woven themselves into this community, remember you did nothing.

The person that the Mayor is endorsing has strong University Ties, wasn't it the EMS that the University needed in order to have PK Park? Why can't the University help out the EMS, oh I forget it is a one way street when it comes to the University. CC Agenda Page 145

What good about the Mayor pick is that I will not vote for her, especially under the circumstances of her introduction as running for mayor, enough transparency.

If I ruffled a few feathers ( this is Duck Country) good, this might get a reply, maybe the housing units by ferry street bridge will replay once I read it to them, never know.

So keep putting off a final decision the dollars will keep adding up, you don't have the money now, so you will not have the money later, so why wait, must be some political game.

The Fat Lady is waiting to Sing.

Steven E Hunnicutt

Sent from my iPad

## Riverfront Urban Renewal District plan amendment

Philip Farrington <PFarrington@CDCMGMTcorp.com>

Fri 10/13/2023 11:32 AM

To:\*Eugene Mayor, City Council, and City Manager <MayorCouncilandCityManager@eugene-or.gov>  
Cc:Sue Wright <skwright@cdcmgmtcorp.com>;D'SOUZA Amanda M <ADSouza@eugene-or.gov>;DOWDY Will G <WDowdy@eugene-or.gov>;FIFIELD Anne E <AFifield@eugene-or.gov>;BRAUD Denny <DBraud@eugene-or.gov>

[EXTERNAL [△](#)]

Dear Mayor Vinis and Eugene city councilors,

I'll be out of state next Monday and unable to attend the public hearing on the proposed amendments to Eugene's Riverfront Urban Renewal District (RURD) plan. Please accept the following as my testimony.

As noted in the staff report and illustrated on Exhibit A, the district extends from the Ferry Street bridge area eastward to I-5. Thus far and as proposed, expenditures from the RURD and other city subsidies has been made exclusively on properties and projects located west of Hilyard Street. However, the tax base supporting the RURD is supported – and is being enhanced – by development on the eastern side of the district.

Specifically, the Crosswood apartments opened in January, providing 127 units of market rate housing in a 5-story building at 1841 Garden Avenue. Crosswood is Eugene's first and only mass timber residential building, and one of only a few such mid-rise residential structures built in Oregon. Built by members of the local Chambers family, this substantial local investment in innovation targets not only faculty, staff, and researchers at the University of Oregon and Knight Science Campus, but other professionals and Eugeneans seeking to live proximate to the UO, river, convenient mass transit, and other services and amenities. The site is bisected by the Eugene millrace, which was enhanced through this project, and Crosswood met the design standards of the city's Walnut Station Area Zone.

Crosswood provides substantial new tax base to the city and increment to the district, but did not received any other city subsidy or support through the RURD. Development had to overcome several obstacles and substantial cost burdens, including conflicts inherent between the city's Walnut Station design and setback standards and OSHA requirements associated with overhead power and communications lines along the north side of Garden Avenue.

An affiliated ownership acquired the property east of Crosswood, which has a longer reach on the Eugene millrace and more frontage along Garden Avenue, again presenting additional costs and challenges with future redevelopment.

I urge the City Council to support the proposed Scenario C, and to consider expanding not only the district's spending limit, but also to add to the RURD plan project list two specific projects: one to help enhance the Eugene millrace in association with future development, and the other to underground existing overhead power and communications lines extending along the north side of Garden Avenue.

Doing so would further objectives of the RURD, most notably to address barriers to the creation of new housing, and to help protect and enhance riparian areas.

Please consider ensuring that amendments to the RURD provide geographic equity, and that property owners on the eastern portion of the district do not subsidize projects exclusively on the western side of the district.

I'd be happy to give councilors and staff a tour of the Crosswood property, and further discuss my comments and concerns above. Thanks for your consideration, and your ongoing service to the community.

Best regards,

Phil

Philip Farrington, AICP  
Director of Planning & Real Estate Development  
CDC Management Corp.  
[pfarrington@cdcmgmtcorp.com](mailto:pfarrington@cdcmgmtcorp.com)  
direct office (541) 600-8018  
mobile (541) 600-7030

**FW: Continue the Riverfront Urban Renewal District**

SELSER Lindsay R &lt;LSelser@eugene-or.gov&gt;

Mon 10/16/2023 5:37 PM

To: D'SOUZA Amanda M &lt;ADSouza@eugene-or.gov&gt;; HINMAN Daniel G &lt;DHinman@eugene-or.gov&gt;

**From:** John Roberts <jroberts@arnoldgallagher.com>**Sent:** Monday, October 16, 2023 5:18 PM**To:** \*Eugene Mayor, City Council, and City Manager <MayorCouncilandCityManager@eugene-or.gov>**Subject:** Continue the Riverfront Urban Renewal District[EXTERNAL 

Mayor Vinis and City Councilors,

I unfortunately will be unable to attend this evening's public hearing concerning the proposed amendment to the Riverfront Urban Renewal District plan, and therefore write to encourage the Council to continue the renewal district and authorize further expenditure of at least \$45 million (Scenario C) in pursuit of continued revitalization of the Riverfront area. The Riverfront district, in tandem with the Downtown district, is primed to be a significant part of the solution to Eugene's on-going housing shortage. Continuation of the Urban Renewal District with significant investment (as described in Scenario C in the staff-prepared materials) can help offset the unique challenges and costs associated with bringing more development to that area.

With the recent announcements earlier this year concerning the Knight Campus development plans, this is the time to double-down on urban renewal in the Riverfront District and push that area towards the vibrancy it can support. As a lifelong Eugenean, I have some appreciation for the concern that urban renewal becomes an oft-repeated but ultimately unrealized goal, however the recent growth in the Riverfront District shows that the opportunity is there for public investment to make a difference. When matched with the current projects, investment in urban renewal can help sustain the success we've seen, and address the many opportunities within the Riverfront District, particularly in response to the significant demand for housing in our area. It would be a shame to respond to the present moment with half-measures, rather than the bold vision our city needs.

In that vein, I further encourage the Council to consider whether the proposed spending cap of \$45 million set forth in Scenario C is sufficient to meet the economic development opportunities present in the Riverfront District. When compared to the \$50 million approved for the smaller footprint of the Downtown Urban Renewal District, the proposed \$45 million may prove inadequate to the challenge posed by a district where, according to city staff's own survey, 52% of the lots are considered "very blighted." Our city has precious few tools to support economic development, and I encourage the Council to utilize this tool to its fullest potential.

Thank you,

John Roberts (Resident of Ward 2)

JOHN ROBERTS

T: (541) 484-0188 / F: (541) 484-0536  
800 Willamette Street, Suite 800, Eugene, OR 97401  
[www.arnoldgallagher.com](http://www.arnoldgallagher.com)

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October 16, 2023

TO: Mayor Vinis and Eugene City Councilors  
 FROM: Brittany Quick-Warner, President & CEO  
 RE: Support for Extension of Riverfront Urban Renewal District.

As an organization dedicated to the economic prosperity of this region, the Eugene Chamber of Commerce cannot overemphasize the **positive impact of extending the maximum indebtedness of the (or 'the spending capacity') Riverfront Urban Renewal district**. This investment creates opportunities to expand the housing market and invite further business development- reaping significant returns for both the City and the broader community.

However, while we support the maximum proposed spending and general allocation presented by city staff, we don't believe the \$45M amount goes far enough to best leverage this tool with realistic public and private project costs while maximizing the opportunities we have in the Riverfront District. We are concerned that \$45M will limit and slow investment in the urban renewal area and **encourage an increase in spending limit of at least \$60M**.

In June, the Council approved extending the Downtown Urban Renewal area by \$50M. The Riverfront district is significantly larger than the Downtown District, lacks infrastructure and will be costly to develop. Due to the regulatory environment, proximity to the Willamette River, landuse timelines, and inflation of costs over time, \$45M will not stretch as far as it appears, and as such, we encourage Council to think bigger and broaden the possibility of what the Riverfront District can become, what it will realistically require to reach that vision in an expedited timeframe, and utilize this tool to its fullest potential.

Additionally, while utilizing this funding source to support much-needed housing in our community- a priority for the Chamber- we implore Council to make the following considerations regarding strategic investments for these funds:

- Prioritize projects to leverage private, taxable, investment to promote business development which is complimentary to the Knight Campus and other economic generators in both Downtown and the Riverfront area. This could include projects such as high-speed fiber, Millrace enhancement and undergrounding existing overhead utility lines.
- Strategically invest in the connections between the Riverfront and Downtown Urban Renewal District.
- Thoughtfully consider prioritizing investments that will generate property taxes from new or expanded private development. This will generate ongoing, long term, stable funding to support all of the other critical community services.

**Urban renewal is one of the only economic development tools available** for making these essential improvements which support the public and private partnerships critical to creating a strong and vibrant economic base in an area which would otherwise struggle to find renewal. This tool can be used to increase the speed and capability of growing the long-term local tax base through business and site development, ultimately sustaining services in the years to come. Invest now to set our community up for future success.

Thank you,

A handwritten signature in black ink, appearing to read "Brittany Quick-Warner".

Brittany Quick-Warner  
 President & CEO, Eugene Area Chamber of Commerce

**Fw: Follow up regarding Alder St. crossing**

BRAUD Denny &lt;DBraud@eugene-or.gov&gt;

Thu 10/19/2023 10:45 AM

To: DOWDY Will G &lt;WDowdy@eugene-or.gov&gt;; FIFIELD Anne E &lt;AFifield@eugene-or.gov&gt;; D'SOUZA Amanda M &lt;ADSouza@eugene-or.gov&gt;

**From:** Allen Hancock <allen.duma@gmail.com>**Sent:** Thursday, October 19, 2023 10:11 AM**To:** \*Eugene Mayor, City Council, and City Manager <MayorCouncilandCityManager@eugene-or.gov>**Subject:** Follow up regarding Alder St. crossing[EXTERNAL 

Mayor and Councilors,

At Monday's public hearing regarding the Riverfront Urban Renewal District, I spoke about the need for a safe, convenient, and pleasant connection between the end of Alder Street (at Franklin Blvd.) and the Ruth Bascom multi-use paths. I didn't make clear that the city commissioned a feasibility study in 2010 which recommended a bike/ped crossing underneath the railroad. This project was included in the 2035 Transportation System Plan (PB-8). I've provided the location of the proposed underpass below along with a photo of what it might look like when complete.

I have prepared [a short set of slides](#) regarding this project if you want further information. I look forward to further conversation about creating connection that helps ensure the vitality of the riverfront by linking the riverfront with downtown and the university district.

Sincerely,

Allen Hancock





## Amendment to urban renewal plan

Laura Hinrichs <laura1.hinrichs@gmail.com>

Sun 10/8/2023 5:21 PM

To: D'SOUZA Amanda M <ADSouza@eugene-or.gov>

You don't often get email from laura1.hinrichs@gmail.com. [Learn why this is important](#)

[EXTERNAL 

Ms. D'Souza: I am a resident of Eugene and committed to preservation of the Willamette River and the parks and open space that border it.

I have received the Notice of Public Hearing on an amendment to the Urban Renewal Plan and I have looked online for information that will help me better understand the proposed amendment and its impact on the Urban Renewal Plan. I confess to confusion.

It appears to me that this amendment will only foster an urban renewal plan that will damage the River and its parks. While I certainly understand the need for additional housing in the city and the difficulties attendant on creating it, surely there is a way to have both housing and parks. I hope so. Perhaps my concern can be alleviated with clearer and more comprehensive information. For example, what do you mean by "high-quality, urban architecture" and why is it more expensive than "garden style" apartments? Sounds very much like concrete boxes jammed together in a small space, to be constructed for the profit of the builder. Just saying.

Thank you for your attention to my concerns.

Laura Hinrichs

3355 N. Delta Hwy, Unit 96

Eugene, 97408

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Work Session: Sports Bond Discussion

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Meeting Date: November 15, 2023  
Department: CMO  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 2  
Staff Contact: Matt Rodrigues  
Contact Telephone Number: 541-682-6877

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### ISSUE STATEMENT

At the October 11, 2023 Work Session, Council passed a motion to, “schedule a work session as soon as possible to discuss the potential of referring a capital bond to the voters that would support the construction of sports facilities in Eugene, such as a multi-purpose stadium, regional pickle ball courts, and sports fields at Golden Gardens, and direct the City Manager to provide at the Council work session financial information, options, and other information she deems relevant regarding a potential bond measure.”

This work session will provide the most current information available regarding the Lane County Multi-Use Facility and Regional Pickleball Facility projects, as well as potential investment options for the development of the Golden Gardens Park Sports complex.

### BACKGROUND

#### **Lane County Multi-Use Facility Background Information**

As part of an updated master plan for the County-owned Fairgrounds, Lane County is considering construction of a multi-use facility that would be primarily used as a minor league baseball stadium for the Eugene Emeralds. It is anticipated that the facility would also be programmed to accommodate other uses and events including the Lane County Fair, music events, sporting events, and other community events.

The Emeralds minor league baseball team was established in Eugene in 1955 (68 years) and are currently affiliated with the San Francisco Giants Major League Baseball (MLB) organization. In 2020, the Emeralds were moved up to the High-A minor league classification (they were previously in a Short-A classification), which extended their game schedule season from approximately 76 games per year, to approximately 132 games per year.

The Emeralds have played at PK Park, the University of Oregon (UO) baseball stadium, since 2010. With the extension of the Emeralds season (now April through September), ongoing conflicts with the UO baseball team’s schedule and operations have necessitated the need for the Emeralds to find a new venue. The Emeralds need for a new venue has been exacerbated by new MLB facility standards for minor league baseball stadiums. These standards include requirements for enhanced training facilities, locker rooms, lighting, and other improvements. Early in the process, renovation of PK Park to meet the MLB standards were discussed; but ultimately, the overlapping

November 15, 2023 Work Session – Item 2

conflicts of scheduling, shared facilities/operations, and inadequate time available for the Emeralds players to utilize training facilities forced the Emeralds to look for a new home stadium.

Following an extensive search for possible stadium sites in both Eugene and Springfield, the Emeralds began working with Lane County on a concept to include a multi-use facility at the Fairgrounds that could function as the Emeralds home stadium. Working with the Emeralds, Lane County has developed a conceptual design for such a facility that currently has a projected capital cost of approximately \$90 million, plus an additional \$10 million for the County to relocate the existing Fairgrounds livestock building. The concept assumes that the facility would be publicly owned by Lane County and leased to the Emeralds.

The Lane County Board of Commissioners recently approved an increase in the local Transient Lodging Tax and Car Rental Tax with the goal of providing financial support of approximately \$35 million towards the facility capital cost. The State legislature awarded \$7.5 million, and the project has been awarded \$1.5 million from the Federal Immediate Occupancy program. Additional identified project capital funding includes \$13.5 million from the Emeralds ownership (Elmore Sports Group) that would be contributed in the form of \$10 million prepaid rent and \$3.5 million in miscellaneous equipment that would be utilized by all users of the facility (concession equipment, outdoor tables/chairs etc.). The Emeralds, in partnership with Lane County, are seeking \$15 million in project capital funding from the City to help close a portion of the funding gap. At this point in the project discussions, there would still be a sizable funding gap if the City made such a contribution. The gap strategy being articulated includes a second request for funds from the State, and additional Emeralds ownership contributions that would come in the form of private sponsorships (naming rights, sponsorships, donations etc.), neither of which have been secured or identified at this time. Additional project information is included in the Attachment A project summary provided by Lane County. An ECONorthwest economic impact analysis for the multi-use facility was provided by the Emeralds and is included in Attachment B.

The City has requested additional project details from Lane County, particularly regarding short and long-term needs for the project; including, operations and maintenance, event/programming management, community access to the facility for uses other than Emeralds baseball, other operating revenue potential from the facility, and estimated property taxes generated by the facilities private use.

### **Regional Pickleball Facility background Information**

The Emerald Valley Pickleball Club is proposing to build a 24-court complex on the campus of Lane Community College. This facility would be owned by Lane Community College, operated and maintained by the Emerald Valley Pickleball Club, and open to the public. They are hoping to begin construction in May of 2025 and are currently fundraising with a goal of \$5 million dollars. The club recently approached the City about contributing \$750,000 toward this goal. This regional facility would help provide the Eugene community with additional courts and take some pressure off construction of new pickleball courts within Eugene parks. The Emerald Valley Pickleball Club Regional Pickleball Complex Business Plan is included as Attachment C. Additional information on the Emerald Valley Pickleball Club's proposed facility can be found here:

[Regional Facility | Emerald Valley Pickleball Foundation \(evpickleballfoundation.com\)](https://evpickleballfoundation.com)

### **Golden Gardens Sports Complex background Information**

In 1995 the Metropolitan Sports Commission of Eugene- Springfield identified that there was a lack of sports facilities for local use and for holding any tournaments.

The City of Eugene has a history of sharing the cost and maintenance of artificial turf rectangle fields with both 4j and Bethel School Districts. There are currently 11 artificial rectangle fields being shared by the school districts and the community. The City of Eugene also schedules grass field use for youth and adult sports teams for both baseball/softball diamonds and multi-use rectangle fields. Those fields are spread throughout the community based on the location of schools and city parks.

Scheduling of fields to give access for all user groups, primarily youth teams, has increasingly been difficult based on the growth of youth sports and a shortage of fields, especially during the rainy seasons. It is common that local youth sports clubs and adult teams are traveling out of town to compete in tournaments because Eugene or Springfield does not have enough fields or a designated sports complex.

In 2017, the City of Eugene partnered with Travel Lane County and Willamalane for a two-part Feasibility Study on a multi-use sports and recreation complex. The results of the feasibility study recommended that Eugene could benefit from a moderately sized regional sports complex that included ten diamond ball fields and six multi-use rectangle fields (Option 1A). It was also determined that Golden Gardens Park is not only an appropriate location for a regional sports complex, but the only location that exists in the current Eugene parks system.

In 2018 the 30- year Parks and Recreation System Plan was completed. Golden Gardens Sports Complex was identified as a community need. Later that same year, the Parks and Recreation Bond was approved by voters. This bond included \$2m to complete a Golden Gardens Master Plan process and get an initial starting phase to the Sports Complex, with rectangle fields identified as a community priority.

Currently, the Golden Gardens Master Planning process, facilitated by Cameron McCarthy, is in process. There have been two Community Engagement meetings, two Advisory Board meetings, and Cameron McCarthy has completed two sets of conceptual designs. The conceptual designs include the original recommendation for up to 16 sports fields, a neighborhood park, and a design for protecting the habitat of the Northwest Pond Turtles. The third and final community engagement meeting is not yet scheduled but is planned in the next several months.

Current cost projections for 3 Scopes of Work, related to 3 different Bond scenarios:

**Scenario One - Base Scope \$15m bond + \$4.3m existing = \$19.3m design and construction**

- Includes 2 synthetic turf fields, 50% of the Northwest Pond Turtle habitat protection and enhancement scope, walking/running trail plus extensions, restroom/concessions building, and neighborhood park improvements.

**Scenario Two - Middle Scope \$25m bond + \$4.3m existing = \$29.3m design and construction**

November 15, 2023 Work Session – Item 2

- Includes 4 synthetic turf fields and the neighborhood park improvements Northwest Pond Turtle habitat protection and enhancement scope, walking/running trail plus extensions, restroom/concessions building, and neighborhood park improvements.

**Scenario Three - Large Scope \$35m bond + \$4.3m existing = \$39.3m design and construction**

- Includes 5 synthetic turf fields, 1 natural turf field, Northwest Pond Turtle buffer protection and enhancement, 1-mile walking/running trail plus extensions, site infrastructure to the west side and the neighborhood park, maintenance building/yard, restroom/concessions building, and neighborhood park improvements.

**Financial Information and Impact to Taxpayers**

There are three bond scenarios, given the range of options for the Golden Gardens Sports Complex, based upon a 20-year bond term. Each scenario includes \$750,000 for the Regional Pickleball Facility, \$15 million for the Lane County Multi-Use Facility and either the base, middle, or large scope for the Golden Gardens Sports Complex (GGSC):

**Scenario One – Total Bond of \$31M, including the base scope of \$15 million for GGSC:**

A \$31 million bond measure is estimated to cost the typical homeowner in Eugene an average of \$0.17 per \$1,000 of assessed value annually over a five-year period, with the average annual cost to the typical homeowner estimated at \$46.

**Scenario Two – Total Bond of \$41M, including the base scope of \$25 million for GGSC:**

A \$41 million bond measure is estimated to cost the typical homeowner in Eugene an average of \$0.23 per \$1,000 of assessed value annually over a five-year period, with the average annual cost to the typical homeowner estimated at \$61.

**Scenario Three – Total Bond of \$51M, including the base scope of \$35 million for GGSC:**

A \$51 million bond measure is estimated to cost the typical homeowner in Eugene an average of \$0.28 per \$1,000 of assessed value annually over a five-year period, with the average annual cost to the typical homeowner estimated at \$76.

**RELATED CITY POLICIES**

In 2018, City Council approved the 30 Year Parks and Recreation Systems Plan which includes the development of the Golden Gardens Sports Complex.

**PREVIOUS COUNCIL DIRECTION**

**[October 11, 2023 Work Session](#)**

Move to schedule a work session as soon as possible to discuss the potential of referring a capital bond to the voters that would support the construction of sports facilities in Eugene, such as a multi-purpose stadium, regional pickle ball courts, and sports fields at Golden Gardens, and direct the City manager to provide at the Council work session financial information, options, and other information she deems relevant regarding a potential bond measure. (Motion passed 8:0)

**COUNCIL OPTIONS**

This work session is informational only.

**CITY MANAGER'S RECOMMENDATION**

This work session is informational only.

**SUGGESTED MOTION**

This work session is informational only.

**ATTACHMENTS**

- A. Multi-Use Facility Information
- B. ECONorthwest Stadium Economic Impact Analysis
- C. Regional Pickleball Complex Business Plan

**FOR MORE INFORMATION**

Staff Contact: Matt Rodrigues, Assistant City Manager

Telephone: 541-682-6877

Staff E-Mail: [mrodrigues@eugene-or.gov](mailto:mrodrigues@eugene-or.gov)

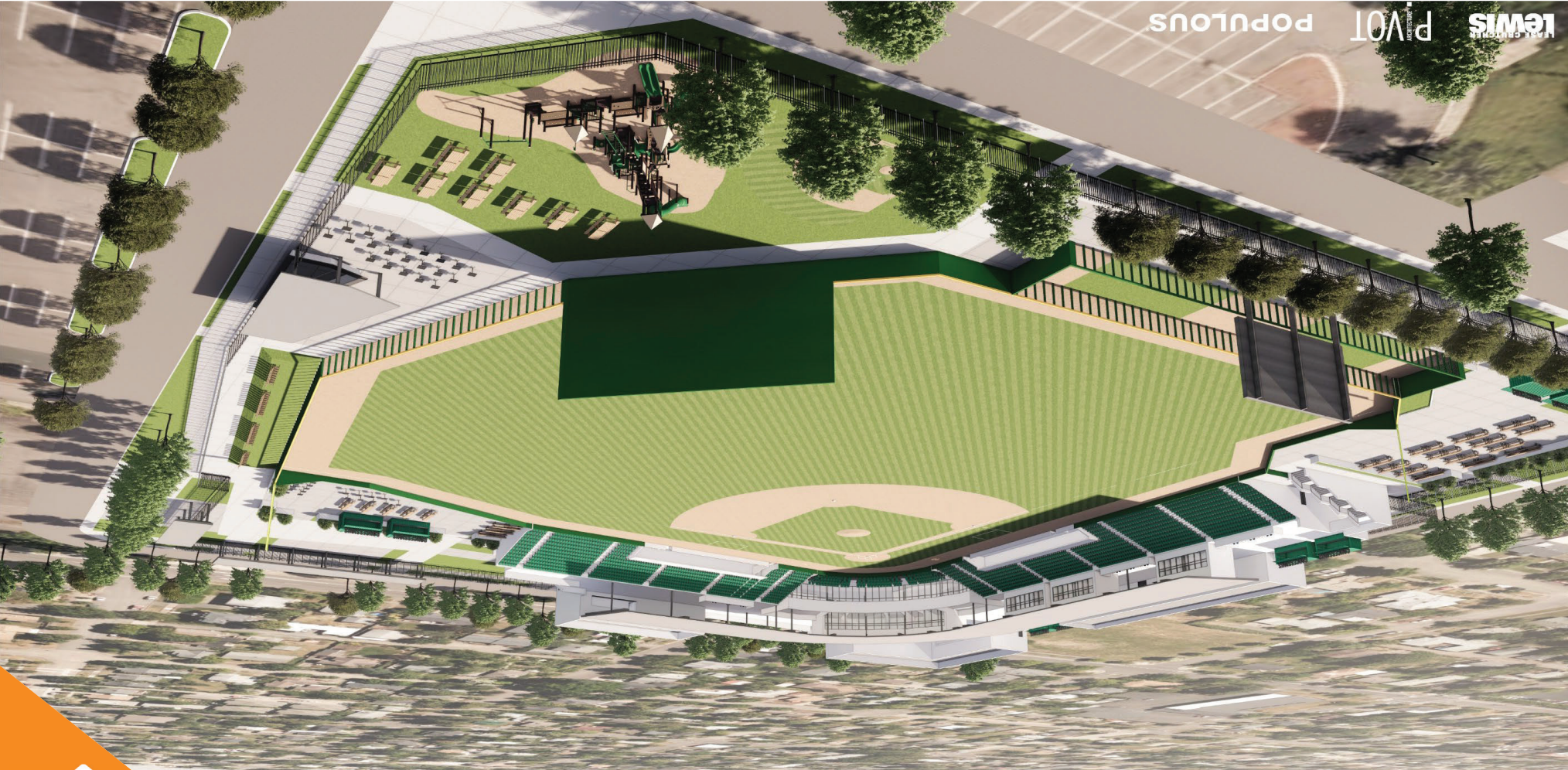


# Lane County Multi-Use Facility





# Lane County Multi-Use Facility



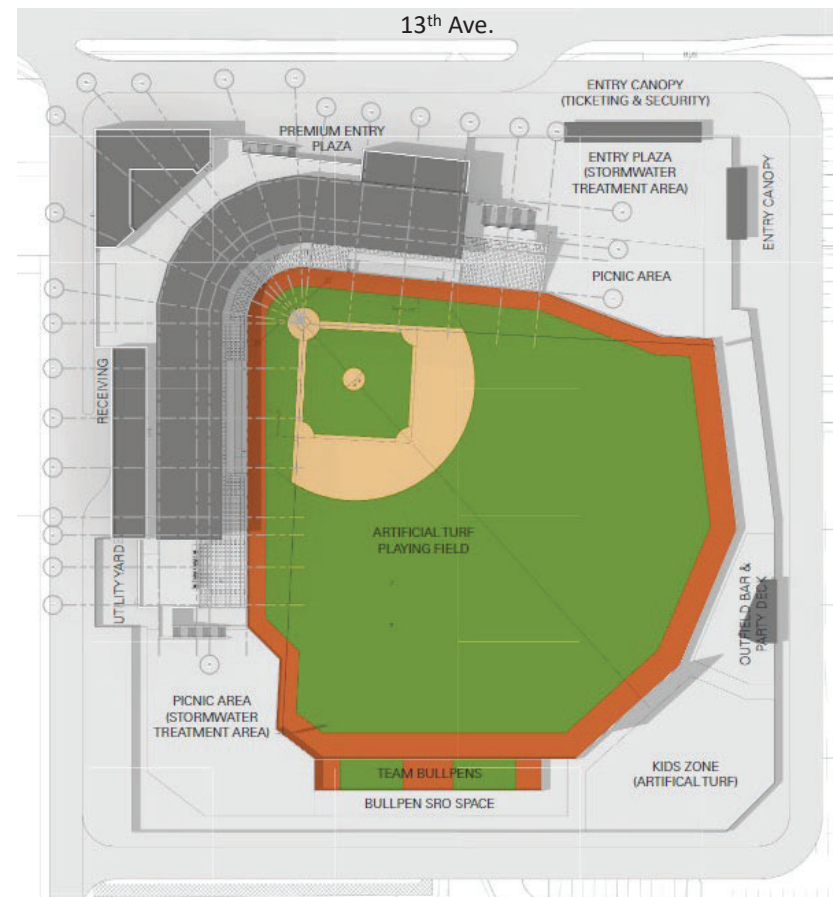
\*All images are conceptual renderings



# Lane County Multi-Use Facility

## Project History

- MLB issued new facility standards for minor league teams and increased number of games played in a season
- Eugene Emeralds have been using PK Park, but the facility and schedule (sharing with U of O) do not comply with new MLB standards
- In an effort to keep the Emeralds in Eugene, Lane County identified land at the Lane Event Center for a new Multi-Use Facility / Baseball Stadium
- Lane County hired a design-build team in November 2022
- The team has performed initial programming, conceptual design, and developed a project budget





# Lane County Multi-Use Facility

## Community Benefits

- The Emeralds have proudly served Eugene since 1955
- The 4,200-person capacity facility will have the ability to offer community events in addition to baseball games
- Similar facilities host concerts of all kinds, fun runs, holiday light shows, youth sports, fitness classes, scout campouts, non-profit fundraiser events, weddings, meetings, etc.
- The Multi-Use Facility will be designed to seismic immediate occupancy levels
- Enhanced community vitality from baseball and non-baseball events
- New facility will transform 13<sup>th</sup> St. frontage from a parking lot to a welcoming community amenity





# Lane County Multi-Use Facility Budget

## Project Budget

<u>Description</u>	<u>Budget</u>
Design/Construction Costs	\$ 74,231,000
Soft Costs	\$ 9,408,000
Project Contingency	\$ 6,830,000
<b>MUF Subtotal</b>	<b>\$ 90,469,000</b>
Rebuild Livestock Facility	\$ 10,000,000
<b>GRAND TOTAL</b>	<b>\$ 100,469,000</b>

## Project Funding

<b>GRAND TOTAL Budget</b>	<b>\$ 100,469,000</b>
<b><u>Secured Funding Sources</u></b>	
Federal Immediate Occupancy	\$ 1,500,000
State Funds	\$ 7,500,000
Lane County CRT/TLT <sup>1</sup>	\$ 35,000,000
Eugene Emeralds	\$ 13,461,000
<b>TOTAL SECURED FUNDING</b>	<b>\$ 57,461,000</b>
<b>Current Unfunded Capital Cost</b>	<b>\$ (43,008,000)</b>
<b><u>Potential Funding Sources</u></b>	
Federal Immediate Occupancy <sup>2</sup>	\$ 1,500,000
State Funds <sup>3</sup>	\$ 7,500,000
City of Eugene	\$ ?

<sup>1</sup> \$35M is the lump sum, up front equivalent of annual debt service assuming Board CRT/TLT allocation

<sup>2</sup> Funding request submitted

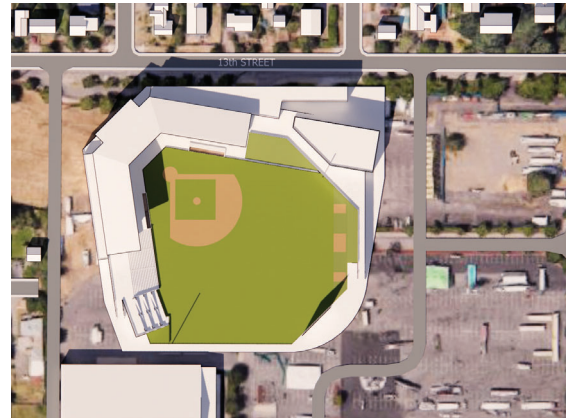
<sup>3</sup> 2024 Legislative session



# NEW PUBLIC EVENT VENUE

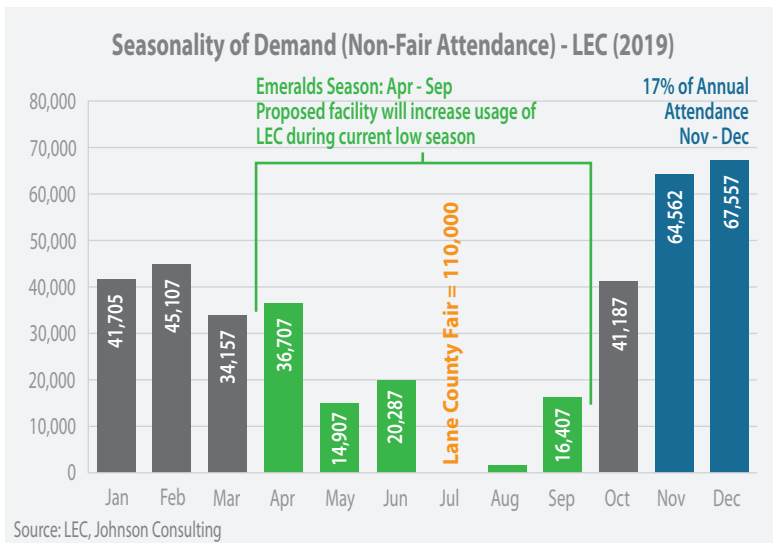
## The Opportunity – The Lane Events Center Multi-Use Future

- A year-round multi-use facility will accommodate professional baseball, large outdoor concerts (no venue currently exists), community events as well as high school, youth and university baseball tournaments. The facility would draw an estimated 336,400 visitors to the site during the spring, summer, and fall months.
- The facility would enhance public safety emergency operations and public health response capabilities by serving as a mass shelter and evacuation facility in the event of wildfires or other emergencies and provide additional meeting rooms in accordance with the LEC Master Plan.
- The facility would support the development of an on-site hotel with 100+ rooms,. A hotel is key to allowing the LEC to finalize its long term plans to serve as a regional convention center.



## The Venue --- Lane Events Center (Fairgrounds)

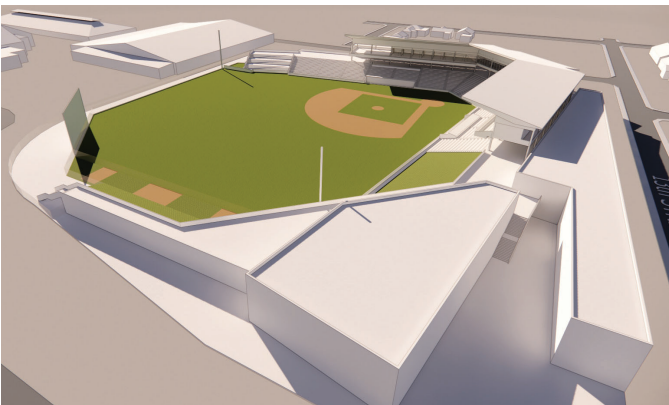
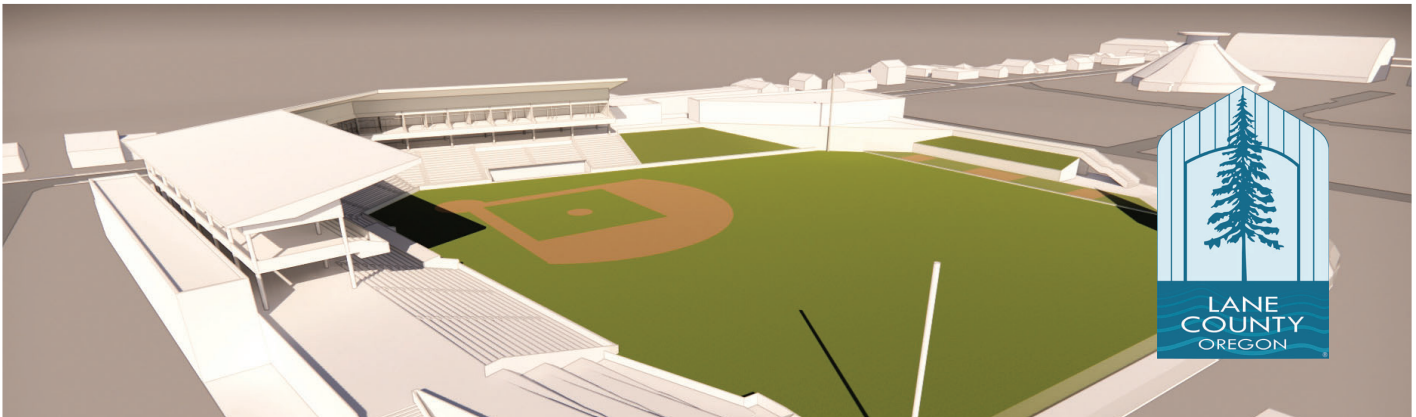
- The Lane Events Center (LEC) campus is 55 acres and is within a 10-minute walk to downtown Eugene. The proposed multi-use facility would occupy the now vacant 8 acres of land at the northwest corner of the property.



- Pre-pandemic, the LEC regularly hosted over 100 events and one million visitors per year. Events include fairs and festivals, retail events, and conventions and tradeshows. **The months of May, June, and August are currently the least used months.**
- There are 3,500 guest rooms (from over 30 hotel properties) within a two-mile radius of the LEC.
- The organizational and operational structure now exists to attract more and larger events, but the physical infrastructure needs to be “substantially enhanced”, according to a study completed in 2017 which set the stage for the current Master Plan effort.
- Previous investments to enhance the Lane Events Center have occurred through bonded debt, tied to Transient Room Tax receipts. Lane County receives over \$12M annually in transient lodging tax revenue.

## The Impetus --- Eugene Emeralds Promotion Requires New Playing Venue

- In 2020, Major League Baseball elevated the Eugene Emeralds to “high A” status, a move that increases the number of home games by 30 games per year and adds safety and other facility requirements.
- The Emeralds current playing venue, the University of Oregon’s PK Park does not meet the new MLB standards and is unable to accommodate the increased number of home games.
- The Emeralds must find a new place to play or the team will be disbanded, moved out of state in 2024 and Lane County would lose an important community partner that generates meaningful jobs and economic output.



**A Community Jewel --- the Emeralds are an important community partner that supports local non-profits and causes.**

- Annually, the Emeralds partner with 280 local non-profit organizations to raise awareness about their important work and to raise funding to support them. The non-profits they support include the Boys and Girls Clubs, American Cancer Society, National Night Out with Eugene Police Department, CentroLatino Americano, and others.
- On Sundays, the Emeralds transform into the award winning los Monarcas de Eugene, complete with new uniforms, food, and music. Los Monarcas honors the presence, contributions, and dreams of our rapidly growing LatinX community.

- The Emeralds staff\_ and mascot annually invest more than 600 hours in volunteer time in the community, including supporting the victims from the Holiday Farm Fire.
- The Emeralds were the first professional sports team to wear uniforms celebrating PRIDE Day with our LGBTQIA+ neighbors and friends.

**A Year-Round Economic Engine --- A Positive Return on Investment for Oregon – EcoNorthwest Analysis**

- ECONorthwest estimates that when completed, the facility will contribute \$42.3M annually to Oregon's economic output along with the full-year equivalent of 548 jobs.
- Over ten years, the facility will generate in \$66M in state income tax revenue.
- Construction of the facility will have substantial impact with \$75.90 MM in economic output, 504 (FYE) jobs and \$28.17 MM in labor income.

Gains from a New Stadium & Keeping the Emeralds

Annual Economic Contributions by Type	Lane County	Rest of Oregon	Oregon Total
Economic Output (MM\$)	\$31.7	\$10.6	\$42.3
Jobs (FYE)	291	257	548
Labor Income (MM\$)	\$8.7	\$8.7	\$17.4
Tax Revenue (MM\$)	\$0.7	\$6.6	\$7.3

Source: Robert Whelan, Senior Economist ECONorthwest

**A Public-Private Partnership and a Shovel-Ready Project**

- The Emeralds have offered to contribute \$10 million to this Lane County owned facility.
- Lane County has made a capital application request to the Oregon Legislature for \$15 million to support the estimated \$60M project.
- Construction of the facility can proceed quickly. The site is identified and owned by Lane County.



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## Revised Economic Analysis of the Emeralds Stadium Proposal

By Robert Whelan, Senior Economist ECONorthwest

October 5, 2023

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ECONorthwest did an economic analysis for the proposed Eugene Emeralds stadium two years ago. Plans changed and the Emeralds asked us for this update.

Inflation and substantially higher construction costs led to changes in the stadium's design. The Emeralds have seen visitor spending at their games rise considerably. So too has spending at concerts—a market the new stadium will expand into. And since 2021, a newer version of the Lane County economic impact model (IMPLAN) was released.

We considered the design changes, the new economic model, and revised our projections of a full year of stadium operations for this update. Our report focuses only on the economic contributions of new stadium construction and full-year operations, all expressed in present day 2023 dollars.

### Background

The Eugene Emeralds baseball team is part of Major League Baseball (MLB). They are a minor league team and an affiliate of the San Francisco Giants.

MLB recently reorganized the minor league baseball system and, in doing so, promoted the successful Eugene Emeralds to a High-A status. But to remain in Eugene, MLB mandates that the Emeralds have a stadium that fully complies with major league standards.

The Emeralds do not have their own stadium. They play their home games at the University of Oregon's PK Park. PK Park does not meet MLB standards. Importantly, the Ducks have priority over the stadium schedule, relegating the Emeralds to play out of the state for some home games and starting local games too late in the night for many families.

### New Stadium Design

The team revised proposal calls for baseball game seating capacity of 4,200 and, using the field, 10,700 for concerts. The stadium will cost \$74.2 million to construct. Contingencies and soft costs bring final price to \$90.5 million.

### Operations

ECONorthwest ran the economic impact model for Lane County using our projections for a full year of new stadium operations. The data in our analysis assumes all 66 home games are played in Eugene, as the Emeralds will now have their own stadium, and that stadium game capacity tops-out at 4,200.

Projected annual baseball game attendance is less than in the previous analysis. Concert attendance, because concert seating capacity remains nearly unaffected by the new design, is unchanged.

We adjusted costs to 2023 dollars and used the current version of IMPLAN. Ticket, food & beverage, merchandise, and parking pricing has been updated to what the Emeralds are now getting in 2023. Labor was updated. Concert pricing reflects 2023 market circumstances based on the latest data from Live Nation.

## The Economic Contributions That Will be Lost Without a New Stadium

The economic impact model IMPLAN is used to estimate economic contributions. IMPLAN uses the data we provided on the spending, attendance, employment, and pay at the new stadium will have when it is up and running.

Impact analysis measures how the spending and employment at Emerald's games and community events, which are called direct impacts, contribute to Lane County's economy. As that direct spending and payroll money is spent and re-spent in the County, it stimulates additional impacts. Those are called indirect spending and income induced impacts.

In additions, because the new stadium will host concerts and visiting baseball teams, the spending by those will also trigger economic impacts. Since their spending and job impacts do not originate directly from the Emerald's team, we report those impacts as indirect and induced.

### Annual Contributions of a New Stadium on Lane County's Economy in 2023 Dollars

The sum of all the impacts equals the annual economic contribution of new stadium operations on Lane County's economy. Since the Emeralds cannot stay in Eugene without complying the MLB's modern standards, these will be lost. The annual losses are \$40.3 million in economic output, \$17.7 million in labor income, and 3171 jobs (fulltime, parttime, and seasonal). Table 1 summarizes our findings.

**Table 1: Summary of the Annual Contributions of a New Stadium on Lane County, 2023 \$**

Economic Contribution to Lane County	Output \$MM	Labor Income \$MM	Jobs
Direct	\$22.6	\$7.1	240
Indirect & Income Induced	\$17.7	\$7.3	77
<b>Total Economic Contribution</b>	<b>\$40.3</b>	<b>\$14.4</b>	<b>317</b>

### Economic Contribution of Stadium Construction on Lane County's Economy in 2023 Dollars

The construction of the stadium itself will generate large, albeit one time contributions to the County's economy. Since the County has a deep resident labor force and local supplier network, a large share of the direct spending and labor will trigger impacts that will stay in the County's economy. Table 2 shows the results. If built in Eugene, the stadium's construction will stimulate \$127.8 million in economic output, \$47.9 million in labor income, and 684 jobs.

If not built in Eugene, the team will be relegated to locating in another city and likely another state, and the economic contributions will leave Eugene. Having been a part of the Eugene for over 68 years, that would be an undesirable, albeit necessary outcome for the Emeralds to remain a functioning MLB minor league team.

**Table 2: Summary of the Economic Contributions of New Stadium Construction on Lane County, 2023 \$**

Economic Contribution to Lane County	Output \$MM	Labor Income \$MM	Jobs
Direct	\$74.5	\$29.6	407
Indirect & Income Induced	\$53.3	\$18.3	277
<b>Total Economic Contribution</b>	<b>\$127.8</b>	<b>\$47.9</b>	<b>684</b>

## Economic Gains to Oregon from Building a Multi-Purpose Facility on the Lane County Fairgrounds and Making it Possible to Keep a Long-Established Professional Baseball Team in Oregon

By Robert Whelan, Senior Economist ECONorthwest

January 24, 2022

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### Background

The Lane County Fairgrounds/Lane Event Center, like many County fairgrounds, have needed continuous investment and creativity to draw the community in and produce revenue beyond the actual County Fair event itself. Its central location would create walk-in experiences for nearby neighbors and the larger visiting public. Finding a private, anchor tenant with long term revenue capabilities provides the county a path to financial sustainability for the Fairgrounds/Lane Events Center.

In addition to entertainment and community events, the 2020 Wildfires proved that Lane County still needs Emergency Management and Sheltering capabilities for their residents ranging from Florence to Belknap Springs in the event of further natural disasters.

### “Lemons into Lemonade”

The Eugene Emeralds have played in Eugene since 1955. The Emeralds are an integral part of the Major League Baseball (MLB) system and an affiliate of the San Francisco Giants.

MLB is elevating the Emeralds to “high A” status which will result in an increase in the number of home games each year from 38 to 66. This new status/schedule necessitates a new playing venue that can accommodate the increase in games and enhancements in MLB requirements related to capacity and safety/security.

Currently, the Emeralds play home games at PK Park, a baseball venue built specifically for the Oregon Ducks. With the increase in home games resulting from their enhanced status, PK Park can no longer accommodate the Emeralds and the team will be forced to relocate to another state.

To keep the Emeralds in Eugene, add emergency response capability, and expand capacity to host regional events, Lane County proposes building a multi-purpose facility on the Lane County Fairgrounds. The facility would have a capacity of 6,000 for baseball games and 12,000 for concerts, County Fair events, and community/non-profit events.

The stadium would attract large summertime concerts that typically skip Oregon during the amphitheater season due to the state’s lack of outdoor venues with 10,000+ seats. Holding those in Eugene will boost Eugene’s summer tourism and remake the landscape of entertainment choices for Lane County residents and Oregonians.

### Economic Analyses

In September, ECONorthwest prepared an economic impact report for the Eugene Emeralds. It concluded that a new, multi-purpose stadium on the Fairgrounds would have substantial economic effects on both Lane County and Oregon. It would increase the length of the baseball season, allow more public events to be held in Eugene, and bring concerts that appeal to both locals and tourists. Overall, a new facility would bring more vibrancy to the local economy, provide more jobs, and improve the quality of life for Lane County residents.

A new multi-use facility would cost an estimated \$45 million and result in a one-time economic impact of over \$75 million in total output. Once open, the facility will contribute \$42.3 million a year to Oregon’s economic output along with the full-year equivalent (FYE) of 548 jobs, \$17.4 million in labor income, and \$7.3 million in annual state and local taxes. See Table 1 below. This represents the full impact on the economy because without a new stadium, the Eugene Emeralds will be disbanded, the current economic benefit the team offers would be forfeited, and the franchise opportunity would be moved to another state.

**Table 1: Swing in the State and Local Economy Arising from a New Multi-Purpose Stadium on the Lane County Fairgrounds**

Annual Economic Contributions by Type	Lane County	Rest of Oregon	Oregon Total
<b><i>Gains from a New Stadium &amp; Keeping the Emeralds:</i></b>			
Economic Output (MM\$)	\$31.7	\$10.6	\$42.3
Jobs (FYE)	291	257	548
Labor Income (MM\$)	\$8.7	\$8.7	\$17.4
Tax Revenue (MM\$)	\$0.7	\$6.6	\$7.3

In addition to the annual impacts, building a new stadium will have the one-time effects of adding \$84.9 million in economic output, 513 jobs, \$32.6 million in labor income, and contribute \$13.7 million in taxes to Oregon.

## Comparative Economic and Hotel Impacts of the Eugene Emeralds in 2019 to the Emeralds' Proposed New Stadium

By Robert Whelan, Senior Economist ECONorthwest

September 13, 2021

### Background

The Eugene Emeralds are a minor league baseball team. They have played in Eugene since 1955. The Emeralds are an integral part of the Major League Baseball system and an affiliate of the San Francisco Giants.

Currently, the Emeralds play home games at PK Park in Eugene, Oregon. However, PK Park was built for the Oregon Ducks baseball team, and the Ducks take priority in scheduling. This creates conflicts.

Major League Baseball is expanding the Emerald's season from 38 to 66 home games. So, scheduling is going to become more difficult. Those additional home games will conflict with the Ducks, relegating the Emeralds to unfavorable game times, threatening the team's economic viability in Eugene.

Major League Baseball has determined that a dedicated stadium is necessary for the Emeralds to thrive. The team proposes building a new stadium with a capacity of 6,000 for baseball games and 12,000 for concerts.

The Elmore Sports Group owns the Emeralds. They asked ECONorthwest to calculate the economic impacts of the proposed new stadium and compare them to the current arrangement at PK Stadium.

ECONorthwest estimated impacts using 2019 season data from the Emeralds as well as their projections should there be a new stadium in Eugene. The year 2019 was chosen because it was the last season before COVID-19. Impacts were measured for the entire Lane County Economy.<sup>1</sup>

This study also looked at the hotel market in Lane County. ECONorthwest estimated the number of hotel room nights due to the Emeralds in 2019 and the number of rooms the new stadium would fill.

### Major Findings

The main finding of the analysis is that the stadium is a type of physical infrastructure project that fundamentally expands what can be offered in Lane County and, thus, will broaden the local economy for years to come.

The stadium will not only allow Lane County to retain and host more baseball games, but also allow it to host large live performance shows, which today skip Eugene. That will have a profound economic effect. The stadium will attract more visitors to Lane County and give its residents an alternative to traveling outside the County or even State to see major shows.

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<sup>1</sup> The 2019 version of the IMPLAN model for Lane County was used for this analysis.

### Findings—Impacts in 2019

In 2019, the Emeralds played 38 home games and hosted eight paid events. They also contributed staff and space for large charity events. Overall, Emeralds' economic impact on the County was:

- \$8.87 MM (million) in economic output.
- 112 FYE jobs.
- \$2.51 MM in labor income (a combination of wages, salaries, payroll taxes, labor benefits, and small business proprietor's income).

### Findings—Stadium Construction Impacts

Building the new stadium will have substantial impacts. Estimated to cost \$45 MM, stadium construction will have the following economic impacts on Lane County:

- \$75.90 MM in economic output.
- 504 full-year equivalent (FYE) jobs. An FYE job equals 12 months of work and can be a mix of full, part-time, and seasonal jobs.
- \$28.17 MM in labor income

### Findings—New Stadium Operation Impacts

Once operating, the Emeralds forecast that the new stadium will host 250,000 baseball fans. ECONorthwest forecasts it will host 86,400 concert goers. Together with other events, the stadium will be busy 125 days a year. The total economic impacts on the County will be:

- \$31.68 MM in economic output.
- 291 FYE jobs.
- \$8.69 MM in labor income.

These impacts will be felt throughout Lane County as the Emeralds pay wages, buy goods, and hire services from local vendors. Beside economic impacts of operations, there will also be spillover effects at hotels.

### Findings—Hotel Spillover Effects

Visitors attracted to Lane County because of the concerts, events, and longer baseball season at the new stadium will stay at local hotels causing spillover effects.

Comparing the new stadium to there being no Emeralds team in Eugene, the hotel spillover effects are:

- 20,771 more hotel room nights.
- Over \$4.1 MM in hotel room revenues.

### Impact Analysis

An impact analysis measures how the spending and employment at Emerald's baseball games, which are called direct impacts, affect the rest of the economy. There are two ways direct impacts do this.

The first way is indirect, which is spending by businesses stimulated indirectly by the Emeralds. For example, the Emeralds supply their concession stands with food they buy from local companies. That buying, and the jobs it creates, is an indirect impact.

The second way is called an induced impact. This is spending, and the jobs that creates, by workers whose incomes are tied directly or indirectly to the Emeralds.

The impact model used in this study traced the effects the team's direct impacts as they rippled through the Lane County economy. The result was an estimate of the team's total economic impact.

Impact models only look at how the spending and labor income at the business (in this case the Emeralds) flows through the economy. Spillover effects, like visitor spending outside the stadium, are not counted. A spillover is something that happens because of the Emeralds but not by the Emeralds.

One example is visitor spending for hotel rooms. They stay because of the Emeralds, but except for hotel rooms rented directly by the team, others staying overnight because of the ballpark count as having a spillover effect. Since the effects of the Emeralds and a new stadium are important to hotels, we included estimates of these spillover effects.

Another large spillover is charity. In 2019, the team donated space and staff to the American Cancer Society and the Boys and Girls Clubs of Emerald Valley. Together that raised over \$350,000 in donations.

### Impact Analysis of 2019

For this whitepaper the Emeralds provided accounting and visitor origin data from their 2019 season, which ECONorthwest used to measure the team's economic impacts.

#### Direct Impacts in 2019

In 2019, the Emeralds held 38 home games at PK Park. Paid attendance was 131,167. The team runs its own concessions, which is a large source of revenues. They also hosted eight revenue-producing events.

Total direct output for the year was \$3.87 MM. The team also paid employees \$1.18 MM in wages and benefits. These are shown as direct impacts on Table 1.

**Table 1: Summary of Direct Impacts, 2019**

<b>Baseball:</b>	
Home games	38
Paid attendance	131,367
<b>Company events and youth baseball camps:</b>	
Number of events	8
Guests	2,023
<b>Direct output:</b>	
Box office, MM\$	\$1.31
Concessions, parking, & other	2.31
Revenue from other events	\$0.21
Less cost of merchandise sold	<b>\$0.04</b>
Total Direct Economic Output MM\$	\$3.87
<b>Direct labor and visiting player spending:</b>	
Total payroll, payroll taxes & benefits, \$MM	\$1.18
Full, part time, and seasonal employees	195
Full-year equivalent jobs	75
Hours	55,318
Local visiting player spending (indirect), MM\$	\$0.38
<b>Total paid attendance by residence:</b>	
Arriving from Lane County	113,382
From places within 90 minutes of Eugene	11,035
From out of state	3,638
From over 90 mins away in Oregon	5,335
Total Paid Attendance	133,390

#### Total Impacts in 2019

Visiting teams spent \$380,000 in the city on meals, lodging, and transportation. These were counted as indirect impacts.

When those impacts were combined with the direct impacts of the Emeralds and run through the economic impact model, we found that the Emeralds had a total economic impact of \$8.87 MM in output, \$2.51 MM in labor income, and 112 full and part-time jobs, as summarized in Table 2.

**Table 2: Economic Impacts of the Emeralds Operations in 2019 on Lane County**

Economic Impacts on Lane County	Output \$MM	Labor Income \$MM	Full and Part Time Jobs (FYE)
Direct	\$3.87	\$1.18	75
Indirect & Income Induced	5.00	1.33	37
<b>Total Economic Impact</b>	<b>\$8.87</b>	<b>\$2.51</b>	<b>112</b>

#### Impact Analysis of the New Stadium

The Emeralds need a stadium of their own so they may play 66 home games a year at desirable start times. The proposed new stadium will seat 6,000 baseball fans (50 percent more than PK Park) and comfortably hold 12,000 for outdoor concerts.

The Elmore Sports Group owns multiple minor league teams around the country and operates several stadiums. It is their experience that new stadiums attract higher attendance in the minor leagues. They expect the Emeralds will sell 250,000 tickets a year to home games at their new stadium—a 7 percent increase per game from how they did at PK Park in 2019.

In addition to more games, the Elmore Sports Group will create a summer live performance series by taking advantage of the new stadium's 12,000 seating capacity for concerts.

Rather than being dark during cold months, the Emeralds will use the stadium to host holiday events. This too will bring revenues to the stadium and provide work.

### Direct Impacts of the New Stadium

Pay, jobs, and revenues earned at the stadium are the three main direct impacts. The strongest source of impacts will be visitors staying overnight. As Table 3 shows, 21,282 visitors a year will come the new stadium from out-of-state. Another 22,172 will be from Oregon but live over 90 minutes from Eugene.

Previous research by ECONorthwest for other entertainment venues in Oregon showed that the desire to stay overnight at a hotel rises substantially if the visitor must drive at least 90 minutes each way to attend an event from home. Overnight visitors stay longer and spend more than daytrip visitors do. Thus, they create higher spillover effects.

**Table 3: Summary of Direct Impacts**

Stadium capacity for baseball	6,000
Stadium capacity for concerts	12,000
Total construction cost, MM\$	\$45.0
Local visiting player spending (indirect), MM\$	\$0.63
<b>Baseball &amp; stadium operations:</b>	
Home games	66
Paid attendance	250,000
From out-of-state (based on 2019 share)	6,818
Box office, MM\$	\$2.75
Concessions, parking, & other	\$6.50
Stadium concert rent & fees	\$1.00
Less cost of merchandise sold	(\$0.31)
Direct output, baseball & stadium operations	\$9.94
<b>Touring groups and concerts:</b>	
Show dates	12
Ticket sales	86,400
Box office, MM\$	\$5.46
Concessions, parking, & other	\$3.51
Less stadium rent & fees	(\$1.00)
Less cost of merchandise sold	(\$0.19)
Direct output, touring groups & concerts	\$7.77
<b>Holiday &amp; other local events:</b>	
Number of events	47
Paid admissions	23,500
Box office, MM\$	\$0.18
Concessions, parking, & other	\$0.20
Less cost of merchandise sold	(\$0.01)
Direct output holiday, other events	\$0.36
<b>Total Direct Economic Output MM\$</b>	<b>\$18.07</b>
<b>Baseball, stadium operations, and touring group payroll:</b>	
Total payroll, payroll taxes & benefits, \$MM	\$4.69
Full, part time, and seasonal employees	650
Full-year equivalent jobs	196
Hours	196,909
<b>Total paid attendance by residence:</b>	
Arriving from Lane County	277,403
From places within 90 minutes of Eugene	39,043
From out of state	21,282
From over 90 mins away in Oregon	22,172
<b>Total Paid Attendance</b>	<b>359,900</b>

Together with stadium rental income, parking, and concessions, baseball and stadium operations directly will bring in \$9.94 MM a year.

The stadium and team will employ about 350 over the course of a year. They will be a mix of full-time, part-time, and seasonal workers for a total of 171 FYEs. Touring groups will employ 300, but many will work 1-3 days in Lane County. They will add 25 FYEs. In total, direct FYEs 196 jobs in Lane County with total labor income of \$4.69 MM.

### Amphitheater Concert Market

In addition to more games, ECONorthwest forecasts that the stadium will host twelve concerts a year. With a capacity for 12,000, it will be the largest outdoor venue (amphitheater) in Oregon.

Currently, the largest is the Les Schwab Amphitheater in Bend. Its capacity is 8,000. The Cuthbert Amphitheater in Eugene holds 5,000. Both are too small for top-tier acts.

The nearest large competitor is the Sunlight Supply amphitheater 135 miles north of Eugene. It is in Ridgefield, Washington—a city of 10,807. Between 2015 and 2019, it hosted an average of twelve concerts a year. In the past 36 months, Sunlight Supply’s average box office was \$474,964 with 10,191 tickets sold per show. They seat 17,884.<sup>2</sup>

Over half of Sunlight Supply’s ticket sales went to Oregonians. By having an amphitheater in Eugene that can comfortably accommodate 10,191, the new stadium will recapture some of the entertainment spending Oregon loses to Washington each year with Lane County being the greater beneficiary.

Currently, most major amphitheater shows traveling in North America skip Oregon due to the lack of large venues. According to the trade journal Pollstar, there are no active amphitheaters in Oregon that can seat 12,000.

The Emeralds stadium will fill that gap, attracting 86,400 visitors and bring in \$5.46 MM in ticket sales and \$7.77 MM in total output.

Touring groups will directly employ about 300, in Eugene—a mix of locals and non-local technicians and performers. Most non-locals will stay in area hotels. Work on each show typically lasts two to three days. So, employment by these groups will total about 25 FYE jobs with an estimated Lane County labor income of \$1.18 MM.

### Economic Impacts of Construction

Stadium construction is estimated at \$45 MM. The Lane County impact model shows construction would require about 220 FYEs at a total labor income of \$17.65 MM.

Since the County has a deep resident labor force and supplier network, a large share of the direct spending and labor will stay in the County triggering substantial economic impacts.

As shown on Table 4, construction will account for \$75.90 MM in total economic output, 504 FYEs, and \$28.17 MM in labor income for Lane County.

**Table 4: Economic Impacts of Construction**

Gross Economic Impacts on Lane County	Output \$MM	Labor Income \$MM	Full and Part Time Jobs (FYE)
Direct	\$45.00	\$17.65	220
Indirect & Income Induced	30.90	10.53	284
<b>Total Economic Impact</b>	<b>\$75.90</b>	<b>\$28.17</b>	<b>504</b>

Construction impacts end soon after the stadium opens. The impacts are not reoccurring. But the economic impacts of operations are. And they reoccur each year the stadium is open.

<sup>2</sup> Source: <https://www.pollstar.com>

## Impacts of New Stadium Operations

The combined, annual direct impact of the new stadium includes game ticket sales, concert ticketing fees, stadium rentals, concession sales, parking, and various charges paid by touring groups. As was shown on Table 3, total direct output is forecast at \$18.07 MM with \$4.69 MM in labor income and 196 FYEs.

Indirect impacts come in part from spending on lodging, food, supplies, and services by the Emeralds, visiting baseball teams, and concert touring groups.

With the notable exception of the money earned by touring groups, most of the direct labor income arising from activities at the new stadium will be earned by Lane County residents, who in turn will spend much of what they will earn in the County. This is a major source of induced impacts.

Table 5 summarizes total annual economic impacts of the new stadium's operations. Economic output will be \$31.68 MM. That is almost one percent of the County's total economic output. Operations will support \$8.69 MM in labor income in Lane County and 291 FYEs.

**Table 5: Annual Economic Impacts of Operations**

Gross Economic Impacts on Lane County	Output \$MM	Labor Income \$MM	Full and Part Time Jobs (FYEs)
Direct	\$18.07	\$4.69	196
Indirect & Income Induced	13.61	4.00	95
<b>Total Economic Impact</b>	<b>\$31.68</b>	<b>\$8.69</b>	<b>291</b>

## Spillover Effect on Hotels

Having the Emeralds in Eugene stimulates sales of hotel rooms in Lane County. Demand for rooms by overnight visitors is a spillover effect. The new stadium will cause higher spillovers because it would both allow for a longer baseball season and act as a large amphitheater venue for Oregon.

Concerts usually are held on weekend nights. They draw people in from a wide radius. Based on other studies, ECONorthwest estimates about 29 percent of concert attendees will come from far enough away that they could stay in a hotel overnight. Twenty percent will. In addition, the average touring group will occupy 40 room nights per concert.

In 2019, the Emeralds stimulated 3,361 hotel room night sales in Lane County—mostly for baseball, but also a handful of corporate events. The new stadium will have a larger spillover effect because of more games and major concerts. As shown on Table 6, these will result in 20,771 hotel room nights sold per year.

**Table 6: Hotel Room Nights Sold in Lane County**

Event Type	2019	New Stadium
Baseball fans & players	2,828	4,870
Concerts & other events	533	15,901
<b>Total hotel room nights sold</b>	<b>3,361</b>	<b>20,771</b>

We estimated the 2019 spillover effect for the baseball season, which runs from April through September. This coincides with what the music industry calls the shed or amphitheater season.

In 2019, according to STR Global, 80 percent of the available hotel rooms in Lane County were either in Eugene or Springfield.<sup>3</sup> During the baseball season, there were 948,149 available hotel room nights in the market. Of those, 659,803 or 69.6 percent were sold. The average daily room rate (before taxes and miscellaneous charges) was \$111.37, as shown in Table 7.

**Table 7: Lane County Hotel Spillover Impacts, 2019**

April - September 2019	2019	With the New Stadium
<b>Lane County Hotel Market:</b>		
Room night supply	948,149	948,149
Room nights sold	659,803	677,213
Occupancy rate	69.6%	71.4%
Average daily rate	\$111.37	\$113.63
<b>Impact of Emeralds Visitors:</b>		
Room nights sold	3,361	20,771
Share of room sold in the market	0.5%	3.1%
<b>Room Revenue Emeralds' Impact by Source:</b>		
Room sales to Emeralds' visitors	\$374,327	\$2,360,196
Room rate increases on others	285,857	1,766,595
Room revenue impact	\$660,183	\$4,126,791

Visitors to the Emeralds' events accounted for 0.5 percent of all room nights sold during the season. That demand resulted in a spillover effect of \$660,183 in higher room revenues.

Spillover effects comes from two sources. The first and most apparent are sales to new visitors. In 2019, Emeralds' visitors spent \$374,327 on 3,316 rooms.

The second effect comes from higher occupancy rates (percent of available rooms sold) that, in turn, lets hotels raise their average room rates. That effect pushed total room revenues in the County up another \$285,857 in 2019. This effect is based on a regression (*i.e.*, statistical) analysis of historical hotel data. The analysis found that for every 1.0 percent increase in the occupancy rate the average daily room rate in Lane County rose about 1.1 percent.

<sup>3</sup> STR Global is the leading aggregator of hotel room supply, demand, and pricing data. They directly collect such data from a large sample of Lane County hotels that account for about 75 percent of total room supply.

With the new stadium, and particularly by adding concerts, the spillover effect will result in \$4,126,791 higher room revenues. An estimated \$2,360,196 will be paid by stadium visitors including touring groups and baseball players. The remainder will be the result of higher room rates in general (about 2 percent) during the baseball season.

## Conclusion

Fundamentally, the stadium will change what is possible in Eugene and effectively act as an economic engine for Lane County—an economic engine that will work for years to come. It will help ensure that the Emeralds, which have played in Eugene for 66 consecutive years, remain in the City.

Importantly, the stadium will be the largest outdoor concert venue in Oregon. With nothing comparable in size and quality, major tours produced for amphitheaters will perform in Eugene as a logical stopover between California and Washington.

By having the Emeralds stadium, major performers will add Eugene to their schedules attracting new visitors to Lane County and giving County residents a new and valued amenity. The stadium will also let the Emeralds stay in Eugene, where they have been for the last 66 years.

# Emerald Valley Pickleball Club Regional Pickleball Complex Business Plan October 10, 2023



## EXECUTIVE SUMMARY

**Pickleball is the fastest growing sport in the United States.** The sport has seen a 39.3% growth rate over the last two years and is expected to continue to grow at unprecedented rates for the next 10 years. The population served by the pickleball community is multi-generational and includes seniors, middle age and youth. It is also enjoyed by persons with physical disabilities due to the ease of play. Since pickleball helps keep people physically and socially active, it is a great sport that supports a healthier lifestyle.

**The main challenge for pickleball is that there are not enough pickleball facilities to support the demand for this sport.** The national growth and population statistics also hold true for the Eugene/Springfield area. Additionally, the Eugene/Springfield area is lacking pickleball courts and the local pickleball club, the Emerald Valley Pickleball Club, has been actively seeking collaborations with other organizations to expand the number of pickleball courts in the area.

One such collaboration is the partnership between the Emerald Valley Pickleball Club, the Emerald Valley Pickleball Foundation, and Lane Community College (LCC), which entered into an agreement in 2022 to provide for the development of a regional pickleball complex on the LCC campus. The complex is envisioned to have 24 lighted courts, of which 10 will be covered. LCC will own the pickleball complex and Emerald Valley Pickleball Club will provide the management and operation of the facility. The new complex will be one of the largest in the Pacific Northwest and will be available for both club members, LCC students, and the general public. It is expected that the regional pickleball complex will host several multi-day tournaments each year, which will help to showcase Eugene as a major pickleball destination for world-class players and provide an economic boon, as players and spectators will patronize local businesses.

The Emerald Valley Pickleball Foundation is a 501(c)(3) non-profit organization of the club and is committed to raising the \$5,000,000 capital for the state-of-the-art pickleball complex on the campus of Lane Community College. In November of 2022, local voters approved a tax levy that will, in part, contribute \$500,000 toward the construction of the new pickleball complex. The remaining sum will be jointly financed by public and private funds. The construction of the pickleball complex is expected to be completed in early 2026. The Regional Pickleball Complex at LCC has 24 courts, an overhead structure so that players can play during the winter season and inclement weather.

While the Emerald Valley Pickleball Foundation is charged with raising the funds to construct the facility, the Emerald Valley Pickleball Club is charged with operating and maintaining the facility, all under supervision of an experienced and engaged Board of Directors. The Club is well-positioned financially with revenue growing by more than 33% per year over the past three (3) years. In addition, the Club has analyzed the expected revenue it can generate at the Regional Pickleball Complex from a variety of programs and events, and is confident it will generate more than sufficient revenue to cover all essential maintenance and operations tasks, as well as more substantial renovations such as court resurfacing. **In summary, Emerald Valley Pickleball Club's financial health is strong and the Club is uniquely qualified to support the ongoing management and operations of the regional pickleball complex for the indefinite future.**

## GENERAL OVERVIEW

### History and Current Status of the Club:

The Emerald Valley Pickleball Club was established in 2015 as a 501(c)(7) non-profit organization to grow the sport of pickleball in the greater Eugene-Springfield area. The club presently has over 800 dues-paying members and has experienced significant growth in members over the last two years as a result of more people playing the sport. The Emerald Valley Pickleball Club works to ensure opportunities for the continued development of all players in a collegial and sportsmanlike environment while working collaboratively with community organizations to expand pickleball facilities in our community. The effort to construct a new Regional Pickleball Complex at Lane Community College is one such collaborative effort.

### Shortage of Pickleball Locations in Eugene/Springfield:

The following are locations of pickleball courts in Eugene/Springfield that are available to the public:

<u>Location</u>	<u>No. of Courts</u>	<u>Indoor/Outdoor</u>	<u>Lighted (Y/N)</u>
Westmoreland Park	8	Outdoor	Y
Meadow Park	8	Outdoor	N
Bob Keefer	6	Indoor	Y
YMCA	4	Indoor	Y
Kidsports	3	Indoor	Y
Striker Field Park	<u>2</u>	Outdoor	N
	31		

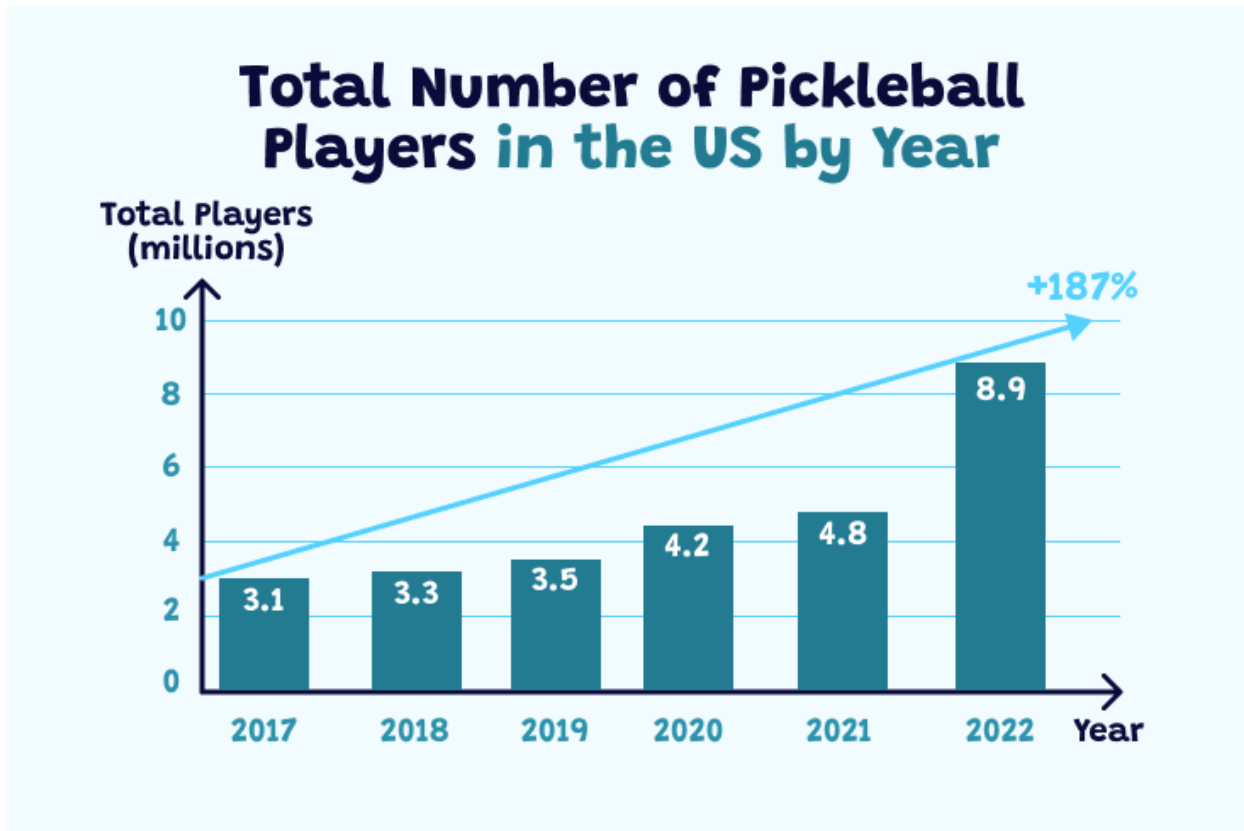
The Eugene Swim and Tennis Club has recently offered private memberships with very limited number of courts and hours of availability. Additionally, the city of Eugene in conjunction with the Emerald Valley Pickleball Club has started to offer pickleball classes and open gyms for a fee. The Club has started working with local high schools to line tennis courts for pickleball that will be available in the future at times when school is not in session.

**There is a severe shortage of pickleball courts in the Eugene/Springfield area and demand for pickleball courts cannot be met... This is why the Regional Pickleball Complex at LCC is such a good solution to support this growing sport.** At the current time, small groups organize and play among themselves. Playtime for groups needs to be limited at public facilities to accommodate the population of people and this lack of court space for the pickleball community leads to fractured and frustrating participation for the players in our community. The indoor recreational facilities whose primary purpose is to service the general community such as Kidsports, YMCA, and Bob Keefer limit pickleball to “off peak hours”. The modified pickleball courts that are starting to be offered in churches, senior centers, and old gymnasiums often lack appropriate lighting, flooring, and spacing to safely participate in the sport. Pickleball tournaments, ladders, leagues, clinics and camps are extremely popular among all ages of people who play pickleball and currently our community has extreme limitations in providing these events.

## MARKET ANALYSIS

### Market Analysis:

Pickleball was the fastest growing sport in America for the second year in a row in 2022, with more than 4.8 million participants nationwide, and a growth of 39.3% over the past two years, according to Sports & Fitness Industry Association's annual Topline Participation Report. In addition, membership to USA Pickleball, the sport's governing body in the United States, reached the 50,000 milestone in 2021 and ended that year with just over 53,000 members, a 43% increase from the previous year and the largest single growth year to date for the organization. The average age of Pickleball players in 2021 was 38.1 years, down from 41 years in 2020. This shows that Pickleball is gaining traction among younger players. 27.8% of players are in the age bracket of 18-34, which is the highest among all the age groups playing Pickleball in the United States. Pickleball is not just a game for seniors as more and more young adults and families are beginning to play this addictive game. Some Universities are now considering adding pickleball to the NCAA list of sports for collegiate athletes. The base of customers can also be measured in the rising growth of the Pickleball paddle market that was \$152.8 million dollars as of 2021 and rising 7.7% yearly.



#### COMMUNITY ENGAGEMENT:

Pickleball is a multigenerational sport and we want everyone from grandparents to grade schoolers to be playing this sport. Our regional facility once built will draw players from the Eugene/Springfield area on a daily basis to play pickleball and players from farther distances for our special events, such as regional tournaments. Our focus with marketing will continue to be about building community, while having fun and exercising. Pickleball is easy to play and everyone is welcome. By developing activities that serve a variety of skill levels within our community, as we do at this time with our Beginning, Intermediate, and Advanced Listserv emails, Emerald Valley Pickleball Club, is able to keep individuals engaged on an ongoing basis.

Currently Emerald Valley Pickleball Club utilizes a wide variety of technology driven advertising strategies. We have an active website, Facebook page, Instagram account, and direct emails based on membership sign-up. We have partnered with the City of Eugene, YMCA, and Willamalane providing lessons and for special events with full participation levels reached at each event. Lane Community College will also be offering physical education credit classes for pickleball once construction of the regional complex is completed.

## MANAGEMENT & OPERATIONS OF REGIONAL COMPLEX

### Operations and Maintenance Responsibilities:

The Memorandum of Understanding signed between the Emerald Valley Pickleball Club, Emerald Valley Pickleball Foundation, and LCC articulates the roles and responsibilities of each organization with respect to the Regional Pickleball Complex. The Club is charged with most of the operations and maintenance (O&M) tasks, but LCC also has several important O&M duties. These duties are outlined in Table 1, below.

O&M Task	Frequency	Responsible Organization
Pay all routine utility costs (e.g., water, electricity)	Monthly	LCC
Provide trash cans and liners, and empty trash cans regularly	Weekly	LCC
Security and safety inspections	Daily	LCC
Repairs for LCC provided utilities or infrastructure	As needed	LCC
Restroom cleaning	Daily	Club
Keep courts clean	As needed	Club
Court repairs and rehab	As needed	Club
Manage scheduling & reservation of courts	Daily	Club
Coordinate parking and traffic during tournaments and events	As needed	Club

Table 1. Outline of operations and maintenance tasks and the responsible organization.

The Club serves as “caretaker” of the courts during use and keeps the complex safe, clean and welcoming. The Emerald Valley Pickleball Club will oversee and manage the scheduling and reservation of courts using an efficient and accessible software program such as CourtReserve. The Club will coordinate and oversee organized group-play, clinics, league play, lessons, tournaments, special events and group rentals. The Club will also coordinate with LCC to allow LCC classes to utilize the courts for classes free of charge. There will be 4 courts that will be open to the public at all times.

### Revenue and Expenses for Regional Pickleball Complex at LCC

The Club is confident that it has the financial resources and expertise to operate the Regional Pickleball Complex. Not only does the Club have healthy finances currently, but it anticipates generating revenue from operating the Complex.

Below are the expected annual revenues and expenses associated with the Regional Pickleball Complex at LCC, once it is operational. Please note that the net income generated from the management and operations of this complex is 11.1%. It also does not include other revenue and expenses that are related to club activities

outside of the regional pickleball complex at LCC, including membership revenue and general expenses related to operating the club.

### **FINANCIAL PRO FORMA**

#### Revenue:

Tournaments	\$30,000
Drill & Learn-to-Play Clinics	\$19,200
Private Lessons	\$ 7,000
Round Robin Leagues, Youth Programs & Ladders	\$ 8,000
Social Events	\$ 8,000
Court Rental	\$ 4,000

**Total Net Revenue** **\$76,200**

#### Expenses:

Court Resurfacing (10 yr amortization)	\$10,000
Court Repainting (5 yr amortization)	\$ 3,000
Net Replacement (5 yr amortization)	\$ 720
Liability Insurance	\$20,000
Staffing	\$12,500
Repairs & Maintenance	\$ 9,000
General & Administrative	\$ 6,000
IT Related Costs	\$ 1,500
Restroom Cleaning/Rental	\$ 5,000
Utilities *	\$ 0

**Total Expenses** **\$67,720**

**NET INCOME** **\$ 8,480**

### **CONCLUSION**

**In summary, the Regional Pickleball Complex at LCC is a needed and desired community asset. The collaboration between the Emerald Valley Pickleball Club, Emerald Valley Pickleball Foundation, and Lane Community College is one that will benefit pickleball players locally and regionally. The Club is well-positioned financially to operate and maintain the facility in a responsible, sustainable manner.**

*Assumptions:*

1. *Tournaments – 3 tournaments per year x \$10,000 net profit for each tournament.*
  2. *Drill & Learn to Play Clinics – 120 clinics per year x \$160 per clinic.*
  3. *Private Lessons – 350 lessons per year x \$20 per lesson.*
  4. *Round Robin Leagues, Youth Programs & Ladders – 800 participants per year x \$10 per participant.*
  5. *Social Events – 4 social events per year x \$2,000 in net proceeds for each social event.*
  6. *Court Rental – 8 rentals per year x \$500 per rental.*
  7. *Court Resurfacing Cost – According to Beynon Sports, court resurfacing for post tensioned concrete courts should occur every 10 years. The cost for resurfacing all 24 courts is \$100,000 which includes an inflation adjuster and has been amortized over 10 years to reflect a \$10,000 per year cost in the Pro Forma.*
  8. *Court Repainting Cost – The cost to repaint the lines on all 24 courts is \$15,000, which includes an inflation adjuster and has been amortized over 5 years to reflect a \$3,000 per year cost in the Pro Forma.*
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9. *Net Replacement – Pickleball nets are expected to last 5 years. The replacement cost for 24 nets is \$3,600 or \$720 per year.*
  10. *Liability Insurance – General Liability Insurance policy with \$1M per occurrence and \$2M aggregate to cover any damage or personal injury. The annual premium is \$20,000.*
  11. *Staffing – This expense is for hiring a part-time worker to handle cleaning the complex.*
  12. *Repairs & Maintenance – This expense covers repairs and maintenance of equipment at the complex. It also includes replacing rollers, squeegees, brooms and leaf blowers that are needed to keep the courts clean. It also includes a portable AED.*
  13. *General & Administrative – This line item includes supplies for the restroom, cleaning products, trash bags, etc.*
  14. *IT Related Costs – This includes the cost of various software used by the club to schedule courts and provide communications about tournaments and events.*
  15. *Restroom Cleaning/Rental – \$5,000 per year.*
  16. *\*Utilities - Utility expense is paid for by LCC as part of the Agreement with LCC.*