



**COUNCIL ORDINANCE NO. 20564**

**COUNCIL BILL 5155**

**AN ORDINANCE ADOPTING AN AMENDED URBAN RENEWAL PLAN  
FOR THE DOWNTOWN URBAN RENEWAL DISTRICT.**

**ADOPTED: June 13, 2016**

**SIGNED: June 14, 2016**

**PASSED: 5:3**

**REJECTED:**

**OPPOSED: Brown, Taylor, Zelenka**

**ABSENT:**

**EFFECTIVE: July 14, 2016**



## ORDINANCE NO. 20564

### AN ORDINANCE ADOPTING AN AMENDED URBAN RENEWAL PLAN FOR THE DOWNTOWN URBAN RENEWAL DISTRICT.

#### The City Council of the City of Eugene finds that:

**A.** The Downtown Urban Renewal Plan (the “Plan”) was initially adopted on July 3, 1968, by Resolution No. 257 of the Urban Renewal Agency of the City of Eugene (the “Agency”), and on December 19, 1968, by Resolution No. 1609 of the Eugene City Council. The Plan has subsequently been amended, most recently on May 24, 2010, by Ordinance No. 20459 of the Eugene City Council.

**B.** Starting in December 2015, the City Council considered downtown improvements with the desire to foster a vibrant downtown, provide near-term economic stimulus, and prepare for the 2021 World Track and Field Championships in a way that results in long-term benefit to the community. The City Council considered different funding mechanisms, including urban renewal, for funding those improvements.

**C.** In March 2016, the City Council, acting as the Urban Renewal Agency Board of Directors (the “Agency Board”), decided that, as an option for funding the desired downtown improvements, the public should be provided an opportunity to comment on whether the Plan should be amended and, if so, what projects should be included. To meet the timelines for a possible adoption, the Plan would include four possible projects, with the extent of funding for the possible projects to be determined after the public has commented. In accordance with the provisions of ORS 457, in March 2016, the Agency Director prepared an amended Plan (the “proposed Plan”) which included a range of options with the maximum being:

- (1) Increasing the maximum indebtedness by \$48 million, to a total of \$96.6 million, to cover the specific projects itemized in Finding D;
- (2) Continued annual review of tax increment projects by a community member panel (the Expenditure Review Panel); and
- (3) Expanding the boundary by 10% (7 acres) to incorporate the East Park Block area and the City Hall block.

**D.** The four possible downtown projects are consistent with the outcomes set forth in Finding B above, and the proposed Plan included these projects:

- (1) High-Speed Fiber. Creation of high-speed fiber network downtown will reduce costs and increase telecommunications speed to support existing businesses and new businesses. High-speed fiber supports employment growth and attracts new

investments downtown. The service would also support City, Lane Community College, Lane County, Lane Council of Governments, and 4J and Bethel school districts.

(2) Improved Space for Farmers' Market. Improvements to the Park Blocks along 8<sup>th</sup> Avenue, or another downtown location, will make the location more attractive, functional, and permanent for a possible year-round Farmers' Market. The Lane County Farmers' Market is a cornerstone of downtown activity and one of the most significant public events in the city.

(3) Lane Community College (LCC) Old Building. LCC wants to redevelop its former education facility at 1059 Willamette Street. Recent discussions included creating a multi-tenant facility that could house maker space, co-working space, wet labs, and affordable business startup and art incubation space. Redevelopment of the vacant 66,000 square foot building would require extensive repairs.

(4) Park Blocks & Open Space Improvements. A broad public engagement effort would collect input from the community on their hopes and vision for the Park Blocks and other downtown open spaces (i.e. Hult Center Plaza, Broadway Plaza, and the new City Hall Plaza). Specific improvements could include more restrooms, lighting, seating, signage, security, paving, or landscaping.

**E.** On March 14, 2016, the Agency Board considered a draft of the proposed Plan and accompanying Report on the Urban Renewal Plan for the Downtown Urban Renewal District (the "Report") and then forwarded it to the City Council for a public hearing and possible adoption.

**F.** On April 15, 2016, a draft of the proposed Plan and the Report were forwarded to the governing body of each taxing district affected by the Plan with an offer to consult and confer with each district. On May 11, 2016, the LCC Board of Directors voted in support of the proposed projects, for inclusion in the Plan amendment and the use of tax increment financing as the funding mechanism. The Lane County Board of County Commissioners (BCC) reviewed the proposed plan amendment on May 17, 2016, expressed support for the amendment, and approved a letter of support on May 24, 2016. (See Finding J for School District 4J action.)

**G.** On April 18, 2016, notice of the proposed Plan was sent to owners of property within the City as required by ORS 457.120(1). The notice included, but was not limited to, the date, time and place of the public hearing, in addition to the website where the proposed Plan and the Report could be viewed.

**H.** On May 9, 2016, the Planning Commission met to review the proposed Plan and Report, and recommended approval based on the City's planning policies.

**I.** After the notice was mailed pursuant to ORS 457.120, the City Council conducted a public hearing on May 23, 2016, on the proposed Plan.

**J.** State law, ORS 457.220(4), limits how much a municipality can increase maximum indebtedness. The proposed Plan would increase the original maximum indebtedness by more

than 20%, which would exceed the limitation. ORS 457.470(7), however, also provides that the 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.” Together, School District 4J and the City impose at least 75% of the amount of taxes imposed under permanent rate limits in the urban renewal area. On May 18, 2016, the Board of Eugene School District 4J voted “to concur with the Eugene City Council’s proposed plan amendment to increase maximum indebtedness for the Downtown Urban Renewal District by up to \$48 million in accordance with ORS 457.220 and 457.470(7)”. The City concurs with that increase in maximum indebtedness by enacting this ordinance.

**K.** Based on the recommendations of the Agency Board and the Planning Commission, and the written and oral testimony before the Planning Commission and the City Council, the City Council hereby amends the proposed Plan (the “revised, proposed Plan”) and specifically finds and determines that:

(1) The revised, proposed Plan includes the following:

(a) Increasing the maximum indebtedness by \$19.4 million, to a total of \$66 million, to cover the specific projects itemized in Finding D above, with a specific prohibition on using funds for either the City Hall building or for a parking lot on the City Hall block;

(b) Continued annual review of tax increment projects by the Expenditure Review Panel;

(c) Additional public process, including community engagement and a public hearing, before the Agency Board can approve spending tax increment funds to construct any of the projects described in paragraphs (2), (3), and (4) in finding D above; and

(d) Expanding the boundary by 7% (5 acres) to incorporate the East Park Block area and a portion of the City Hall block.

(2) The area defined in the revised, proposed Plan is blighted for the reasons explained in Exhibit C to this Ordinance;

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

(4) The revised, proposed Plan conforms to the Metropolitan Area General Plan, State Land Use Planning Goals, the Downtown Plan, the adopted Growth Management Policies, the Vision for Greater Downtown Eugene, Envision Eugene, and other adopted City plans and policies, and provides an outline for accomplishing the urban renewal projects proposed in the revised, proposed Plan;

(5) No one will be displaced as a result of any of the projects included in the revised, proposed Plan;

(6) No real property is expected to be acquired as a result of the projects included in the revised, proposed Plan, unless improvements to the Farmers' Market necessitates property acquisition;

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

(8) The City shall assume and complete any activities prescribed it by the revised, proposed Plan.

**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 Downtown 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 457.450.

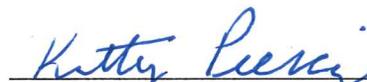
Passed by the City Council this

13<sup>th</sup> day of June, 2016

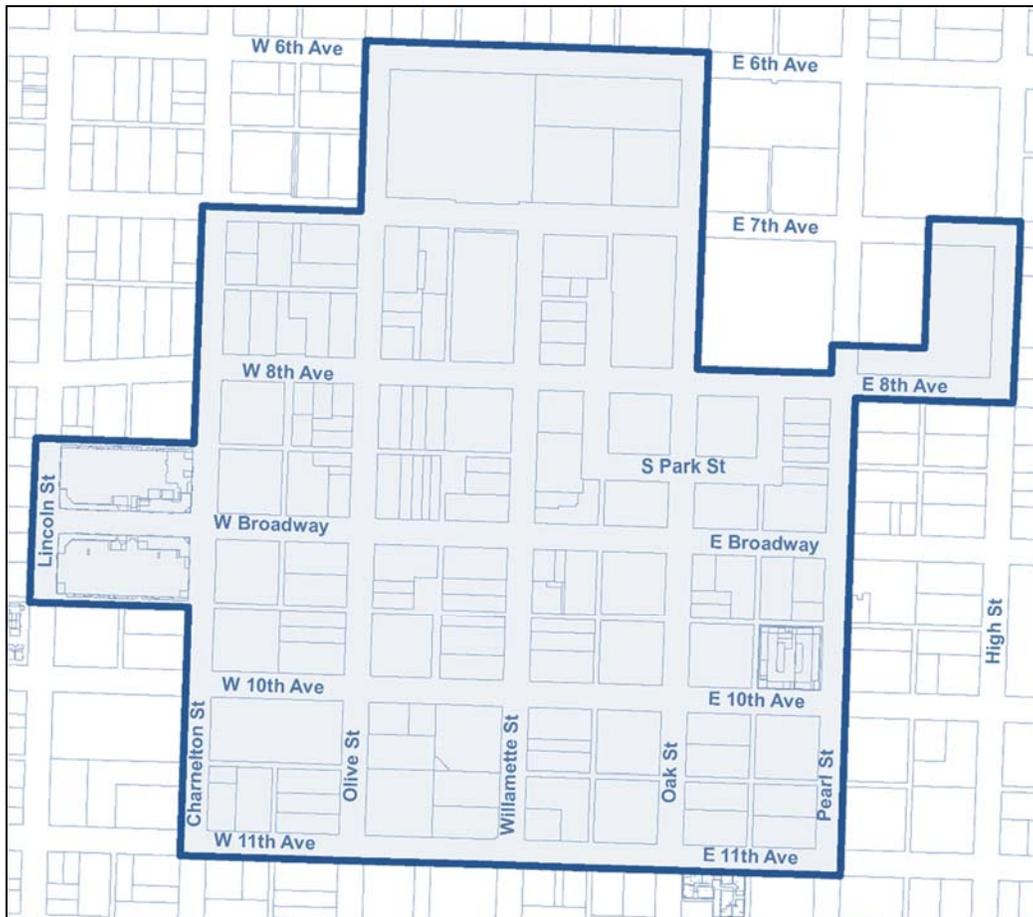
  
\_\_\_\_\_  
City Recorder

Approved by the Mayor this

14 day of June, 2016

  
\_\_\_\_\_  
Mayor

# Urban Renewal Plan for the Downtown Urban Renewal District



Adopted July 1968  
- Modified -  
December 1968  
December 1989  
June 1998  
September 13, 2004  
May 24, 2010  
June 13, 2016

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



**URBAN RENEWAL PLAN FOR THE  
DOWNTOWN URBAN RENEWAL DISTRICT**

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## I. ADOPTION

Resolution Number	Date	Purpose
Resolution No. 257	7/3/1968	Adoption of the Urban Renewal Plan for the Central Eugene Project (the Plan).

## II. AMENDMENTS

Amendment Number	Date	Purpose
Resolution No. 1609	12/19/1968	<ul style="list-style-type: none"> <li>○ Modified the Plan to allow for additional projects as required by HUD to receive additional federal funds.</li> </ul>
Ordinance No. 19648	11/8/1989	<ul style="list-style-type: none"> <li>○ Aligned the Plan with Metro Plan policies: strengthen the area's position as a regional service center, maintain the Eugene central business district as a vital center, incorporate principles of compact urban growth, encourage retail and commercial development in the downtown area, and promote the development of parking structures in the downtown core.</li> <li>○ Expiration set for FY10.</li> </ul>
Ordinance No. 20120	6/1/1998	<ul style="list-style-type: none"> <li>○ Responded to Measure 50 to a) include a maximum amount of indebtedness and b) select Option 1 for the city-wide special levy as the method for collecting ad valorem property taxes for payment of debts related to urban renewal projects.</li> <li>○ Limited expenditure of new funds to completing existing projects and construction of a new main library.</li> <li>○ Removed the business assistance loan program.</li> <li>○ Approved a plan to reduce district administration costs over the following three years.</li> </ul>
Ordinance No. 20328	9/13/2004	<ul style="list-style-type: none"> <li>○ Expanded the projects for which tax increment funds could be used</li> <li>○ Created a public advisory committee</li> <li>○ Added the requirement for specific Agency approval of projects greater than \$250,000 (other than loans), and adding a limit of \$100,000 on the mandate for a public hearing in the event of a plan change (applies to minor amendments that can be approved by the URA without ORS 457.095 approval – Section 1200, C of the 2004 Plan).</li> <li>○ Added the Downtown Revitalization Loan Program (DRLP).</li> <li>○ Expiration set for 2024.</li> </ul>
Ordinance No. 20459	5/24/2010	<ul style="list-style-type: none"> <li>○ Limited scope of two previously approved projects, removed the ability to initiate all other previously approved projects, and authorized one new project expenditure of new funds to completing existing projects and construction of a new main library.</li> <li>○ Except for the three projects and existing projects previously approved no initiation of additional projects.</li> <li>○ Expiration upon the repayment or defeasance of debt related to the urban renewal projects specifically identified in the Plan.</li> </ul>

# URBAN RENEWAL PLAN FOR THE DOWNTOWN URBAN RENEWAL DISTRICT

## Section 100 – Introduction

The Downtown Urban Renewal Plan was revised in 2016 to expand a previously approved project and to authorize several new projects. The previously approved project is “Public Parks, Public Plazas, Public Rest Rooms, Public Open Spaces, and Streets: Park Blocks Improvements for the Farmers’ Market”, which will be expanded to fund improved parks and plazas throughout the Plan Area, including improvements to the Park Blocks for overall community use, to support the continued use for the Saturday Market, and to assist in the development of an improved permanent Farmers’ Market in the Plan Area. The new projects are “Public Utilities: High-Speed Fiber” for the implementation costs that benefit the Plan Area, and “Other Public Facilities: Old Lane Community College Building” for the redevelopment of the now vacant school building. Except for these projects, the Agency will not initiate additional projects to be funded with tax increment dollars after the date of this 2016 Amendment.

The Downtown 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 1300 A of this plan.

## Section 200 – Definitions

The following definitions will govern this Plan.

2016 Amendment means the update to the Plan that was completed in 2016.

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

Butterfly Parking Lot means the property on the northwest corner of 8<sup>th</sup> Avenue and Oak Street that is owned by Lane County and in use as a two-level parking structure.

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.

Eugene Fiber Implementation Plan means the plan to extend the municipal high-speed fiber network to downtown buildings and establish the high-speed connection between local and regional internet exchanges.

High-Speed Fiber means the portion of the Eugene Fiber Implementation Plan that is located within the Plan Area and that benefits the Plan Area.

Old LCC Building means the 66,000 square foot building at 1059 Willamette Street owned by Lane Community College and vacated in January 2013 when the new Lane Community College Downtown Campus opened at 10<sup>th</sup> Avenue and Olive Street.

Plan means this Urban Renewal Plan for the Downtown District.

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

Projects means only the urban renewal projects that are listed in Section 600 of the Plan, as amended by the 2016 Amendment.

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 Downtown Urban Renewal District includes an area of approximately 75 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 through:
  - a. Infrastructure improvements to parks, plazas, and open space to provide an inviting civic space aligned with the Willamette to Willamette Initiative, and inviting and accessible connections between the parks, plazas and open space;
  - b. Assisting in the creation of an improved permanent Farmers' Market that will reinforce cultural, commercial and redevelopment activities downtown and bring thousands of people into the Plan Area to purchase farm fresh produce and other products, including people who otherwise would not travel into the Plan Area;
  - c. Construction of critical utility high-speed fiber;
  - d. Redevelopment of the Old LCC Building into an active use, bringing more people into the Plan Area, thereby making the entire Plan Area more

attractive for other businesses and removing the blighting influence of a vacant building in a significant location along Willamette Street.

2. Eliminate blight and blighting influences;
3. Strengthen the economic conditions of the Plan Area; and
4. Enhance downtown's role as the regional economic, governmental, and cultural center and a central location for public and private development and investment.

## **B. OBJECTIVES**

Development in the Plan Area has been intended to implement the adopted policies contained in the Downtown Plan and to develop downtown as the heart of a livable, economically strong, and sustainable city. The objectives for the Plan are to ensure that:

1. The parks, plazas, Farmers' Market, and open space provide inviting civic spaces:
  - a. Benefit the Plan Area and community overall to bring even more community members into the Plan Area and allow for accessibility and connectivity between the public spaces,
  - b. Benefit the community overall and the Farmers' Market with an improved permanent space in the Plan Area so the market can continue to bring hundreds of community members into the Plan Area and remain viable as an organization, and
  - c. Benefit downtown, as athletes, visitors, media and local residents are in the center of our city for the World Track and Field Championships in 2021;
2. High-speed fiber can:
  - a. Increase internet speed for lower monthly costs;
  - b. Increase the competitiveness of the existing technology sector, which will increase the number and size of technology businesses and related jobs, in accordance with the Regional Prosperity Economic Prosperity Plan;
  - c. Reduce costs and increased telecommunications speed for the City, Lane Community College, Lane County, Lane Council of Governments (LCOG), 4J and Bethel school districts; and
  - d. Lower the cost of telecommunications service for residential buildings inside the Plan Area and at least two existing affordable housing projects within one block of the Plan Area;
3. Redevelopment of the Old LCC Building will transform a large, vacant building adjacent to Lane Transit District into an active use contributing to downtown vitality.

## **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, zoning ordinance, subdivision ordinance, City

charter, or 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 no others, and may pay that indebtedness with tax increment funds:

### **A. PUBLIC PARKS, PUBLIC PLAZAS, FARMERS’ MARKET, PUBLIC RESTROOMS, PUBLIC OPEN SPACES, AND STREETS**

Former Section 600 A of the Plan authorized the Agency to participate in funding infrastructure improvements to the Park Blocks in order to make that location more attractive and functional for the Farmers’ Market. Beginning with the effective date of the 2016 Amendment, the Agency will also be able to use tax increment funds in the Plan Area to help create an improved permanent Farmers’ Market (not to exceed an additional \$4 million of such funds), as well as to improve any public parks, public plazas, restrooms, open spaces, streets, and sidewalks within the Plan Area (not to exceed \$5.2 million of such funds). The Agency may spend tax increment funds on infrastructure improvements to these elements that may include the design, acquisition, construction or rehabilitation of public spaces, or parks or public facilities within the Plan Area, including but not limited to shelters, buildings, landscaping, walkways, plazas, accessibility improvements, lighting, furniture, and art. A portion of that total may also be spent on changes to the surrounding streets (e.g. 8<sup>th</sup> Avenue, Oak Street, and Park Street), reincorporating the site of the Butterfly Parking Lot as part of the historic four corners of the Park Blocks, and connecting the public spaces as part of the Willamette to Willamette Initiative. However, tax revenue funds shall not be used to pay for construction of a new City Hall building, nor to pay for a parking lot on the block bounded by Pearl Street, 8<sup>th</sup> Avenue, High Street, and 7<sup>th</sup> Avenue.

*Community Engagement & Approval Process:* Prior to the approval of construction for any of the improvements authorized by this subsection A, the Agency shall complete the following activities:

1. The community will be invited to share their aspirations and vision for the public parks, plazas, open spaces and streets in the Plan Area. In addition, the community will be invited to share ideas about an improved permanent Farmers’ Market before funding can be approved for construction.
2. Agency staff shall present to the City’s elected officials the information from the community engagement activities identified in paragraph 1. In addition, staff will estimate costs for the specific project or projects, as well as possible funding mechanisms that could be authorized by either the Agency Board or the City Council, including such mechanisms as tax increment financing, grants, General Obligation bonds, General Fund dollars, and private contributions.

3. Following or concurrently with the presentation of the information in paragraph 2, a public hearing shall be held to allow the public to comment directly to the elected officials on whether a specific project should move forward, and if so, how it should be funded.
4. Following the public hearing, the Agency Board may authorize the use of tax increment financing for the specific project or projects that were the subject of the public hearing, or alternatively, decide that a different funding mechanism should be used for all or part of the cost of constructing the project.

**B. PUBLIC UTILITIES: *High-Speed Fiber***

The Agency may assist with the Eugene Fiber Implementation Plan to extend the municipal high-speed fiber network to downtown buildings and to establish the high-speed connection between local and regional internet exchanges for costs attributable to the Plan Area using tax increment funds not to exceed \$3 million.

*Installing Downtown Fiber:* The 2013 City of Eugene Broadband Strategic Plan identified the development of a downtown fiber network as a strategic goal. After completion of the Strategic Plan, City staff worked with Lane Council of Governments (LCOG) and the Eugene Water and Electric Board (EWEB) on a successful pilot project, to test the feasibility of implementing a downtown network. The City, EWEB, and LCOG identified a workable method to connect several commercial buildings by running fiber optics cables through existing electrical conduit. With LCOG, EWEB, and the Technology Association of Oregon, the Fiber Implementation Plan a) calls to construct fiber connections to additional downtown buildings and b) includes the costs and benefits of leasing a publicly operated connection from a local internet connection point to large, regional internet exchanges.

High-speed fiber will serve and benefit the Plan Area because: (1) existing businesses and new businesses benefiting from the high speed and competitive market will grow employment and attract new investments to the Plan Area; (2) residents of housing in the Plan Area will have an added benefit for living within in the Plan Area; and (3), and public agencies will have reduced costs and increased telecommunication speed.

**C. OTHER PUBLIC FACILITIES: *Old LCC Building***

The Agency may provide up to \$6 million in tax increment funds as part of redevelopment of the Old LCC Building, which may include housing or activities that advance the Regional Prosperity Economic Development Plan (e.g., an innovation center with maker space, wet lab, or art/tech incubator). The building will benefit the Plan Area by increasing public usage of the area and stimulating additional public and private investment. This work would include Lane Community College and could include collaboration with others.

Prior to the approval of tax increment funds for construction of these improvements the Agency shall follow the public input and approval process identified in subsection A of this section 600.

## **D. 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.

## **E. EXISTING ACTIVITIES**

The Agency may complete urban renewal projects authorized prior to the 2016 Amendment (for example, the Broadway Commerce Center and Woolworth Building projects at Willamette and Broadway, repay debt issued for LCC's Downtown Campus and the Broadway Place Garages, and improvements to downtown lighting). The Farmers' Market improvements that were authorized in the 2010 Amendment are part of the expanded Farmers' Market project identified in Section 600 A. The Agency also may

continue to operate the Downtown Revitalization Loan Program. All dollars loaned must come from program revenue and not from tax increment funds.

## **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, City, 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 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. Each year, the Agency shall develop a budget in conformance with the provisions of ORS Chapter 294 and ORS 457, which shall describe sources of revenue, proposed expenditures, and activities.

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

A financial statement shall be prepared and provide information in accordance with ORS 457. The statement shall be filed with the City Council and notice shall be published in accordance with ORS 457.

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

The activities and projects defined in this Plan, and the adoption of amendments to this Plan shall be undertaken with the participation of community members, owners, tenants as individuals, and organizations who reside within or who have financial interest within the Plan Area together with the participation of general residents of the City. The Agency shall convene not less than once each year a committee of such persons to: a) prepare a report on the activities of the Agency for the previous fiscal year, and b) determine whether the Agency's expenditure of tax increment dollars was limited to the projects authorized by this Plan and the associated administrative costs authorized by the Plan.

Prior to the approval of tax increment funds for construction of Section 600 A and C improvements the Agency shall follow the "community engagement and approval process" identified in subsection A of Section 600.

## **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 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 public engagement results, design engineering for the fiber project, project negotiations for the Farmers’ Market, and project scoping for the Old LCC Building. 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 plan changes 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**

Should the City Council amend the City’s comprehensive plan or any of its implementing ordinances and should such amendment cause a substantial change to this Plan, the City Council amending action shall cause this Plan to be amended provided that the Planning Commission and City Council approve the amendment. In the event of such amendment,

the text and/or exhibits of this Plan, if applicable to this Plan, shall be changed accordingly by duly recorded ordinance.

## **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 Downtown 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 2016 Amendment, it is estimated that the last fiscal year for which taxes will be divided is FY27.

### **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 sum of \$33 million was established in 1998 as the spending limit (maximum amount of new indebtedness which could be issued or incurred from tax increment funds) under this Plan after June 1, 1998. That figure was developed using the estimated project costs, plus a 5% annual inflation factor. The 2010 Amendment increased the maximum indebtedness amount by \$13.6 million, to a total of \$46.6 million.

The 2016 Amendment increased the maximum indebtedness amount by \$19.4 million, to a total of \$66 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 1998 Amendment; and
4. Expenditures made from funds other than tax increment funds, such as loans made from the Downtown Revitalization Loan Program.

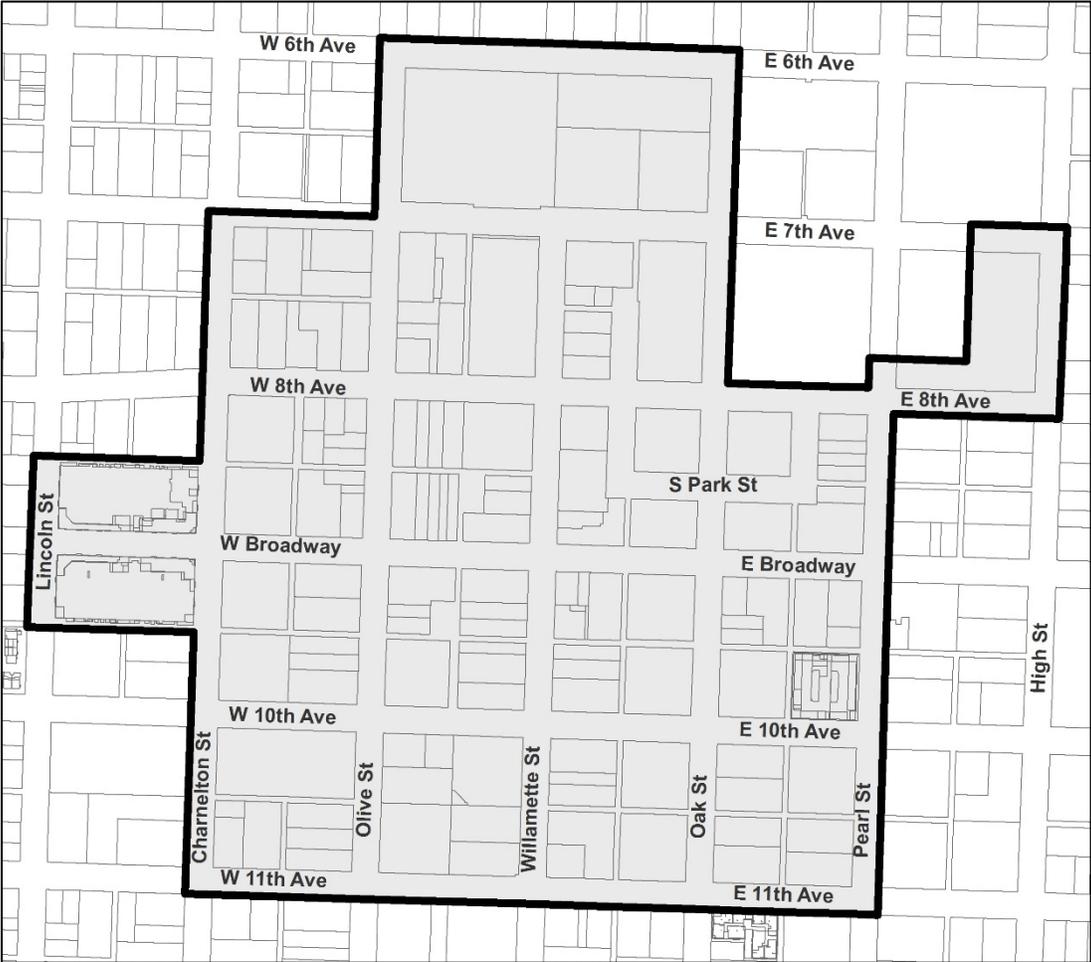
Legislation passed in 2009 (ORS 457.220) placed additional limits on how much a municipality can increase maximum indebtedness. That same legislation, however, also provides that those limitations “do not apply to the extent the municipality approving a plan obtains the written concurrence of taxing 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 that increase in maximum indebtedness when it approved this Plan. After consultation with the other overlapping taxing districts, the School District 4J Board voted 7:0 on May 18, 2016 “to concur with the Eugene City Council’s proposed plan amendment to increase maximum indebtedness for the Downtown Urban Renewal District by up to \$48 million in accordance with ORS 457.220 and 457.470(7).” The City and School District 4J imposed at least 75% of the amount of taxes imposed under permanent rate limits in the Downtown Urban Renewal District in FY 2015. Therefore, the legislative limitations are not applicable to the proposed maximum indebtedness increase resulting from the 2016 Amendment.

Additionally, the LCC Board and the Lane County Board of County Commissioners provided support for the amendment. On May 11, 2016, the LCC Board of Directors voted 6:0 to support the proposed projects, specifically the LCC Downtown Center project, for inclusion in the Downtown Urban Renewal Plan amendment and the use of tax increment financing as the funding mechanism. On May 24, 2016, the Lane County Board of County Commissioners voted 4:1 to approve a letter of support.

## **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 would develop provisions for relocation.

# PLAN EXHIBIT A: Plan Area Map



## **PLAN EXHIBIT B: Plan Area Description**

Beginning at the southwest corner of the intersection of 11<sup>th</sup> Avenue and Charnelton Street in the City of Eugene, Lane County, Oregon, commencing northerly along the west right-of-way line of Charnelton Street to the point of intersection of the south right-of-way line of the alley between 10<sup>th</sup> Avenue and Broadway;

- (1) thence, westerly along the south right-of-way line of said alley to the west line of Lincoln Street;
- (2) thence, northerly along the west right-of-way line of Lincoln Street to the point of intersection of the north right-of-way line of the alley between Broadway and 8<sup>th</sup> Avenue if extended;
- (3) thence, easterly along the north right-of-way line of said alley to the west right-of-way line Charnelton Street;
- (4) thence, northerly along the west right-of-way line of Charnelton Street to the northwest corner of the intersection of 7<sup>th</sup> Avenue and Charnelton Street;
- (5) thence, easterly along the north right-of-way line of 7<sup>th</sup> Avenue to the northwest corner of the intersection of 7<sup>th</sup> Avenue and Olive Street;
- (6) thence, northerly along the west right-of-way line of Olive Street to the northwest corner of the intersection of 6<sup>th</sup> Avenue and Olive Street;
- (7) thence, easterly along the north right-of-way line of 6<sup>th</sup> Avenue to the northeast corner of the intersection of 6<sup>th</sup> Avenue and Oak Street;
- (8) thence, southerly along the east right-of-way line of Oak Street to the northeast corner of Oak Street and South Park Avenue;
- (9) thence, easterly along the north right-of-way line of South Park Avenue extended to the east right-of-way line of Pearl Street;
- (10) thence, southerly along the east line of Pearl Street to the southeast corner of the intersection of Pearl Street and West 11<sup>th</sup> Avenue; and
- (11) thence westerly along the south right-of-way line of West 11<sup>th</sup> Avenue to the point of beginning.

### **Portion of the City Hall Block description**

A tract of land located in the Northeast one-quarter of Section 31 in Township 17 South, Range 3 West of the Willamette Meridian being more particularly described as follows; Beginning at the Southwest corner of Block 18 as platted and recorded in Skinner's Donation to Eugene per Judgement Docket "A" page 2, Lane County Oregon Plat Records in Lane County, Oregon; thence Southerly along the westerly line of Block 24 of said Skinner's Donation to Eugene to the Northwest corner of Block A of Mulligan Addition to Eugene as platted and recorded in Volume A, Page 122, Lane County Oregon Plat Records in Lane County, Oregon; thence Westerly along the Northerly line of Block 1 of said Mulligan Addition to Eugene to the Northwest corner of said Block 1 of said Mulligan Addition to Eugene; thence northerly to the Southwest corner of Block said Block 24; thence West to the Southeast corner of Block 7 Mulligan Addition to Eugene as platted and recorded in

Volume A, Page 122, Lane County Oregon Plat Records in Lane County, Oregon; thence northerly along the East line of said Block 7, 50.00 feet; thence running 50.00 feet distant and parallel to the south line of said Block 24 to the centerline of the now vacated alley within said Block 24; thence Northerly along said alley centerline to the South line of Block 17 in said Skinner's Donation to Eugene; thence along the South line of said Block 17 to the Southwest corner of Said Block 18 and there ending, all in Eugene, Lane County, Oregon.

### **East Park Block Area description**

A tract of land located in the Northeast one-quarter of Section 31 in Township 17 South, Range 3 West of the Willamette Meridian being more particularly described as follows; Beginning at the Southwest corner of Block 24 as platted and recorded in Skinner's Donation to Eugene per Judgement Docket "A" page 2, Lane County Oregon Plat Records in Lane County; thence Southerly along the west line of Block 1 of Mulligan Addition to Eugene as platted and recorded in Volume A, Page 122, Lane County Oregon Plat Records in Lane County, Oregon to the Southwest corner of Lot 3, Block 24 of said Mulligan Addition; thence Westerly along the projected south line of said Lot 6 and along the north right-of-way line of South Park Street to the intersection with the east right-of-way line of Oak Street; thence northerly along said east right-of-way line of said Oak Street to the northerly right-of-way line of East 8<sup>th</sup> Avenue; thence Easterly along said northerly right-of-way line of said East 8<sup>th</sup> Avenue to the point of beginning being the Southwest corner of said Block 24 of Skinner's Donation to Eugene and there ending, all in Eugene, Lane County, Oregon.