

City of Springfield  
Regular Meeting

MINUTES OF THE REGULAR MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, MAY 19, 2008

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, May 19, 2008 at 7:03 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Lundberg, Wylie, Ballew, Ralston, Woodrow and Pishioneri. Also present were City Manager Gino Grimaldi, Assistant City Manager Jeff Towery, City Attorney Joe Leahy, City Attorney Bill Van Vactor, City Recorder Amy Sowa and members of the staff.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

SPRINGFIELD UPBEAT

1. Recognition of ACTSO Gold Medal Winner, Reiann Hardiman.

Mayor Leiken said ACT-SO (Afro-Academic, Cultural, Technological and Scientific Olympics) was sponsored by the National Association for the Advancement of Colored People (NAACP) and is an acronym for Afro-Academic, Cultural, Technological and Scientific Olympics. The program encourages high academic and cultural achievement among African-American high school students. There are many categories for the competition and all African-American high school students who are citizens of the United States are eligible to participate.

Reiann Hardiman won a Gold Medal for Musical/Vocal – Contemporary. Reiann is a junior at Springfield High School.

Ms. Hardiman performed the song she sang in the regional ACT-SO competition.

2. Springfield Education Day Proclamation.

Mayor Leiken proclaimed May 22 as Springfield Education Day. He noted the Gift of Literacy program held at Lane Community College and the value it held for young readers.

3. Employee Recognition: Kristi Krueger, 10 Years of Service.

This item will be rescheduled for a future Council meeting.

CONSENT CALENDAR

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE THE CONSENT CALENDAR. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

1. Claims

- a. Approval of the April 2008, Disbursements for Approval.

2. Minutes

- a. May 5, 2008 – Work Session  
b. May 5, 2008 – Regular Meeting

3. Resolutions

4. Ordinances

- a. ORDINANCE NO. 6221 – AN ORDINANCE AMENDING THE SPRINGFIELD MUNICIPAL CODE (SMC), CHAPTER 7 – BUSINESS, TO AMEND SMC 7.164 REGARDING HOURS OF OPERATION FOR DANCE HALLS.

5. Other Routine Matters

- a. Approval of the Liquor License Endorsement for Sweet Illusions, Located at 1836 South A Street, Springfield, Oregon.

ITEMS REMOVED

PUBLIC HEARINGS - Please limit comments to 3 minutes. Request to speak cards are available at both entrances. Please present cards to City Recorder. Speakers may not yield their time to others.

1. Liquor License Endorsements for the Renewal Period of 2008-2009.

Community Services Manager Dave Puent presented the staff report on this item. The list of 143 businesses (attachment 1 of the agenda packet) will likely be applying to the Development Services Department for their 2008-2009 liquor license endorsements prior to June 30, 2008.

On December 19, 1994, Council approved Ordinance No. 5768 that established specific criteria to be used when reviewing an application for a liquor license endorsement. Council may recommend denial based upon reliable, factual information as it relates to any of the criteria listed in Section 7.302 of the Springfield Municipal Code.

Some of the required information for liquor license renewal, i.e., ownership of the establishment, cannot be determined until staff receives the actual application. However, some determination about meeting the listed criteria can be made now since the criteria relates to the level of police activity associated with the establishment.

The public hearing this evening is scheduled for Council to receive community testimony relative to the liquor license renewal endorsement. At the conclusion of the public hearing, Council is requested to provide one of the following recommendations to the Oregon Liquor Control Commission for the license renewal of the listed establishments: 1. Grant; 2. No

Recommendation; 3. Do Not Grant Unless (applicant demonstrates commitment to overcome listed concerns); or 4. Deny.

Mr. Puent noted that the businesses listed in the council packet were existing businesses, not new businesses or businesses relocating. Business #112 would not be coming forward at its current location.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE LIQUOR LICENSE ENDORSEMENTS FOR THE RENEWAL PERIOD OF 2008-2009. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

BUSINESS FROM THE AUDIENCE

1. James Hodgin, 530 Centennial, Springfield, OR Mr. Hodgin said he was the father of two sons, one who would be attending the A3 School in the fall. He was very concerned about the strip club Mr. Dugger wanted to open so near the school. Strip clubs drew only bad elements, drugs and prostitution and according to the Register Guard, Mr. Dugger has had problems with these elements at his previous establishments. As A3 held events after normal school hours, this would put minors in direct exposure to this environment. He proposed the City Council enact an ordinance banning nude or partially nude clubs within 1000 yards of any school which minors attend.
2. Julie Lopez, 91628 Donna Road, Springfield, OR Ms. Lopez said one of her sons was currently attending A3 and her other son would be attending next fall. She was very concerned about having a strip club and bar so close to the school. She questioned why they just found out about this on Saturday in the Register Guard. The school was not notified, nor the parents. She was concerned about what this establishment would do to downtown as we tried to revitalize the City. She would most likely pull her sons out of the school if this establishment was there. The school was a good school, but this establishment was not good for the school or the City.
3. Steve Lopez, 91628 Donna Road, Springfield, OR Mr. Lopez said he was a concerned parent with children going to the A3 School in downtown Springfield. He also noted that they just found out about this through the newspaper. The proximity of the strip club to the school concerned him. There were after school activities and activities in the evening that kids attended. Having this element directly across the street from the school, he would ask Council to stop this from happening.
4. Jason Roebuck, 4015 Cherokee Drive, Springfield, OR Mr. Roebuck read from a prepared letter. When Bill Grile stopped by The Office one and a half months ago, he explained that a concerned citizen was needed to help champion a Farmer's Market in downtown Springfield. Mr. Roebuck was amazed at the overwhelming response from fellow citizens that this market was finally going to happen. Everyone said it would be a great way to continue the work

being done to revitalize and bring families downtown. It would go a long way in showing current and prospective business owners that people would come downtown if we gave them a reason to come downtown. We could change the image of the type of people visitors saw when they came downtown. He was concerned about the liquor license application from Shaker's Bar and Grill. The business had a right to operate as long as it did so within the confines of the law. It was not his position to change the Oregon Constitution to allow government to block this type of business. He did feel, however, that this was not the right business to convey the message that Springfield was trying to revitalize downtown and try to attract more family friendly businesses. He didn't feel anything should be done to completely stop them from opening their business, if he felt compelled to do so even after being made aware of the concerns. Mr. Roebuck hoped Springfield could help him relocate to a better location or provide incentives for him not to open at this location. Mr. Roebuck said he spent a lot of time at the adjoining restaurant and spoke to a lot of people who said they would love to see a business such as The Office succeed downtown. He guaranteed that the possibility of re-opening The Office as a family friendly finer diner with condominiums upstairs would be severely limited by such a business moving in next door. He also felt that the condo business the owners of The Office were planning would be adversely affected by the location of this business. He read further from the letter quoting two real estate professionals regarding the detriment of locating strip clubs and adult film and video establishments in downtown.

5. Doyle Pierce, 1208 Main Street #1, Springfield, OR Mr. Pierce said he lived across the street from an adult strip club and behind him was a school for children. In the two years he had lived there, he had chased drunks and couples out of his garage. In the summer, he liked to sit outside, but there was loud music and nudity from the establishment. He had also witnessed inappropriate activities. Downtown renovation sounded beautiful, but not the type of activities that went on at those type of places.
6. Steven Houser, 1164 Olympic Street, Springfield, OR Mr. Houser said he had lived in Springfield for many years, his parents had lived here for years, his children attended Springfield Public Schools and his wife was employed by the Springfield School District. He was proud of Springfield and wanted to see Springfield become a better place. He referred to the Council goals and said he was in favor of facilitating the redevelopment of Springfield and had voted to put that in place. The kind of business that wanted to go in would not facilitate Springfield being a better place for families to visit. He said he was not against the business, but wanted a business in downtown that he could take his children and grandchildren to and be proud. When he bought his property at 12<sup>th</sup> and Main Street, there were no strip bars that he was aware of, and then one went in across the street. Once that type of business was established, they seemed to proliferate. Citizens were looking at the leaders to do the right thing. He asked that Council find a way to say no to these businesses and bring Springfield back to a place where families were proud to bring their children. He thanked Council for the opportunity to speak tonight.
7. Myles Davis, 923 19<sup>th</sup> Street, Springfield, OR Mr. Davis read from a letter he had prepared. There were many reasons he believed Shakers shouldn't move into this area. He said he belonged to a community within a larger community, the Academy of Arts and Academics (A3), which was only two buildings from where the strip joint planned to locate. He believed in free enterprise, but noted that one of the legalities in running a business was to control patrons. Drunken men weren't easy to control. He said he had lived behind a bar and said it was a huge problem for his three sisters. Remarks from patrons of the bars have made him ill and made him lose sleep. If Shakers relocated to the proposed location, there would be

additional fear and harassment for the young women of the school. He would plead with the owner to reconsider this location.

8. Rita Vait, 1617 Market Street, Springfield, OR Ms. Vait thanked the Council for the opportunity to speak tonight. She spoke regarding the opening of an adult-only club just doors down from a high school and an alternative high school. She strongly encouraged Council to find any way possible to disallow Shakers to relocate to the core of downtown Springfield. Ms. Vait's son and friends would be attending A3 next year, in addition to the children currently attending. Those students needed to be protected. She took great offense that the students would be virtually next door to a nude bar and unsavory traffic that may go along with it. It was difficult enough for children to learn, but to have the additional exposure to this type of establishment would act as a barrier to learning. Ms. Vait had volunteered in her son's school since kindergarten, was active in his education and would continue to do what she could to preserve the academic learning environment for A3.
9. Lori Eichelberger, 34386 Mathews Road, Eugene, OR Ms. Eichelberger said she had a daughter who attended the A3 School. Ms. Eichelberger said she had lived in the Eugene area off and on since 1976 and had recently moved back to start a vineyard. She was disappointed to see what hadn't happened in Eugene and noted that Springfield was more likely to get their act together faster than Eugene. Having her daughter at A3 was a positive way to support the redevelopment in downtown Springfield. She had heard that Oregon had the most per capita of strip bars than any other city in U.S. and that trend was not something to be proud of. She understood that the City couldn't prohibit these types of businesses, but suggested looking at tax incentives to create a red light district or something similar. Strip clubs and high schools didn't go together. When researching a school for her daughter, one of the positive things A3 tried to do was create community partnerships so students could find mentors in the community. There were no positive mentoring aspects for strip clubs in downtown.
10. Terry Corris, 497 N 68<sup>th</sup> Place, Springfield, OR Mr. Corris spoke on the proposed strip club moving downtown next to A3. Mr. Corris said he was a local business owner operating a window cleaning business and volunteered to clean the windows at the A3 School. His wife volunteered many hours at the school and his daughter attended A3. He was very concerned about the element that would be coming downtown. He noted the other issues with transients and drugs in downtown and said we needed to keep this away from our children. There was certain element that followed those businesses and it was not healthy for Springfield. He voted for downtown urban renewal and he felt the City had done a great job. The City needed to keep that in focus. He noted that the A3 School had better results for tests than nearly any other school in the state. Exposing the students to this element would bring Springfield down to a lower level.
11. Jason Gayton, 1065 S Street, Springfield, OR Mr. Gayton said it was vital that we didn't lose the momentum the Council had started in downtown. For years, he was a hard sell for any issue that involved raising taxes, but had become supportive of the efforts to clean up downtown. He thought it was hopeless, partly because of businesses like this. He didn't know the answer to this problem, but encouraged Council to find a way to prevent this and all others from coming downtown. He would appreciate any ways Council could address this. He was supportive and had voted for revitalization.

Mayor Leiken thanked the citizens for coming out tonight; he was glad to see them. This was not a new issue. He asked Joe Leahy, City Attorney, to let people know what the City could or could

not do. He said the audience members were the smart ones and Council took their queue from the public. It was important they all came out.

Mr. Leahy said he also just found out about this last Thursday. At that time, City Manager Gino Grimaldi told Mr. Leahy that Council was very concerned and asked his office to research to see if there was anything the City could do. The City Attorney's Office was exploring the following: 1) The City had an obligation to provide, through the Police Department, a safe environment downtown, so they were looking at that. 2) They were reviewing City regulation in terms of zoning downtown. It appeared the zoning would allow it, but they were looking further into it. 3) OLCC had pre-empted the field regarding liquor establishments, so there may be something the City could do in terms of recommendations from any information that could be generated. That issue was reserved to the State. 4) The Oregon Supreme Court interpreted the Oregon Constitution as providing a more liberal approach than the U.S. Constitution which construed that nude dancing was a form of free expression. 5) Consider a tax or fee related to the demands this establishment took on City resources such as Police. If this business created increased demand, additional fees or taxes could be sought to generate dollars needed to pay for those additional services. They would also look at things about this business that required additional work by the Police Department to the point we looked at whether or not this was a business we wanted downtown and how to approach not having it downtown. Citizens had a right to express concern with peaceful assembly on the sidewalks and inform other citizens they would prefer not to have this type of business downtown. 6) The City could have a discussion with the proprietor regarding the vision for downtown and a discussion with the property owner. Mr. Leahy said he hoped to provide more information in the next week.

Mayor Leiken asked the City Attorney to address the concern about the proximity to the A3 School and what options the City might have.

Mr. Leahy said there had been some cases in Portland regarding zoning to limit establishments such as this locating close to schools. His office was looking into that as well.

Mayor Leiken noted that during their Agenda Review meeting, he and Councilor Lundberg had talked about ideas. She had actually brought up a red light district as an option. The Mayor said he appreciated everyone who voted on the urban renewal plan. The City had solid momentum in that effort as noted by the public tonight. This was an opportunity for this Council to be bold and look at all the options to see what could be done. The Council couldn't do it alone.

Councilor Pishioneri asked the City Attorney to look into the Oregon Revised Statute (ORS) regarding enhanced criminal offense for drug activity when within 1000 feet of a school. He would like to see what the City could do about enacting an ordinance to that affect. He also noted that if the City had business licensing for downtown businesses, and a business had violations, the City could suspend their license.

Councilor Ralston asked how soon this business was planning to move in: June 1. Council needed to make a decision quickly. The City could condemn the building if that was an option.

Councilor Lundberg said she would like the City to buy up all the more problematic locations, with the support of the citizenry. There was need for parking and a fire station downtown. Part of being bold was to determine how to get the upper hand, sooner rather than later. The City needed to look at the opportunities to help make us in control of our downtown. The wonderful turnout tonight showed the interest in making downtown a place to be proud of and bring families.

Mayor Leiken again thanked the people for testifying tonight. The A3 School was incredible, giving children another opportunity to succeed and he was glad the school district had made this investment. He noted that he had just heard about this, too, last Thursday. The City was trying to put together a plan and he hoped the citizens would be part of that plan.

Parking enforcement and ticketing as appropriate were mentioned as options.

### COUNCIL RESPONSE

### CORRESPONDENCE AND PETITIONS

1. Correspondence from Charley Purcell, 1029 Oak Meadows Place, Springfield, Oregon, Regarding the Patrician Manufactured Home Park.
2. Correspondence from Jeff and Shirley Bounds, 1228 Bramblewood Lane, Eugene, Oregon Regarding the Patrician Home Park.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE THE CORRESPONDENCE FOR FILING. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

### BIDS

### ORDINANCES

### BUSINESS FROM THE CITY COUNCIL

1. Business from Council
  - a. Committee Reports
    - 1) Councilor Ballew said the Springfield Clean-up event was held on Saturday. She thanked the City volunteers and maintenance staff. It was a wonderful event.
    - 2) Councilor Ralston reported on the Lane County budget situation, particularly related to the Human Services Commission (HSC). Because Eugene was transferring funds to Lane County, the county was proposing to put money into certain services. One of those services to be added back in was the Buckley House, which was a very important program. He noted several statistics: the Health and Services for high-risk pregnant women and infants was cut down to level 1, minimal service. 28% of the people that used that service were from Springfield; the Communicable Disease Control was put down to a level 1. Only 18% of the people that used that service were from Springfield. Statistics showed that Springfield was paying its fair share based on the percentage of people using the services; the Veteran's Services had been considered for cuts. As a former veteran, and two of Springfield's councilors as former veterans, he had been a voice for the veterans regarding this issue. He had commented during the meeting that Springfield had \$20,000 to direct somewhere. It would only cost about \$66,000 to put full service back in to the Veteran's Services. During the HSC meeting, it was noted that \$140,000 was put into reserves last year that had not been used. He told the HSC that Springfield could be willing to put our

\$20,000 toward reinstating that service with the remainder of the funds from Eugene and the reserves.

Councilor Ballew asked if the Federal and State were also offering veteran services.

Councilor Ralston said they worked in other locations in the state, but it was often hard for veterans to get to those places. The position that could be added back in with the \$66,000 would serve 1600 additional cases a year. The benefits for those 1600 cases would bring in \$7M. The Federal and State offered services but may not be able to see all of the people requiring services. Federal and State funds were funneled through the HSC, but in order to get matching funds they needed to provide a minimum amount of service.

- 3) Councilor Wylie reported on the Public Safety Coordinating Committee (PSCC). The County was exchanging \$4.5M in road funds for general funds. There was still discussion about what could be done with those traded funds. She was concerned there could be prejudice against Springfield residents if Eugene and Lane County did that swap.

Councilor Ralston said that could be expected as the Eugene City Council had made known that their money was for their use. The reason for the percentages was to make sure Springfield paid their way for the services.

Councilor Wylie said funding for jail beds had improved.

Councilor Pishioneri said he had not heard that information so chose not to comment.

Councilor Wylie discussed the number of jail beds and the reductions in the District Attorney's Office. She said there were still questions on the federal timber receipt funds. She felt the City had a role in this at some point.

Councilor Ballew said she had watched part of Lane County's budget process and they were planning to cut \$2.5M this year and \$2M the next. At this point, Lane County would not tell Eugene what to do with the exchanged funds, and vice versa. The County would probably use their funds for public safety.

- 4) Mayor Leiken reported on the League of Oregon Cities (LOC) Transportation Committee. He said this committee would have a package that would be sent to the board of directors of LOC, including operations maintenance. The committee wanted to make sure LOC remained in the loop. Representative Terry Beyer, Chair of the Oregon Transportation Committee, was not interested in pre-emption.

#### BUSINESS FROM THE CITY MANAGER

1. Ratification of the Fiscal Year (FY) 08-09 Regional Wastewater Program Budget and Capital Improvements Program (CIP).

Environmental Services Manager Susie Smith presented the staff report on this item. She acknowledged Peter Ruffier, Eugene's counterpart to Ms. Smith, who was also in the audience. As provided for in the Metropolitan Wastewater Management Commission (MWWMC)

intergovernmental agreement (IGA), the City of Springfield, the City of Eugene, and Lane County, as governing bodies, must ratify the MWMC's annual Regional Wastewater Program Budget and CIP.

The FY 08-09 Regional Wastewater Program (RWP) Budget and CIP document was approved by the MWMC on March 27, 2008. In preparing and reviewing the Budget and CIP, the MWMC convened three budget work sessions and a public hearing prior to taking action to adopt it. The FY 08-09 Budget funds all operations, administrative services, and capital projects planned for the Regional Wastewater Facilities. The CIP outlines and describes the capital projects planned for the next five years. The FY 08-09 RWP Budget and CIP document reflects continued focus on the completion of facilities upgrades and expansion, and operation and maintenance activities to provide wastewater treatment for a growing community through 2025 in a manner that protects the public's health and safety, and the environment. The Commission took a corresponding action to adopt an 11% increase in regional wastewater user charges in order to fully fund the Budget and CIP.

In accordance with the IGA, the MWMC contracts with the City of Eugene for operations and maintenance services, and with the City of Springfield for administrative services. The attached budget document provides regional program and budget summaries as well as detailed budgets for the services provided by Eugene and Springfield. The budget document also provides information about how the RWP activities are driven by MWMC-established goals and performance measures.

The FY 08-09 RWP Budget and CIP must be approved by the MWMC and ratified by Lane County, Eugene and Springfield, and then finally adopted by the MWMC, prior to the beginning of the next fiscal year (July 1, 2008). The Eugene City Council ratified the Budget and CIP on April 28<sup>th</sup>. The Board of County Commissioners reviewed the Budget and CIP on May 7<sup>th</sup>.

The County deferred action until May 14<sup>th</sup> in order to consider requesting that the MWMC and the other governing bodies include language in the budget directing the MWMC to conduct a review of the regional wastewater system development charges (SDCs) during the upcoming fiscal year. This review would be intended to determine changes that could be made to address the IGA objectives for "ensuring equity between newly connected and previously connected users for their total contributions toward the Regional Sewerage Facilities" (IGA Section 3.f.5.). Under the current methodology, SDCs do not generate sufficient revenue to fund eligible portions of the CIP projects under construction, so the objective of "full cost recovery" is not being met. At the May 19<sup>th</sup> Springfield City Council meeting, staff will review the results of the Board of County Commissioners May 14<sup>th</sup> discussion on this matter. Should the Board request specific changes to the budget document, staff will forward them to the Springfield City Council, as well as the MWMC and the Eugene City Council for consideration.

Ms. Smith noted that the budget was heavily driven by capital improvement needs for implementing the 2004 facilities plan. They were on the path towards that project and were planning, designing, and building on time, under budget and meeting performance requirements. Next year, they were budgeted to spend \$96M with approximately \$75M to be spent on projects built next year. She discussed changes in other budgeting items. She acknowledged and apologized for a scrivener's error on the chart on page 10 chart in the line item for revenue bond reserves. The final column list \$8.1M as a change from last year. Proposed Budget FY08-09 amount should also be \$8.1M. That funded the required reserve balances to be able to issue revenue bonds. To support the capital program, they would be issuing the remaining \$50M in borrowing. Previous approval had been received to issue \$100M, the first of which was already issued.

Ms. Smith reported that several members of the Eugene City Council had a few questions regarding SDC revenues and whether or not MWMC was collecting revenues adequately to fund capital improvements eligible for those funds. MWMC had done some trending for SDC revenues and payments for those projects. She reported back to Eugene that after about 2010, SDC revenues would be insufficient to make the eligible payments. The Eugene Council did ratify the budget and CIP and instructed staff to work through MWMC to reevaluate the SDC methodology, similar to what Springfield was doing with their local SDC's. The same issue arose from the County Board of Commissioners. Ms. Smith had submitted to the Council in their Communication Packet a memo with the range of issues raised by the County. In that memo was a revised board order which showed that the County took action to ratify the budget and CIP under the condition that MWMC, in its final action, agreed to reevaluate the SDC methodology for revenue adequacy.

Mayor Leiken thanked Councilor Ballew for her years of service on this commission.

Councilor Ballew said there were citizens, experts and competent staff that sat in on these meetings. MWMC had been sued by the HomeBuilders' Association and had prevailed. It was a grand ambition to collect as many SDC's to accommodate growth, but that calendar couldn't always work that way. She didn't feel the methodology for SDC's could be completed by 2010. Staff had been working hard trying to get the facility built and she asked that they be given a break. The staff at MWMC did a terrific job. SDC's should be looked at, but there was no immediate rush.

Councilor Woodrow asked that when MWMC staff looks into Eugene and Lane County's SDCs, they also look into Springfield's.

Ms. Smith said they would do that.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO RATIFY THE FY08-09 REGIONAL WASTEWATER PROGRAM BUDGET AND CAPITAL IMPROVEMENTS PROGRAM (CIP). THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

2. Declaration of Real Property as Surplus.

RESOLUTION NO. 08-19 – A RESOLUTION DECLARING CERTAIN REAL PROPERTY OWNED BY THE CITY OF SPRINGFIELD SURPLUS AND DIRECTING THE CITY MANAGER TO OFFER SUCH PROPERTY FOR SALE.

City Engineer Ken Vogeney presented the staff report on this item. In 1964, the City acquired property that lies adjacent to the existing south right-of-way line of G Street, east of Mill Street, from the Housing Authority and Urban Renewal Agency of Lane County, Oregon.

The property was purchased in fee simple. However, the deed states that the City's use of such real property is limited to public purposes. As such, staff will seek concurrence from the Housing Authority and Urban Renewal Agency of Lane County concerning the sale of the property. The principal purpose of the acquisition is unknown, but one possible use would be the improvement to G Street. The right-of way of G Street, as platted by the "Sixth Addition to Urbana" in 1962, is sixty feet (60') in width. There are currently no plans to further improve G Street, which is improved with curb and gutter, and pavement to a width of thirty six feet (36'). There is no sidewalk along the portion of G Street adjacent to this parcel, but there is sidewalk on the opposite side of the street and adjoining this parcel. This parcel is approximately 0.03 acre in

size, and is of variable width across the frontage of G Street. The parcel is free of easements, but is not suitable for any other public use. There are two parcels of land adjoining this surplus property and the owners of each parcel have expressed an interest in acquiring the property. The interested owner of the western adjoining parcel intends to remove the existing house on that parcel and construct a new building for a day care and activity center for children from infancy to elementary school age. The owner of the eastern adjoining parcel, who is involved with the western parcel, does not intend to modify the current use of that parcel.

Written notice will be provided to the owners of any abutting property and advertisement in a paper of general circulation to give notice of the City's intent to entertain offers in writing for the purchase of the property. The City Manager will review any offers, which are to be accompanied by evidence of the value of the property, and a Public Hearing, pursuant to ORS 221.715, will be scheduled to allow the Council to take testimony and consider any offers.

Staff recommends that the property be offered for public sale consistent with the provisions of Municipal Code Section 2.714 and the relevant provision of Oregon Revised Statutes regulating the disposal of public property.

Mr. Vogoney said once staff received Council approval, they would go back to the original owners or their successors and ask for their approval to dispose of the property.

Councilor Pishioneri asked for clarification of the property. He asked about the intent of the property.

Mr. Vogoney said one owner would like to build a child care facility.

Councilor Pishioneri said he would be in favor if the owners did something to improve the lots rather than leave them the same. He had concerns about the fence along that property which was a target for graffiti. He would like to see them take down that fence.

Mr. Vogoney said it was the express interest of the abutting property owners to improve those lots.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT RESOLUTION NO. 08-19. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

3. Approval of Design Development Phase – Thurston Fire Station #16 – P20534.

Project Manager Carole Knapel presented the staff report on this item. On October 15, 2007, the Council approved the Functional and Space Program for the Thurston Fire Station #16 Project and directed staff to proceed with the design of a facility which would incorporate Best Management Practices and which would address issues of gender neutrality, ADA accessibility, turnout and equipment storage "Blue Line" separation and apparatus storage. The Council authorized the project to include approximately 9550 square feet. On February 4, 2008, the Council selected the two story pitched roof option with a construction budget of \$1,832,000 and directed staff to proceed with the project design.

The project design team has been working with representatives of Fire Life Safety, Development Services, and IT to design a facility which incorporates the Functional and Space Program as

approved by the City Council. The design development phase of the project is complete including a construction cost estimate and value engineering analysis. The current construction cost estimate with value engineering items is \$2,081,450. This amount exceeds the approved budget of \$1,832,000 by \$249,000. The increases included in the estimate are not caused by any major increases in specific areas but rather by the fact that the estimators had more detailed drawings at this phase and they could more accurately price the components of the work. Since the construction cost estimate exceeds the approved budget, staff has developed four project options for the Council to consider:

- Option 1** Reduce the project scope to stay within the council approved construction budget of \$1,832,000.
- Option 2** Convert southwest internal stairway to external metal stairs and lease light poles from SUB to reduce construction cost. Increase construction budget by \$158,000.
- Option 3** Increase the project construction budget by \$249,450 for the purposes of proceeding with design. Direct the project manager to negotiate with the CM/GC to submit a Guaranteed Maximum Price proposal once construction documents have been completed and the project has been bid. Direct the project staff to return to Council with the Guaranteed Maximum Price proposal for final construction cost approval.
- Option 4** Option 2 and Option 3 combined.

The construction cost estimates for the options are summarized below:

Option	Cost	Approved Const. Budget	Variance
1	\$1,832,000	\$1,832,000	\$0
2	\$1,990,000	\$1,832,000	\$158,000
3	\$1,981,450 – \$ 2,081,450	\$1,832,000	\$149,450 - \$249, 450
4	\$1,890,000 - \$1,990,000	\$1,832,000	\$58,000 - \$158,000

Ms. Knapel reviewed the four options for Council consideration. She noted how the costs could be reduced.

Councilor Woodrow asked if additional funds of \$250,000 would need to be borrowed if Council went with option 3.

Ms. Knapel said the financing plan would go forward with the additional \$250,000, but the hope was that some of that could be returned so that total amount would not need to be used for the construction budget.

Councilor Lundberg asked if Ms. Knapel had an estimate of what that savings might be.

Ms. Knapel said the contractor felt they could reduce the cost by about 5% (\$92,000).

Councilor Pishioneri said option 3 seemed to make more sense. He asked if adjustments could be made as the project progressed.

Ms. Knapel said that was correct. Staff would come back to Council with a Guaranteed Maximum Price (GMP) for Council approval before moving forward with construction.

Councilor Lundberg asked if choosing option 3 would also adjust the contingency amount.

Ms. Knapel said the 5% reduction the contractor suggested included reducing the contingency as well. The savings could be more than 5%, but that was the conservative figure they felt they could achieve at this time.

Councilor Ballew said she didn't want to spend any more money.

Councilor Lundberg said we just gave \$200,000 to the theater, so she was fine giving the funds for this project.

Mayor Leiken agreed. Construction costs were escalating and it was important to get this done. He felt option 3 made sense.

Councilor Wylie agreed with option 3.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE OPTION THREE FOR THURSTON FIRE STATION #16. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 1 AGAINST (Ballew).**

8:20 p.m. Council Pishioneri left the meeting.

#### 4. Springfield Budget Committee Room Tax Recommendations.

Management Analyst Courtney Griesel presented the staff report on this item. The City of Springfield requested proposals for community-based projects that would use up to \$60,000 in Room Tax funds in FY2009. These Springfield funds were established to enhance sports and cultural attractions in the Springfield community and in turn generate additional economic activity and more Room Tax revenues. Local organizations submitted proposals and financial information for their proposed projects and overall they requested a total of \$179,801.

Attached are the recommendations from the City's Room Tax Advisory Committee for the 15 projects proposed by 11 different community organizations.

The Advisory Committee focused on evaluating how each project generated overnight guests; its feasibility, support from other resources; its level of support in the community; how it enhances other projects, activities, and assets in the community; its potential for growth without Room Tax support in the future; and the organization's ability to complete the project effectively. In addition to reviewing the applications from each organization, the Committee members interviewed representatives that could speak on a project's characteristics and effects in the community and Room Tax revenues. After extensive discussion, the Committee members agreed unanimously on the projects and the funding for each.

The Committee recommended allocating the full \$60,000 in Room Tax Funds.

The attached summary provides an abbreviated description of each project, the requested Room Tax amount, any matching funds, and the Committee's recommendations for funding and funding amounts. Their recommendations include the following:

Four projects receiving full funding;  
Five projects receiving reduced funding and allowing each organization to choose how to spend the funds on the proposed projects;  
One organization receiving funding to do its choice of several projects; and  
Two projects not receiving Room Tax funds.\*\*

\*\* Committee members advised applicants and recommends funding for these two projects through the Springfield Economic Development Agency or the City's CDBG-funded Downtown programs. These projects merit funding now and would greatly enhance the Downtown's redevelopment for the long-term.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE THE SPRINGFIELD BUDGET COMMITTEE'S RECOMMENDATIONS FOR ROOM TAX FUNDING FOR COMMUNITY PROJECTS AND THEIR INCLUSION IN THE CITY OF SPRINGFIELD'S FY09 BUDGET. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Pishioneri).**

BUSINESS FROM THE CITY ATTORNEY

1. Intergovernmental Agreement (IGA) with Lane County Regarding Boundary Changes for the Metropolitan Wastewater Service District and Willamalane Park and Recreation District.

RESOLUTION NO. 08-20 – A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH LANE COUNTY TO APPROVE BOUNDARY CHANGES FOR METROPOLITAN WASTEWATER SERVICE DISTRICT AND WILLAMALANE PARK AND RECREATION DISTRICT.

Planning Manager Greg Mott presented the staff report on this item. The 2007 legislature adopted a law (Ch 239) which eliminates the Lane County Boundary Commission. Effective January 1, 2008, all special district boundary changes are handled by the County, and all city boundary changes are handled by the affected City.

On December 3, 2007, the City adopted a process for annexing property to the City of Springfield. This Resolution places before the Council the issue of whether to accept the delegation of authority to the City by Lane County to handle boundary changes that involve either Willamalane Park and Recreation District or Metropolitan Wastewater Service District (MWSD) (or both) at the same time as annexation to the City.

The City Attorney's Office and staff recommend the Council approve the Intergovernmental Agreement in the interest of streamlining boundary changes for the two affected Districts and to reduce costs and confusion for constituents.

Mr. Mott noted that the County had the responsibility to oversee the expansion, creation and dissolution of taxing districts. As the City annexed property, those properties would automatically be incorporated into two other taxing districts: Willamalane and MWSD. Rather than having the City Council approve the annexation, then having the applicant go to Lane County to incorporate into the other two districts, the County suggested through an intergovernmental agreement (IGA) the City Council could have that jurisdiction. That would allow the property to be incorporated into all three (City, Willamalane, and MWSD) in one action. It consolidated and centralized that action and made sense from a practical standpoint.

Mayor Leiken agreed that it made sense.

Councilor Ballew asked if properties annexed to the City would detach from their previous water district at the same time.

Mr. Mott said withdrawal authorization had always sat with the City, and that would remain. The withdrawals were usually done all at one time, once a year.

Councilor Ballew asked if Willamalane or MWMC would pay for any of the City's costs if we took over this part of the process.

Mr. Mott said a new fee schedule would be coming to Council soon that included about five different annexation actions. Currently, there were only two that the City processed and charged a fee. The new fee schedule proposed the two district annexation actions. The new schedule also included a line for extra-territorial extensions if Council were to enact an ordinance to regulate that. The only thing the City collected from Willamalane was their SDC's for building permits.

Councilor Ballew said it seemed the City should charge for assuming their tax base.

Mr. Van Vactor said the IGA authorized Springfield to charge fees as a process of these applications. If it was determined after experiencing the impact of taking on annexation that a fee needed to be charged, Council could enact that.

Mr. Mott said he asked Planning Supervisor Jim Donovan to calculate actual costs for processing annexations and setting the fee to cover those costs.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT RESOLUTION NO. 08-20. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Pishioneri).**

2. Safe Harbor Approach to Complying with the Coordinated Population Forecast Obligations Arising from the City's Duties Under House Bill 3337.

Planning Manager Greg Mott presented the staff report on this item. Springfield staff has been diligently pursuing the tasks necessary to fulfill the requirements of HB 3337. Section 1 of the new law requires establishment of separate urban growth boundaries for Eugene and Springfield. One step in the process leading to the adoption of the new urban growth boundary is the preparation of a coordinated population forecast as provided in OAR 660-024-0030. The development of the population forecast is included in the Development Service Department's 09 work program.

The City Council may recall that in October 2007 EcoNorthwest, as part of a Preliminary Residential Lands Need Analysis, described three possible growth scenarios at 1.3%, 1.7% and 2.1% (Page 2, Attachment 10 in the agenda packet). At that time the Council expressed a preference for a growth rate of 1.7% which results in a 2030 population of 85,521. The Safe Harbor approach results in a 2030 population of 80,843. When balancing the risk and time frame involved in preparing a new forecast rather than using a Safe Harbor approach, staff strongly recommends a Safe Harbor. Mr. Mott further described the Safe Harbor approach and noted that it was straight forward, simple and non-political.

It is City's staff understanding that City of Eugene staff will soon discuss whether to implement the Safe Harbor approach with the Eugene City Council.

Mr. Mott referred to Attachment 9 in the agenda packet, which showed the forecasting done by EcoNorthwest. The Safe Harbor approach was consistent with the law and the history for Springfield, Eugene and Lane County. If the City chose to proceed in a way other than the Safe Harbor, it would use methodology that relied on figures from the State Office of Economic Analysis in conjunction with Portland State University. Those figures were generated bi-annually and all the counties and cities could use those figures by implementation of the statute. Frequently communities had a slightly different opinion than those figures, and had asked the County to adjust those figures according to that community's preference. He described how those preferences were compared with figures from the State. Staff's recommendation to Council was to approach this in the Safe Harbor method.

Mayor Leiken agreed, but found it interesting that the Department of Land and Conservation Development (DLCD) sent a letter to the accept Lane Council of Government's (LCOG) figures. He felt the Safe Harbor approach was not different for Springfield, but there were concerns in several smaller communities.

Mr. Mott said City staff was comfortable with the LCOG projections and the preliminary projections presented by EcoNorthwest as well as the Safe Harbor approach. The difference of 1.5% and 2% difference over the next twenty years was not substantial. He noted how that difference could be addressed. There were a lot of other reasons Council made decisions regarding density and economic opportunities. This was another part of trying to accommodate citizens who wanted to live and work in Springfield. The City would have to do periodic review in ten years, and the population projections would most likely need adjusting at that time.

Mr. Van Vactor said staff had focused on the population forecasting methodology and who had conducted those studies. There had been some controversy about who was doing those forecasts. By going the Safe Harbor approach, they could avoid that issue.

Mr. Mott said even if Council directed staff to go the Safe Harbor approach, other events could occur that would derail that effort and require the City to go another path rather than Safe Harbor. The City would get a population projection one way or the other. It did need to be done and put into the City's Comprehensive Plan.

Mr. Van Vactor spoke regarding the requirement for a coordinated population projection forecast. The City of Springfield had been coordinating closely with the City of Eugene and we had a good track record for coordination.

Councilor Ballew said it was prudent to go with staff's recommendation. Safe Harbor would save the City a lot of problems. Things would change in the future, so this made sense now.

Councilor Ralston agreed.

**IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO AUTHORIZE STAFF TO PURSUE THE SAFE HARBOR APPROACH (ORS 195.034) TO COMPLY WITH THE CITY'S COORDINATED POPULATION FORECAST OBLIGATIONS UNDER HOUSE BILL 3337 AND INITIATE A POST**

**ACKNOWLEDGMENT PLAN AMENDMENT OF THE METRO PLAN TO ADOPT  
THE NEW FIGURES. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0  
AGAINST (1 Absent – Pishioneri).**

ADJOURNMENT

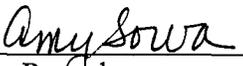
The meeting was adjourned at approximately 8:41 p.m.

Minutes Recorder Amy Sowa



Sidney W. Leiken  
Mayor

Attest:



Amy Sowa  
City Recorder