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Goodbye, City Hall. Hello, Town Square

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City officials seek to develop new municipal government center in conjunction with improved Park Blocks and farmers market

The beleaguered Eugene City Hall project is getting a fresh start, a new name and an expanded scope.

City officials will plan and design the new civic building in concert with improvements to the Park Blocks, downtown's largest park, and a covered, year-round Lane County Farmers Market under the Town Square moniker.

This fall, they plan to hire consultants to develop the project's initial design and to discuss with the City Council setting a preliminary budget. The design work is set to kick off early next year with the consultant and city seeking public comment on the look and features of the future Town Square.

“The Town Square is an opportunity for us to think about more than just the City Hall, but to build a stage on which to play out the life of the community,” Will Dowdy, the city’s urban development manager, told city councilors recently.

The city is unable to kick off the design work earlier as it awaits a court ruling that’s needed to confirm it can legally build the new City Hall at its new location under a proposed land swap with Lane County.

Under that agreement, struck in 2017, the city agreed to purchase the half-block parking lot at Oak Street and Seventh Avenue from the county, siting the new City Hall on the lot’s northern half and the expanded farmers market at its current location on the lot’s southern half. In exchange, and also contingent on a favorable court ruling, Lane County would buy the vacant City Hall block at Seventh Avenue and Pearl Street and site the new county courthouse on it.

If given the legal green light, the city would complete the improved Park Blocks and farmers market in 2021, with the completion of City Hall occurring the following year, although city officials caution that timeline is preliminary. The old City Hall, the seat of municipal government for a half-century, was razed in 2015 due to its age and concerns it would collapse during a strong earthquake.

The city decided to move City Hall after it shelved a plan in 2016 to build the seat of municipal government on a portion of its predecessor’s vacant block. Nearly a decade earlier, city officials abandoned a City Hall concept carrying a price tag of up to \$163 million after polling found voters would likely reject a bond measure to pay the bulk of the cost.

The location of the three proposed projects isn’t new, but the city’s plan to unify them into a single vision is.

And residents are sure to question how city officials can deliver a three-in-one project when its efforts to construct a single building have a long history of setbacks.

City officials said this project will be far more achievable because there's money at the ready. In 2016, when the city extended the urban renewal district — which essentially diverts property tax dollars from other public agencies to pay for projects that revitalize blighted areas — it provided up to \$5.2 million for improving Park Blocks and other downtown open spaces, and up to \$4.5 million for the farmers market. Lane County also pledged to invest up to \$940,000 in cash or in-kind contributions, with a minimum of \$500,000 in cash, toward the farmers market under the terms of the proposed land swap.

“The difference is we're not creating a vision and design and then going and scrambling for money and resources, and that is usually where we get stuck,” explained Denny Braud, the city's planning and development director.

Whether City Hall is fully funded is an open question, however. The City Council had set a \$17.85 million budget to plan, design and build the four-story, 30,000-square-foot building that was shelved two years ago and spent several millions of dollars on it. The city planned to draw the money from a building replacement fund, capital project funds, proceeds from a property sale and a monetary settlement.

“We had outlined a variety of paths about how we would build those dollars up and so we'd probably go back to council and say, 'Is that still the direction you want to go or is there some other one-time resource you'd like to access?' I imagine we'll revisit that and make sure we're on track with whatever council wants to do,” Assistant City Manager Kristie Hammitt said.

Other potential sources include proceeds from sale of the City Hall block to Lane County and money from the large settlement payment Comcast made to the city in 2016.

The previously proposed City Hall would have featured the council chambers, other meeting space, and offices for the mayor, city manager and about 30 city employees. A future phase would accommodate most of the remaining city employees dislocated from the old City Hall that now work in leased space downtown. Lane County has granted the city an exclusive option to purchase the existing courthouse once its vacated to site a future phase of City Hall.

City officials pledge they will stick to the budget set by city councilors this time around.

“We will scrutinize the building program based on (the values), establish a square-foot budget and evaluate all the building elements and features against this starting point,” Dowdy said. “If at some point we find the budget we’ve developed is no longer workable we will work together to carefully and deliberately amend it.”

The key pitfall last time around was that city staff exceeded the set budget for City Hall in their behind-the-scenes bid to design a project that met the values the council and community had identified for the project. The values mandated a building that was durable, environmentally sustainable, and open and transparent, which led to a design packed with budget-busting additions that included a geothermal heating and cooling system and an eye-catching front façade made of glass and wood reclaimed from the old City Hall.

During the July 25 meeting, city councilors were generally supportive of moving ahead with the project, but councilors Mike Clark and Emily Semple questioned how the city would keep urban renewal dollars from paying for City Hall. Before extending the urban renewal district, city councilors made clear they didn’t want those dollars used on City Hall construction.

But other councilors saw value in the new course.

“I think to pretend that these projects aren’t going to interact with each other would be a very narrow view that wouldn’t serve the community,” Councilor Claire Syrett said.

Braud said there’s no intention of using urban renewal dollars for City Hall. The land swap agreement calls for the city to buy the northern half of the butterfly lot — the future site of City Hall — using general fund dollars, and for its urban renewal agency to purchase the southern half of the lot, the site of the farmer’s market.

“We have clearly separated the transaction at this point,” he said.

With the Park Blocks and farmers market now near the future City Hall's doorstep, Braud said unifying three separate projects under a single umbrella was a natural "evolution."

The Town Square concept provides the community a tremendous opportunity to create a place rather than a single building that will draw residents downtown to socialize, engage in fun activities and participate in civic affairs, city officials said.

In addition, the unified project will return Eugene to its historic roots, as the properties in play are on or near the public square that the city's founders established as the heart of Eugene, they said. Over the decades, the community has moved away and even paved over that original vision.

"There comes a point where you have to pause and say we're going to do it right, or at least we're going to try to do it right, and bring it back to where it could have and should be," Braud said.

Still, the Town Square concept likely hinges on a favorable court ruling, although city officials said it's feasible the Park Blocks and farmers market improvements could move forward if the decision lands against the land swap.

The legal case centers on Lane County suing the heirs of city founders Eugene and Mary Skinner in a bid to resolve whether language in the deed recorded when the Skinners donated land to establish Eugene as the county seat in the mid-19th century blocks the proposed land swap.

An impatient City Council has set a Dec. 1 deadline for the county to resolve that legal question, or it may walk away from the deal. The city is not a plaintiff in the lawsuit, formally known as quiet title action. The city and county suffered a setback in an earlier bid to clear up the legal uncertainty around the proposed land swap when a judge determined there were no defendants and therefore no legal question to settle.

The Skinner descendants provide that potential legal adversary due to their link to their forebearers' property. Lane County has identified and served all known Skinner descendants and is waiting to receive a hearing date within the next month or so, county spokeswoman Devon Ashbridge said.

City officials said they remain upbeat there will be a favorable ruling.

“The county is doing an excellent job in working as quickly as they can to make sure they’re doing it in the right way,” Hammitt said.

Sarah Bennett, president of Downtown Eugene Inc., said the nonprofit has pushed city leaders to keep City Hall downtown and supports the two other projects. The organization of downtown business and property owners works to create a prosperous downtown economy.

“They will all be places that serve the public,” she said. “While they’re different uses, they go together. ... If you plan them together, it’s a smart approach.”

Former city councilor George Brown said he was generally in favor of the shift — with some caveats.

“That’s not necessarily a bad idea,” he said of the Town Square concept, “rather than building one segment and waiting five years and doing the next one.”

Brown was a former city councilor who was highly critical of the city manager’s handling of the project when the cost overruns went public. He also was a key supporter of the elected city auditor measure that voters rejected in May. He and other backers cited the City Hall project as an example of why an elected auditor was needed.

Brown did question the amount of money reserved for the farmers market project and said city officials should be modest in their expectations for City Hall, given construction prices have risen in the two years since the last project was shelved.

“They should build something that is practical and isn’t a total eyesore,” he said.