

City of Springfield
Regular Meeting

MINUTES OF THE REGULAR MEETING OF
THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, JULY 7, 2008

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, July 7, 2008 at 7:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

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

Councilor Wylie was absent (excused).

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

SPRINGFIELD UPBEAT

1. Comcast Donation to the Springfield Library.

Ms. Thompson asked Council to join her in thanking Comcast for their generous support of the Library Summer Reading Program with a donation of \$3000. She thanked the Mayor and Council for the support they give to the Library by giving them Summer Reading t-shirts. The City Recorder distributed the t-shirts to the Mayor and Council.

Ms. Thompson introduced Libby Steffen, Governmental Affairs Representative from Comcast. Ms. Thompson said the Summer Reading Program was a reading incentive program for children. With the grant they received from Comcast, each child that signed up to be a summer reader received a free new book as a kick-off for their summer reading. Comcast also sponsored the kick-off event. She explained the kick-off event that drew nearly 350 people to the plaza this year. The Summer Reading Club was a lot of fun, but also served an educational purpose. Children that read over the summer were able to maintain or increase their reading proficiency and were better able to start school in the fall.

Ms. Thompson said the Summer Reading Program continued to grow. Last year, 1100 children received a free book. This year, only three weeks into the program, they were nearly at that number already. Comcast had been willing to grow the grant with the growth of the program.

Libby Steffen said on behalf of Comcast they were pleased and proud to sponsor a program that encouraged and promoted literacy of our youth. She presented Mayor Leiken with a check for \$3000 to support the Library's Summer Reading program.

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 5 FOR AND 0 AGAINST (1 Absent – Wylie).

1. Claims

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

2. Minutes

- a. June 2, 2008 – Regular Meeting
- b. June 9, 2008 – Work Session
- c. June 9, 2008 – Special Regular Meeting

3. Resolutions

- a. RESOLUTION NO. 08-33 – A RESOLUTION TO ACCEPT PERMIT PROJECT P30509; REYNOLDS FAMILY PROJECT.
- b. RESOLUTION NO. 08-34 – A RESOLUTION TO ACCEPT PROJECT P20437; GAME FARM ROAD SOUTH, SANITARY SEWER AND STORM TRUNK FROM H AND J CONSTRUCTION COMPANY IN THE AMOUNT OF \$550,934.09.

4. Ordinances

5. Other Routine Matters

- a. Approval of the Liquor License Endorsement for Southwest Buffet & Family Atmosphere, Located at 1537 Mohawk Blvd., Springfield, Oregon.
- b. Award the Subject Contract to Eugene Sand Construction Inc. in the Amount of \$363,509.00 for Project P20545: 5th Street Overlay, Main to G Street.
- c. Award the Subject Contract to Professional Underground Services in the Amount of \$436,621.68 for Project P20513: Sanitary Sewer Rehabilitation 2007.
- d. Authorize the City Manager to Enter into a Contract with Kpff Consulting Engineers in the Amount of not to Exceed \$176,000 for Engineering Services for Land Use and Project Plan Review.
- e. Authorize the City Manager to Enter into a Contract with Balzhiser & Hubbard Engineers in the Amount of not to Exceed \$60,000; this Contract Expires on June 30, 2009.
- f. Authorize the City Manager to Enter into a Contract with Branch Engineering, Inc. in the Amount of not to Exceed \$60,000.00; this Contract Expires on June 30, 2009.
- g. Authorize the City Manager to Enter into a Contract with Kpff Consulting Engineers in the Amount of not to Exceed \$60,000; this Contract Expires on June 30, 2009.
- h. Grant Springfield Utility Board Right-of-Way Electrical Easements for Electrical Infrastructure at the Perimeter of the Springfield Justice Center Site.
- i. Authorize the Mayor to Sign a Contract with the Firm of Leahy, Van Vactor & Cox LLC for General Counsel Services.

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 Application for Jack Dugger.

City Attorney Joe Leahy from the City Attorney's Office presented the staff report on this item. The owner, Jack Dugger, has requested the City Council to endorse his OLCC Liquor License application for 535 Main Street, Springfield, Oregon 97477.

On the basis of the grounds found in the license refusal basis of ORS § 471.313(4), ORS § 471.313(5), OAR § 845-005-0320, OAR § 845-005-0325, or OAR § 845-005-0326, or the license restriction bases of OAR § 845-005-0355, the City of Springfield should recommend denial of the liquor license application endorsement for Shakers (535 Main).

[For further discussion see Staff Report: Attachment 2 in the agenda packet]

Mr. Leahy referred to a binder that was provided to the Mayor and Council with information on this item. Attachment 1 of the binder was the application, attachment 2 was the memorandum from the City Attorney's office and the Building Official containing a recommendation. Mr. Leahy noted that Dave Puent, Building Official; Jerry Smith, Chief of Police; and Bill Van Vactor, attorney with the City Attorney's office; and Matt Doden, Law Clerk who assembled the staff report, were available to answer questions. Mr. Doden would take Council through some charts as part of the presentation.

Mr. Leahy said if Council had any questions of any of them, please ask at any time. The staff report was completed Tuesday afternoon. Mr. Leahy called the applicant Mr. Dugger at that time and the packet was picked up by Mr. Dugger that afternoon. Additional information had been turned in from the Police Department regarding 411 Main Street. That information was distributed to the City Recorder and Mayor and Council. Four additional copies were available for the public. That additional material would be commented upon during the review of the charts by Mr. Doden. Mr. Leahy referred to a memo in the Council packet under Correspondence and Petitions from Leia Pitcher, attorney from Thorp, Purdy representing the Springfield School District #19. Another item dated July 5 from Bob W. Mitchell, Ronald Smith, and Kim Scarcello, was distributed to the Mayor and Council.

Mr. Leahy said his office had discussed the process for tonight, which he relayed to the Mayor, Council and audience. Anyone wishing to testify needed to fill out a card. Cards would be called by the Mayor in order of receipt. Everyone would have a maximum of three minutes. They would strongly encourage those speaking to manage their time. He reminded the audience that the Council members were volunteers and there were other items on the agenda. He asked that those individuals who had something to add to the testimony identify their name and address and be succinct and avoid redundancy. If someone who had spoken previously had captured their thought they should say so and allow additional time for others to speak. Anything the citizens could do to help the Council and themselves economize time, would be very beneficial to the hearing.

Mr. Leahy said the hearing tonight was on the liquor license application for Jack Dugger at 535 Main Street. The owner had requested that the City Council endorse the Oregon Liquor Control Commission (OLCC) application. A number of items flowed from this process that interested

citizens needed to understand: 1) The Council was not making a decision. That decision rested with the OLCC. The Council was simply making a recommendation; 2) The application was about a liquor license; 3) The application was not about nude or partially nude dancing; 4) The OLCC had criteria it used to determine whether or not an applicant received a liquor license. Staff had reviewed those criteria. An examination of those criteria pointed to facts that must be obtained and examined. They attempted to do that in the staff report submitted to Council. The criteria must be applied to the facts. People testifying would be well advised to address the criteria. He noted some of the criteria that OLCC would consider: 1) whether the applicant had been convicted of a felony; 2) whether the applicant had violated liquor license laws of the State of Oregon; 3) whether the applicant had maintained an unsanitary establishment; 4) whether the applicant was not of good repute and moral character; 5) whether the applicant had a poor record of compliance with the liquor laws of Oregon; 6) whether the applicant's establishment had a history of serious and persistent problems; 7) whether the applicant had given false or misleading information; 8) whether there was evidence of alcohol related problems at other licensed premises of the owner; 9) whether the applicant's proposed business location was within 500 feet of schools; 10) whether public interest or convenience did not demand granting of the liquor license. All of those were criteria the OLCC would review and consider in reference to the facts presented to them. He again referred to the separate memo from School District 19 regarding the business location within 500 feet of schools.

Mr. Leahy said staff's analysis was set forth in Attachment 2 included in the agenda packet, followed by 36 numbered exhibits. He called several of the exhibits to the Council's attention: Exhibit 31 was 101 comments received to date; Exhibit 31A was a letter from Police Chief Jerry Smith; Exhibit 31B was a letter from Cheryl Leontina from the Emerald Arts Center; Exhibit 31C was a letter from Tom Draggoo, President of the Springfield Renaissance Development Corporation regarding the Wildish Theater; Exhibit 31D was a letter from St. Vincent DePaul Director Terry McDonald; Exhibit 31E was a letter from David Loveall, owner of two buildings at 326 and 322 Main Street; Exhibit 31F was a letter from John Tamulonis, City of Springfield Economic Development Director. Mr. Leahy noted that they did not plan to go through attachment 2 as they had assumed the Mayor and Council had read the criteria and the facts included. If they had specific questions on any of the criteria, Mr. Van Vactor, Mr. Doden or Mr. Leahy could respond.

Mr. Leahy asked Matt Doden to present charts and other information. The information was also available in smaller copies in their report.

Mayor Leiken asked Council to hold their questions if possible until after the public hearing in the interest of time. If there were issues during the presentation, they could ask.

Mr. Doden introduced himself and said he was a law clerk with the City Attorney's office. He said he would be reviewing two provisions relevant to ORS 417.313(5) and OAR 845.005.0326. The provisions dealt with whether the applicant, at his current establishment or any other previously owned establishment, had alcohol related activities that resulted in unlawful activities, lewd activities, disturbances, whether the area itself was deemed a problem area. Most of the information in the charts documented the unlawful activities the Springfield Police Department helped the City Attorney's office gather. The first chart he discussed was on Exhibit 2E in the binder. The chart showed the number of calls for service at the previous Shakers' location at 1836 South A Street, over the last five years. He noted that the data for 2008 was an estimate and the data didn't start until June 2, 2003. He then referred to the chart in Exhibit 2B, the number of calls for service at the proposed Shakers' location, over the last five years. He then referred to the

chart on Exhibit 2A, calls for service within 500 feet of the proposed Shakers' location. Over the last five years, 2892 calls for service occurred at that location.

Mr. Doden referred to the chart on Exhibit 2D, calls for service at Club 420 which was currently owned by Mr. Dugger and would be relevant to the consideration of the OLCC. Within the last five years, there had been 561 calls for service at that location. Since 2004, this business had been in the top five for calls for service of liquor serving establishments. In Exhibit 7, the data revealed that there had been more arrests at Club 420 from 2004 through 2008 than any other liquor serving establishment in Springfield. He referred to the chart on Exhibit 2C, calls for service within 500 feet of Club 420 over the last five years. There had been 13,615 calls for service within 500 feet of Club 420.

Mr. Doden said the next series of data they gathered was based largely on anecdotal evidence received regarding events people had witnessed in the area. Police pulled crime data regarding specific crimes that may be occurring around Club 420. The first map was a landmark map showing relevant locations that the OLCC would consider. These locations were relevant to OAR subsection 0326 (proximity to schools). Two schools noted in the lower right of the chart were located within 500 feet of the establishment. It also denoted with stars the downtown taverns in the area, the Springfield Museum, the Emerald Arts Center, the Springfield Library, and the Wildish Theater, many of which held child oriented activities, which the OLCC would consider as relevant in deciding if this was a proper area for a liquor serving establishment.

Mr. Doden referred to Exhibit 1B, prostitution arrests during the last five years in Springfield. The larger the circle on the map meant the larger number of instances. One of the larger portions of activity for prostitution in downtown Springfield was Main Street between 4th and 5th Street. The next map was the same area, but zoomed in.

Mr. Doden said the next category of crime was assaults over the last five years as shown on Exhibit 1L, assaults in Springfield. Again the most significant area was between 4th and 5th on Main Street. Exhibit 1C showed the number of drug incidents over the last five years. The primary area of activity was between 4th and 5th on Main Street. He referred to Exhibit 1E, which showed the number of fights, disputes and disorderly subjects. The primary area of activity was Main Street between 4th and 5th Street. The final map, Exhibit 1D, showed the number of found syringes in the area over the last five years. Again, the primary area of activity was on Main Street between 4th and 5th Streets.

Mr. Doden referred to two file graphs. He said after seeing this data, the City Attorney's office questioned whether or not this was a center of activity among a larger area of activity, or if this block had some unique characteristics compared to other blocks in the area. The Springfield Police pulled data for calls for service block by block along Main Street. The comparison of those blocks was in Exhibit 34A. Over the last five years, the most significant number of calls for service was in the 400 block. The next chart on Exhibit 34B showed type of crime block by block. It should be noted that while the 400 block had 1283 calls for service, no other block had more than 415. In regard to fights, disputes, disorderly subjects, assaults and drugs, the 400 block had more activity than any other block combined.

Mr. Leahy asked Mr. Doden to discuss the exhibit distributed to the Mayor and Council at the beginning of the meeting.

Mr. Doden said Club 420 was not the only liquor serving establishment in the 400 block. Also located on that block was a club that currently went by the name of Stables, and had also gone by the name of JT's Place and the Main Street Bar. The supplemental chart distributed to the Mayor and Council showed the amount of calls that occurred at that location over the past five years. While Club 420 had 561 calls for service over the last five years, the bar immediately next door had 87 calls for service.

Councilor Pishioneri confirmed that every year these came up for renewal. Yes. Last year, Club 420 was specifically addressed by Council. He asked how the Council responded.

Mr. Puent said the Council made no endorsement to OLCC.

Mayor Leiken asked if OLCC had granted them a license. Yes.

Mayor Leiken said there were a lot of people that wanted to participate so he reviewed the process. He would open the comment period, allowing three minutes or less per person. He hoped that if someone heard something that was similar to their own testimony, they would simply say "ditto" or "pass". He thanked everyone for coming out tonight. If there was something important to the citizens of Springfield, they did come out to talk to the Council, and they appreciated that. He said he would call people in the order their cards were received. He would use the timer to keep to the three minutes.

Mayor Leiken opened the public hearing.

1. Kitty Wear, 2676 Carbona Street, Eugene, OR. Ms. Wear said she was a parent of two A3 students who had been in the area at night because of the many school activities at night, especially at the Wildish Theater. They had come in contact with very intoxicated and belligerent people who had been in the local bars. Ms. Wear said she was part of a project where several people viewed Club 420 for a couple of nights. The number of people loitering out front, drunk, and stumbling with interactions that appeared to be drug and prostitution deals, was amazing. She saw in the paper that the owner of Club 420 had said he had someone come out to tell people to stop loitering, but in the several hours each night she observed the bar, no one came out and no one asked anyone to move. She was concerned because there was very little parking in the downtown area, which meant people had to cross school grounds in order to get into these locations.
2. Garry Weber, Springfield School Board Chair, 525 Mill Street, Springfield, OR. Mr. Weber asked Dave Jewett and Leia Pitcher to join him at the podium. He said he was representing the other members of the School Board: Jonathan Light, Laurie Adams, Al King and Nancy Bigley. He wanted to let Council know that as public officials representing this community of 68,000 members, including 11,000 school age children, the School Board unanimously took action on a resolution in opposition to the location of Shaker's in downtown Springfield. More specifically tonight, they requested the City Council send a recommendation to deny the OLCC license. They encouraged the City Council to proceed in that matter and would do whatever they could as a neighboring publicly elected body to assist.
3. Dave Jewett, Thorp, Purdy, Jewett Law Firm. Mr. Jewett said he had been part of this community for over thirty years and was here on behalf of the School District. He said he was part of a program to bring bright young lawyers to our community, such as Leia Pitcher, who had graduated in the top 15% of her class from the University of Oregon and came to his firm a few months ago.

4. Leia Pitcher, Thorp, Purdy, Jewett Law Firm. Ms. Pitcher thanked the Mayor and Council for the opportunity to represent the School District's concerns about Shaker's OLCC application. The School Board passed a resolution requesting the Council recommend denial. In addition to the grounds presented by the City Attorney's office, OLCC permits denial of an application where the premises to be licensed was within 500 feet of a school and would adversely affect the school. There were two schools within 500 feet of the proposed Shaker's site; A3 and Gateways High School. There were approximately 300 students in those schools, including 50 that took night classes at Gateways. These students migrated throughout downtown between A3, Gateways, the Wildish Theater, Emerald Arts Center, and the Memorial Building. There was a real campus downtown with students between the age of 12 and 20 moving throughout the day and into the evening. These students also used public transportation to get to and from school. This was a particular concern because the proposed location for Shaker's was between the Springfield LTD Station and the schools. These children were trying to get an education at some of the most unique schools in the area. She described the two schools. Exposing the students to the unhealthy environment described with the illegal activities in that area was irresponsible. This was an atmosphere of excessive drinking, solicitation, drugs and assault. Bringing that type of activity within 500 feet of two of the most unique schools in the area was not just a detriment to the students, but to the community as a whole. She urged the Council to please recommend denial to the OLCC application. She also noted that as a separate government body, the School Board would recommend to OLCC that they deny this application. She had a copy of the School Board resolutions if they wanted to see it.
5. Laurie Adams, 2175 11th Street, Springfield, OR. Ms. Adams said she was on the School Board, but was not representing the School Board, but rather her many constituents and parents that hoped and prayed Council would deny this OLCC application. Ms. Adams said she had lived in Springfield since 1965, and was part of a family that owned a downtown business between 1933 and 1971. Their business became undesirable in downtown Springfield and left downtown and moved to the outside of town. She remembered when Springfield was vibrant with businesses that drew people downtown. She didn't envision that Springfield in the future, but believed in downtown Springfield and that it could be a growing and exciting downtown. Many businesses had believed in downtown, including the School District who had invested millions of dollars in urban renewal. She noted the many businesses in downtown Springfield. The citizens of Springfield believed in this community by passing bond measures for the City and School District, an Urban Renewal measure and had said through their letters and phone calls that another tavern was not what they envisioned. Shame on Mr. Dugger for thinking Springfield didn't have the self respect and confidence to live up to its dreams, and for thinking he could set up shop in Springfield and the community wouldn't say 'no thank you'. We weren't the Springfield of fifty years ago, but we were the Springfield of 2008 and were proud of what we had accomplished and proud of who we were. She asked the Council to say 'no thank you' to Mr. Dugger and his OLCC request for another bar in downtown Springfield. The citizens needed the Council to help them hold on to our dream for Springfield.
6. Jack Dugger, 38941 Wendling Road, Marcola, OR. Mr. Dugger said he didn't feel he had to defend himself. He thanked Jerry Smith for smearing his name from information about his felony from the past in 1969 when he was 18 years old. He said it had been left out that Mr. Dugger was 18 years old and had received a full governor's pardon. The charts were incorrect. The 500 foot rule could be used for other bars next to the Museum and the bank. The results would be the same for the other bars. He said he was not a one man crusade to fix Springfield, but he did his best. When he met with Chief Smith over a year ago, he urged Mr. Dugger to call the Police, but if he called the Police it was used against him. He referred to

another sheet that was missing from these facts that showed the number of calls relevant to the operation of the business, which was a considerably lower number. He needed a location, this building fit the criteria, and he wasn't thinking there would be any opposition because there was nothing on the outside of the building that would offend anyone. The clientele that Shaker's attracted was a totally different clientele than what was normally seen on downtown Main Street. He said people were judging him before even knowing him, calling him un reputable. He moved to end this discussion and take it where there was an unbiased opinion. He noted that no one had approached him with any other solution.

7. Trent Dugger, 2463 34th Street, Springfield, OR. Mr. Dugger said he was proud to say that Jack Dugger was his father. There were two men he looked up to in this world, his Dad and Grandfather. If he could become half the men they were, he would be doing pretty good. He sat by and watched the City Council and the media drag his father's name through the ringer. In his life, he had never wanted to have to speak publicly, but today was different. He wanted everyone to know that the slander and allegations were unfair and undeserving. The City and the media had portrayed his dad as a person of low moral character and he was here to protest. Having served in the United State Marine Corp, he took that as a personal attack. His father had raised three kids to be honest, hard working and fair, even with the realization that life was not always the same in return. Mr. Dugger (Trent) said he had served honorably for this country's freedoms and he didn't feel his service for those freedoms should be abused by some pencil pusher in an elected position. He had three kids of his own and had been married for over nine years. He hoped that his children would never have to see their father go through this type of harassment. He didn't see how making Jack Dugger the scapegoat for all the City's problems could solve this matter. He commended his father for his courage to stand up to this type of criticism. He thanked his father for showing him how to stand up and not get pushed around just because of his or her stature. He said they would never be able to fix the problems downtown by sitting in a chair and pointing fingers.

Mayor Leiken reminded the audience to show respect for all the speakers. He referred to comments made when Mr. Dugger spoke. Showing respect had been a tradition in this community for a long time, whether you agreed or disagreed. He asked the audience to keep their comments to themselves

8. Patrick Hayes, 712 Oakdale, Springfield, OR. Mr. Hayes said he was an employee of Jack Dugger. Many people were pointing fingers and trying to place blame on Mr. Dugger. He said he couldn't control what happened outside of his establishment. They tried to control what happened in their establishment and had been told to call the Police, but now that was being used against them. There were other businesses around their establishment that didn't do anything to help the neighborhood be better. He noted the number of employees that Mr. Dugger kept working so their families didn't have to live off the State. It was not fair to blame him for all of the downtown issues. They were not running ads trying to bring drug addicts to their facilities. They called the Police all the time to try to clean up their area. They didn't overserve people, but did their job, were respectable and were making a living. He said this felt like a witch hunt. It was a good business Mr. Dugger was trying to bring downtown.
9. Julie Hunt, 38941 Wendling Road, Marcola, OR. Ms. Hunt said the facts and information from the Police Department were false and misleading. Information from the Fire Department was false, misleading and incorrect. She said if people did their own research, which she did, they would see the information was incorrect. She said she was not the first person to make statements before the Council that the facts were incorrect. An article in the paper said an ex-city councilor noted that the information about the downtown urban renewal measure was incorrect. She didn't understand how the Council could make a decision on a motion that was

just put on the agenda today without hearing any of the information. She said the Police listed Club 420 whenever there was an arrest anywhere near Club 420. She referred to an incident of someone receiving a ticket for driving while suspended. The gentleman that got the ticket was in the audience. He was not on Club 420 property at the time, but was going down 4th Street and turning on an alley, nowhere near Club 420. The Police put Club 420 down as the address. There was another incident of a hit and run by the Dari Mart at 18th and Main. There was incorrect information on that report. Council needed to find out the facts before making their decision.

10. Mary McDonnell, 1135 North B Street, Springfield, OR. Ms. McDonnell said she fully agreed with everything said by Jack and Trent Dugger, as well as Julie Hunt. She didn't understand why the City was trying so hard to attack a man that had done nothing wrong. He just wanted to succeed in a business in downtown Springfield.
11. Darcy V. Wilt, 92175 Marcola, OR. Mr. Wilt said he had known Jack Dugger for 35 years. Mr. Dugger had great integrity, was honest and hard working, and had raised three kids on his own. He had been a good friend. Mr. Wilt said he was sort of the unofficial Mayor of Marcola and wished they had a similar business in his town, supporting that community. He felt Mr. Dugger was getting a bad shake here.
12. Lynn Schutte, 36777 Wheeler Road, Pleasant Hill, OR and Ann Elliott, 35578 Westminster Street, Pleasant Hill, OR. Ms. Schutte said they attended Ebbert United Methodist Church on the corner of 6th and C in Springfield. The women sang a temperant song. They asked Council to please say no to Dugger's Liquor License proposal.
13. Arline Link, 564 66th Street, Springfield, OR. Ms. Link said she was not here to attack anyone, but to testify regarding an incident that happened to a friend of hers from Eugene. This friend parked her car on 4th Street (Springfield) to go to Econo Sales and before she got to Main Street, an intoxicated man propositioned her, and it scared her. The extra liquor and aroused men made downtown an unsafe place for ladies and that was her concern. The goal of TEAM Springfield was to have a safe place to live, but with more liquor and intoxicated people around, it was not safe.
14. State Senator Bill Morrisette, 348 G Street, Springfield, OR. Senator Morrisette talked about what the City could do and what they couldn't do. What the City could do was use the urban renewal resources to create in that building a business that would be very unique to Springfield, such as a bakery, ice cream store or coffee shop. They could take it for a non-profit. As a senator, he worked for funding for the Emerald Art Association and St. Vincent DePaul. While talking with the community development person in Salem about getting some additional money for St. Vincent's thermal water process, this person asked him, "When are you going to do something about prostitution (in downtown)?" He said he was very offended. He noted that strip joints attracted prostitutes. He told the person at the State that if we could convince the OLCC to close some of these places down, we could do something about prostitution. There were two things the legislature could do. When he was Mayor, he testified before the OLCC about not issuing a license in that same location. He introduced a bill that the OLCC would follow the direction of the local jurisdiction, but that didn't go anywhere, so he added "unless they had a compelling reason not to", which meant they would have to explain exactly why they were not following the recommendation of the jurisdiction. He said he would be introducing that bill again. He felt the local jurisdiction should be able to carry some weight with the OLCC. He said he would also introduce a constitutional amendment that would allow zoning of sex shops. The Supreme Court allowed that; however, Oregon's Constitution needed to be changed.
15. Alethalou Harmon, 145 Pioneer Parkway East, Springfield, OR. Ms. Harmon said she was before the City Council about three months ago with concerns. Those concerns were addressed and received and the City officials had come through with flying colors. There

were now beautiful flower baskets and signage downtown. She appreciated that Council heard her and responded to her. On the same hand, the City had done so much work in putting a Farmer's Market together, having the Wildish Theater as a vital part of downtown, there was hope for downtown. The business that wanted to come in was inappropriate and not functional to what was wanted downtown. She agreed with the woman who spoke about her friend who felt uncomfortable coming downtown. She fought that all the time. She wanted them to think of downtown Springfield like people thought of Old Town Florence; of the shops. They had bars in Florence, but they were doing something right. We needed to do the same thing. The City had taken so many steps in the right direction. She asked Council to please not allow this to happen.

16. Deanna Remior, 2681 Garson Lane, Springfield, OR. Ms. Remior said she didn't understand why there were small children in the audience, as it was not an issue for small children. She spoke on behalf of Mr. Dugger's character. She said a few years ago she had filled in at the old Main Street Bar and Grill. She was by herself, and Mr. Dugger came in and checked in on her and tried to clear the sidewalks. This reminded her of five years ago when the County issued a subdivision to go in by Monaco or Country Coach. People complained of the smoke and noise, but those industries were already there when the residents moved in. This bar had been there for many years. Mr. Dugger was a very thoughtful individual and she would be proud to work for him.
17. Michael Moreno, 210 Main Street #B, Springfield, OR. Mr. Moreno thanked the Mayor and Council for their time and service. He talked about Mr. Dugger's sign on his window. The sign mentioned the \$300,000 taken in by lottery machines, but in his opinion, the majority of that money was put in by people that couldn't afford it. Mr. Dugger's employees were not on State services, but the people they affected were. He felt that many of the women that worked at this type of establishment were supporting drug habits of themselves or their boyfriends. It was not a good thing. Those kinds of businesses hurt families and kids. He wanted to get rid of those places in downtown. We were on the right track.
18. Terry Corris, 497 N. 68th Street, Springfield, OR. Mr. Corris thanked the City Council and City Attorneys for their work pertaining to Shaker's Club review. He also thanked the parents, students and community members that had gotten involved in the process to revitalize this great city. Mr. Corris said he was the father of a student at the A3 School, a Springfield resident for over fifteen years, a small business owner and a citizen that had voted for the Springfield urban renewal bond. Over the past month and a half, many parents, students and community members had been working hard to get the word out about the negative influence patrons of these strip clubs contributed to our City. According to Police records, these clubs had more complaint calls for Police action than any other segment of the City of Springfield. Students selling tickets at the Wildish Theater had been hassled by individuals that had been on some sort of drugs. This was occurring before Shaker's was even opened. He asked what would happen when drunks came out of Shaker's all worked up from watching strippers and see the school's young adult women. What about grown women who were dressed up to attend a show at the Wildish? Would they have to be escorted to their cars? How many residents that lived near these establishments had problems with the patrons of these businesses? Homeowners and apartment tenants of downtown Springfield had shared that they had found people having sex in their garages, yards, and a constant supply of used needles and trash. The average age of patrons at strip clubs was 21 through 35, versus non-nude clubs that average 21 through 76 years old. The gender of strip clubs was mostly male, whereas in bars, the crowd was of mixed-gender. Parking was also an issue, causing the Wildish Theater, Emerald Arts Center, and many small businesses to contend with even fewer spaces. He noted the many restaurants that had closed over the years due to lack of customers. He asked how a city could prosper with this type of element. Why would any

business want to locate here only to watch their hard earned money go down the drain? The town of Springfield was growing and giving Eugene a scare and a run for their money, yet Springfield was still viewed as a City that loved strip clubs, bars and businesses that failed due to lack of customers. As a City, we had been turning this image around with the addition of the Wildish Theater, A3 School, Emerald Arts Center and affordable housing. He was only concerned because of the element this type of business brought around and how that element tended to bleed around the good people of Springfield. Downtown Springfield had the potential to be a vibrant thriving area of our great town, but we needed to make it a friendly place that attracted families, businesses and encouraged our great City leaders to spend valuable time to accomplish this goal.

19. Michelle Mortenson, 8344 McKenzie Highway, Springfield, OR. Ms. Mortenson said she had a daughter that attended the A3 School (the digital recorder stopped here due to malfunction). The safety of the students was a concern for her. She discussed a recent incident in downtown where she was approached by someone selling drugs. She said one of the businesses downtown had posted a sign to watch for prostitutes. Strip clubs attracted these types of activities. She asked Council to please oppose this application.
20. Maxwell Tolle, 2495 16th Street, Springfield, OR. Mr. Tolle said he had grandchildren he was concerned about. He was opposed to a business like Shaker's and felt it did not need to open next to a school. We needed to protect the kids, not the bar. He would not spend a dime at that establishment.
21. Caroline Rollier, 4885 Aster Street, Springfield, OR. Ms. Rollier said she had a daughter at the A3 School. Her daughter was aware of the activities that went on downtown and was instructed never to walk alone. Her daughter had been approached by people pushing drugs. She asked Council to recommend denial of the application to the OLCC. The community needed to step up and clean downtown.
22. Kathryn Crabtree, 446 24th Street, Springfield, OR. Ms. Crabtree said she frequented Club 420, and said there was drug activity there all the time. Her niece had dealt drugs there and was now serving time in prison. Ms. Crabtree said she was opposed to granting this liquor license because she didn't feel things would change. She said the bartenders did their best to keep illegal activity from occurring, but there was a concentration in that area of drug activity.
23. Tina Sousely, 446 24th Street, Springfield, OR. Ms. Sousely said she also went to Club 420 every once in a while. While there, she had many people ask if she wanted to buy drugs. She was currently in recovery, but knew that the place to get drugs was Club 420.
24. Julie Lopez, 91628 Donna Road, Springfield, OR. Ms. Lopez said she agreed with Terry Corris and asked the Council to please vote no. She had two children at the A3 School, and felt it was not safe downtown. She agreed with urban renewal, but this business was not a good addition to downtown.
25. David Lanning, 6806 C Street, Springfield, OR. Mr. Lanning said he was a pastor at the Springfield Faith Center. The safety of our children should be paramount. If the City had allowed schools to be placed downtown, then they had a responsibility to keep the children safe. He asked that Council not approve this liquor license application. Mr. Lanning said he grew up in Springfield and remembered what it used to be like downtown. Over the years it had deteriorated and that needed to change. The City Council was doing a great job in the changes that were taking place, but businesses like this would work against downtown being the marquis it could be. The issues of drug addiction and prostitution needed to be addressed. We needed to make an investment in Springfield. He asked Council to do what they could to stop a license being given to this business.
26. Emily and LaDonna Cooper, P.O. Box 378, Springfield, OR. Emily said as a young woman, she frequented businesses downtown. She didn't feel safe walking near the bars. The City had

cleaned up in several areas, but a bar would bring unsafety to Springfield. Ladonna said she and her sister, Emily, felt unsafe when walking past the bars. They couldn't walk downtown after 6:00pm without being harassed. The people from the bars migrated to other areas of downtown. She requested Council recommend denial for a liquor license for another bar in downtown.

27. Jamie O'Connor, 1135 North G Street, Springfield, OR. Ms. O'Connor talked about discrimination. She read an excerpt from the newspaper regarding Mr. Dugger. She said it was discrimination against one bar owner and not other bars in the same area. There was a two inch binder on Mr. Dugger's background, history of activity, and breaking laws. She asked if they had looked at the facts because one sheet showed much less activity at Mr. Dugger's bar. She said there were more arrests for prostitution near Springfield High School. All of the evidence was based on OLCC criteria and was discriminating. She noted that one of the bars right next to the school must have abided by OLCC rules. She said that as an employee of Club 420 she had told people to stop loitering outside of their establishment. The people that worked there tried to take care of that.
28. Fred Simmons, 312 South 52nd Place, Springfield, OR. Mr. Simmons said when Eugene was dry and Springfield was wet, many people came to Springfield for drink. The first amendment regarding adult entertainment was well settled, and was not an issue to debate. The issue was where the City wanted to go with downtown. If Mr. Dugger wanted to open his bar, he must be judged on past experience and testimony from citizens. He didn't like Club 420, but felt it was a mistake to build schools within 500 feet of establishments that were already serving alcohol. If he was on the Council, he would vote to deny based on the facts and what needed to be done downtown. Many would be in support of buying that property and putting it to better use. The decision needed to be based on facts, not based on Mr. Dugger and the type of establishment. He recommended Council vote to deny the application then move forward.
29. Dan Brandel, 353 South 68th Place, Springfield, OR. Mr. Brandel said he was a pastor at Valley Hills Community Church. Six students from the A3 School were in the youth group at his church and they had big concerns about this bar going in downtown. This issue was not about Mr. Dugger or freedom of expression, but what was best for the City of Springfield, listening to the voters to continue that process, and keeping students and citizen's safe. He asked Council to do the right thing by recommending denial.
30. John Thomas, 2130 Ridgeway Drive, Eugene, OR. Mr. Thomas said he was the Chair of the downtown urban renewal committee and served on the A3 Board. He had lived here for many years. He noted that the people in this room weren't pointing fingers, were not being paid, and wanted to take the downtown back. We couldn't legislate morality. He said that Chief Smith spoke the truth which was critical for Council to make their decision. A bar in and of itself was not wrong, but the cost to downtown was huge. Council had the power to convey that to the OLCC.
31. Dan Egan, 850 N. 6th Street, Springfield, OR. Mr. Egan said he represented the Springfield Chamber of Commerce and had submitted two letters on this issue. This was not a new topic for downtown. Our downtown had been sad and unsafe, and it had been hard to stop that. It had taken the efforts of the City Council and many others. The signal to the private sector was that we were trying to make it a better place. There was a reason why some people didn't get their OLCC license renewed, and this was one. He reminded Council that the Wildish Theater was formerly Club 101. The Springfield Renaissance Development Corporation bought that property to make a statement about what they wanted downtown. There was great promise in downtown. He asked Council to please reject the application.
32. Jesse Day, 109 S. 14th Street, Springfield, OR. Mr. Day said he was ashamed to be a business owner in Springfield. He said that Mr. Dugger had done nothing to this community but build

it up. When Mr. Day bought his bar (formerly The Woodsman) customers and employees alike were drug addicts, but now he has cleaned that up. The only thing the City was doing was hurting the community. There were bars within blocks of churches. Residents lived all around his establishments. The businesses should have rights, because the City had rights.

Mayor Leiken closed the public hearing.

Councilor Pishioneri said he had no questions or comments at this time.

Councilor Woodrow said he had no questions. He said this was not a witch hunt, but rather a matter of what the citizens had requested in the criteria presented to Council.

Councilor Lundberg said she had a background downtown having once owned a business downtown. She discussed the A3 School locating downtown and the desire for school to be a positive experience for students. The current climate of downtown was not comfortable. She noted that because of the criteria and information presented, she was not supportive of putting more of an interface from this type of establishment with the students. She wanted the kids to be downtown. She was not opposed to bars, but there was a concentration of bars and issues in the 400 block. There was a proximity issue at that location and she did not want to support something that would continue that trend. She did not want to support this application. She said she had been a proponent of looking at who owned the buildings and of the City taking ownership of some of those places to complete the transition of downtown.

Councilor Ballew said the information was compelling to recommend denial of the application. There was community resistance, information put forward that supported the statements that there was an unsanitary business, and noncompliance with a business plan. She would be compelled to recommend denial.

Councilor Ralston referred to testimony from Jamie O'Connor about arrests near Springfield High School for prostitution and asked if that information was correct.

Chief Smith said it was not.

Councilor Ralston said he was surprised that Mr. Dugger had not been approached with other options. He thought the City had done that and felt that was an opportunity. He said he was not prejudiced against his establishment, but this was within 500 feet of a school and was not the direction the community wanted to go. There were a lot of drug and alcohol related issues, as well as prostitution in this area. He would not be supportive of recommending renewal of this license.

Councilor Pishioneri said the Council needed to look at the facts that this was a license issue, not a personal issue. Council needed to look at this liquor license application based on the facts presented. He said he had actually been looking for reasons to allow it, but he couldn't find any. He would recommend denial.

Mayor Leiken said Council was only making a recommendation. He asked Mr. Puent about OLCC interviewing Club 420 last year and if a plan had been set. He asked for any additional information regarding that plan.

Mr. Puent said representatives from OLCC and the Springfield Police met with Mr. Dugger, but Mr. Puent was not aware of the specifics of the meeting or the plan.

Mayor Leiken said based on the foregoing information, it was important to look at Mr. Dugger's current OLCC license at Club 420. The City Council tried to send a message last year to OLCC to deny his license for Club 420 and didn't get any action. If the City felt they had been ignored again, he felt he needed to notify the Governor.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO DENY THE LIQUOR LICENSE ENDORSEMENT FOR JACK DUGGER AT 535 MAIN STREET, SPRINGFIELD, OREGON. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (1 Absent – Wylie).

Mayor Leiken thanked everyone for coming out this evening.

Mayor Leiken called a five minute recess at 8:45pm.

Councilor Pishioneri left the meeting during the recess.

Council reconvened at 8:55pm

Mayor Leiken commended the Council and the citizens. Most of them testified on the criteria.

2. Council Initiated Amendment to the Metropolitan Area General Plan Diagram, Case Number LRP 2008-00008.

ORDINANCE NO. 6223 – AN ORDINANCE AMENDING THE EUGENE-SPRINGFIELD METROPOLITAN GENERAL PLAN DIAGRAM BY REDESIGNATING 8.79 ACRES OF LAND FROM LOW DENSITY RESIDENTIAL (LDR), TO MEDIUM DENSITY RESIDENTIAL (MDR); AND DECLARING AN EMERGENCY.

City Planner David Reesor gave a brief summary of his staff report on this item. He noted the criteria of approval listed on the wall behind Council. He read those criteria. The current Metro Plan Diagram designates properties in the subject area as LDR, while the existing zoning and much of the development of the area is primarily MDR. This Plan/Zone conflict is the result of the adoption of the present Metro Plan diagram (c. 2004) which designates these properties LDR even though all previous actions by the Planning Commission and City Council established MDR as the appropriate designation for this area.

This Plan/Zone conflict was initially brought before the Planning Commission during a work session on April 1st, 2008 and the City Council on April 21st, 2008, after which the City Council initiated a Metro Plan Diagram Amendment. This issue came to the City's attention when a property owner in the subject area inquired about future development potential of his property. The Planning Commission and Staff discussed the planning history of this area including previous actions that resulted in upzoning property from LDR to MDR and the subsequent MDR development that followed. Staff mentioned that these earlier zone changes were based on Plan diagram interpretations of an earlier version of the Plan diagram.

After the City Council initiated this Plan Amendment application, City Staff conducted a neighborhood meeting for properties in and around the affected area on May 29th, 2008. Two property owners attended the meeting – one property owner within the subject area; and the other property owner just west of the subject area. No concerns were raised.

June 17th, 2008, the Planning Commission held a public hearing on the proposed Plan Diagram Amendment. No public testimony was received and no concerns were raised. The Planning Commission deliberated and voted 6 in favor, 0 opposed, and 1 absent to forward a recommendation of approval to the City Council.

The designation of this area became an issue because the new Plan diagram is decidedly more precise in appearance and projects more locational certainty than previous Plan diagrams. In particular, it would be difficult to conclude that Rainbow Drive is not the east-west dividing line between MDR and LDR designations even though past land use actions, including MDR development west of Rainbow, contradict such a conclusion. The former Plan diagram was vague about the relationship between Rainbow and an MDR/LDR dividing line, but the Council at that time was persuaded that the diagram, the text and the circumstances present in that area supported an MDR determination west of Rainbow Drive. Given the history of past development and zone change approvals in the area and findings in the attached Staff Report which support the proposed Plan Amendment, Staff and the Planning Commission recommend approval of this Council initiated Amendment to the Plan Diagram. Given the circumstances, including (1) length of time to resolve the issue, and; (2) upcoming summer recess for Council; Staff requests that the Council adopt this Ordinance by emergency.

Similar Plan/Zone conflicts exist throughout Springfield. As previously mentioned to Council, Staff will provide the Planning Commission and Council with a number of options for reconciling any Plan/Zone conflicts that may exist as we update our land use data records during the HB 3337 inventory work.

Mr. Reesor noted that staff recommended approval.

Mayor Leiken said one of the properties listed was owned by his mother-in-law and father-in-law, and the Mayor had partnered with them on this property and received financial benefit. Because of that, he recused himself from this item on the agenda.

Council President Lundberg presided over this part of the meeting.

Councilor Ballew asked if there was any opposition. No.

Council President Lundberg opened the public hearing.

No one appeared to speak.

Council President Lundberg closed the public hearing.

IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR BALLEW TO ADOPT ORDINANCE NO. 6223. THE MOTION PASSED WITH A VOTE OF 4 FOR AND 0 AGAINST (2 Absent – Wylie and Pishioneri).

Mayor Leiken returned to preside over the rest of the meeting.

3. Annexation of Territory to the City of Springfield (Franklin Boulevard/Glenwood Bridge/Willamette River) – Case Number C SP 2008 – LRP2008-00006.

ORDINANCE NO. 6224 – AN ORDINANCE APPROVING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD AND THE LANE COUNTY METROPOLITAN WASTEWATER SERVICE DISTRICT; AND WITHDRAWING THE SAME TERRITORY FROM THE GLENWOOD WATER DISTRICT AND DECLARING AN EMERGENCY.

Planning Supervisor Jim Donovan presented the staff report on this time. Mr. Donovan noted that he was proud to work for the City and the Council, and proud of the way we did business. Mr. Donovan reviewed the new annexation law that went into affect for Springfield with the elimination of the Lane County Boundary Commission. An intergovernmental agreement (IGA) was signed with the Lane County Metro Wastewater Service District (MWSD) and the Willamalane Parks and Recreation District so that as Springfield annexed property, it could be done concurrently with those districts. The annexation was a three part process: 1) annexing property to the City of Springfield; 2) annexing to the Lane County Metro Wastewater Service District; and 3) moving the property from special service districts to City services.

Mr. Donovan said this annexation request was initiated by City Council Resolution No. 08-06 on March 17, 2008 (Attachment 3, Exhibit B in the agenda packet). The annexation area includes Franklin Boulevard right-of-way, a portion of the Glenwood Bridge, and a portion of the Willamette River.

The annexation area is about 19¼ acres in size and is public right-of-way (Franklin Boulevard, ±12.80 acres; Glenwood Bridge, ±5.00 acres) and waterway (Willamette River, ±1.45 acres). Urban services, primarily public safety services, are desired for this portion of the Franklin Boulevard transportation corridor. The Staff Report (Attachment 1 in the agenda packet) includes an analysis of the annexation request and recommended Council actions. Maps of the annexation area are Attachment 2 of the agenda packet.

The requirements in Springfield Development Code (SDC) Article 5.7 are addressed in Staff Report. The annexation area can be served with the minimum level of key urban facilities and services as required in the *Eugene-Springfield Metropolitan Area General Plan*. Services are immediately available or can be provided in a timely manner.

The Director's recommendation to the City Council is to (a) approve the annexation of territory to the City of Springfield and Lane County Metropolitan Wastewater Service District; and (b) withdraw the same annexation area from the Glenwood Water District.

The City Council is authorized by ORS Chapter 222 and SDC Article 5.7 to accept, process, and act on annexation requests initiated by City Council resolution.

If approved with an emergency clause, the annexation will become effective immediately upon signature by the Mayor consistent with SDC 5.7-155 and ORS 222.040, 222.180, and 222.465. Based on this method of initiation, an election on the question of annexation is not allowed.

The annexation area includes public facilities and waterway and is located inside the urban growth boundary (UGB). The current City limits run along the eastern boundary of the site. Urban services—primarily public safety services—are desired for this public infrastructure. There is no assessed value attached to public right-of-way or waterway. Emergency adoption of the ordinance allows the area to be served immediately.

Councilor Ballew asked if taking this action completed the annexation action.

Mr. Van Vactor said that was correct.

Councilor Ballew confirmed that the next step would be filing this information with the Lane County Assessor's office and other affected agencies.

Mr. Van Vactor said that was correct. He noted that withdrawal from the water district didn't take place until July 1 of next year due to timing.

Councilor Ballew asked about the Lane County Metro Wastewater Service District. She said she thought we weren't a district, but rather functioned under an IGA.

Mr. Van Vactor said it still existed. He explained the history of that district. He said at some point, the MWSD could be suspended.

Councilor Ralston asked if annexing this property to the City affected who was responsible for maintenance of the bridge or roadways.

Mr. Donovan said the maintenance agreements with the Oregon Department of Transportation (ODOT) were unaffected. The main thing changing was law enforcement. Everything the Lane County Boundary Commission formerly did behind the scenes was now being done by City staff. Former LCBC staff member Paula Taylor was on contract to the City helping staff through this process. Ms. Taylor was present in the audience.

Mr. Donovan noted that all three annexation ordinances had emergency clauses. There was a 90 day prohibition for annexations prior to a General Election and the November 4 election date did affect these annexations if processed without an emergency.

Mayor Leiken acknowledged that City staff was taking the information that had been used for this process by the LCBC and implementing it in our new process.

Councilor Lundberg asked about law enforcement and addressing issues at the bridge.

Chief Smith said it meant that Springfield police officers could impose City ordinances, such as public drinking, loitering, etc. Prior to the annexation, Springfield Police could not enforce any City ordinances as it was out of our jurisdiction.

Mayor Leiken opened the public hearing.

1. Gail Slater, 546 F Street, Springfield, OR. Mr. Slater said he and his wife had lived in Springfield and enjoying it in general for three years. They were victimized within the first year by a group of transients that drifted in and out of some apartments on 5th Street. He made the observation that these same transients camped under the bridge area. Also during their first year in Springfield, they were disturbed to see a parade of aggressive criminals, who were transients, performing illegal activity. He described some of those things he had witnessed and said he and his wife were shocked when they saw these things. They called for help, but to no avail. Mr. Slater said he currently worked with public health for Lane County. This area was a public health hazard, because there was no sewer and no garbage control. The

bacteria from the sewage would be going into the Willamette River. He had heard stories of cleanup activities finding syringes along the river. The thefts and vandalisms were connected with the transients under the bridge. He reiterated the issues; crime, pollution, assaults, drugs, and alcohol. He asked the Council to take hold of this situation because no one else had or would.

2. Fred Simmons, 312 South 52nd Place, Springfield, OR. Mr. Simmons said he was supportive of the intent, but not the specificity of the action. He felt it brought forward some constitutional questions that could come before the courts. He said to be prepared to deal with those issues when they used this as a methodology for dealing with the transients. He said to beware of the unintended consequences. When Bright Oaks closed, they moved the transients from the east side of the park to the west side. He asked where they would move when they eliminated the opportunity for them to use that area. He said to take a positive action by annexing, but figure out how to deal with the issues. The City was never going to make Glenwood into the good it could become without getting rid of the transient situation. He cautioned them to be very careful when sending out employees to that area to make sure they had the proper safety equipment for collecting needles. It was an extremely dangerous place for public health. He encouraged Council to approve the annexation, but to be aware that it could move the problem elsewhere.

Mayor Leiken closed the public hearing.

Mayor Leiken thanked staff for an extraordinary job and moving forward on this. He thanked ODOT for working with the City on this, especially the local office.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT ORDINANCE NO. 6224. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 0 AGAINST (2 Absent – Wylie and Pishioneri).

4. Annexation of Territory to the City of Springfield (57th St Prop LLC – Case Number C SP 2008 – LRP2008-00001).

ORDINANCE NO. 6225 – AN ORDINANCE MODIFYING AND APPROVING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD, LANE COUNTY METROPOLITAN WASTEWATER SERVICE DISTRICT, AND WILLAMALANE PARK AND RECREATION DISTRICT; AND WITHDRAWING THE SAME TERRITORY FROM THE WILLAKENZIE RURAL FIRE PROTECTION DISTRICT AND DECLARING AN EMERGENCY.

City Planner Andy Limbird presented the staff report on this item. The property owner has requested annexation of a 1.51 acre parcel located at 725 South 57th Street (Map 18-02-04-11, Tax Lot 4600). As submitted by the owner, the annexation area comprises a single tax lot and contains a single-family dwelling. The purpose of the annexation is to allow connection of the existing house to City sewer and water, and to facilitate future development although no specific development plans have been submitted at this time. The attached Staff Report (Attachment 1 in the agenda packet) includes an analysis of the annexation request and recommended Council actions. Maps of the annexation area, as submitted, are included with the Staff Report (Attachment 2 in the agenda packet).

The annexation area can be served with the minimum level of key urban facilities and services as required in the *Eugene-Springfield Metropolitan Area General Plan*. Services are immediately

available at the property frontage, and for this reason it is the determination of staff that an Annexation Agreement is not required. The west property line of the annexation area is separated from the City limits by an unincorporated, 10-foot wide segment of South 57th Street. To the north and south of the property, the entire street right-of-way for South 57th Street is inside the City limits. It is recommended that this segment of South 57th Street be included in the annexation to eliminate the potential for a remnant portion of unincorporated street right-of-way surrounded by the City limits.

The Director's recommendation to the City Council is to (a) modify the annexation area to include the 10-foot wide strip of South 57th Street adjacent to the subject property, (b) approve the annexation of territory, as modified, to the City of Springfield, Lane County Metropolitan Wastewater Service District, and Willamalane Park and Recreation District; and (c) withdraw the same modified annexation area from the Willakenzie Rural Fire Protection District.

The City Council is authorized by ORS Chapter 222 and SDC Article 5.7 to accept, process, and act on annexation requests from property owners (Attachment 3, Exhibit B in the agenda packet). Without an Emergency Clause, the annexation will become effective the day following the next election cycle (November 5, 2008), consistent with SDC 5.7-155 and ORS 222.040, 222.180, and 222.465. Based on this method of initiation, an election on the question of annexation is not allowed.

A 10-foot wide portion of existing South 57th Street right-of-way is recommended to be included in the annexation area. The annexation area, as modified, includes one residential unit and is located inside the urban growth boundary (UGB). The current City limits run along three sides of the site. Annexation is being requested in order to facilitate future development. Lane County Assessor's records attribute a 2007 assessment value of \$305,945 to the property. As new development occurs, the assessed value will increase and additional revenue will be added to the City's tax base.

Councilor Ballew said there were two applications in this area. Both included rights of ways. She asked how that worked.

Mr. Limbird said City staff, in consultation with Lane Council of Governments (LCOG) staff were working through that issue. He explained the section of right-of-way recommended in the second annexation request (Galceran). In the current situation, all the properties around this roadway were annexed to the City.

Councilor Ballew asked if this was a problem around the City.

Mr. Limbird said it was. Public Works and Development Services staff would work together on a unified consistent approach to annexation to bring all right-of-ways into the City. Annexation of right-of-way to the City didn't automatically transfer maintenance responsibilities. That would require a jurisdictional transfer.

Councilor Woodrow asked if they would be required to put in a curb and sidewalk.

Mr. Limbird said they would be required to sign an improvement agreement for future curb, gutter, sidewalk, and street trees. Any future development would entail street improvements to City standards.

Councilor Woodrow asked about the drainage area abutting this property. He asked if the County would do anything to improve that area with the Bob Straub Parkway project.

Mr. Limbird said no improvements would be required on existing properties, just on new development.

Mayor Leikén 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 ADOPT ORDINANCE NO. 6225. THE MOTION PASSED WITH A VOTE OF 4 FOR AND 0 AGAINST (2 Absent – Wylie and Pishioneri).

5. Annexation of Territory to the City of Springfield (Ron Galceran – Case Number C SP 2008 – LRP2007-00022).

ORDINANCE NO. 6226 – AN ORDINANCE MODIFYING AND APPROVING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD, LANE COUNTY METROPOLITAN WASTEWATER SERVICE DISTRICT, AND WILLAMALANE PARK AND RECREATION DISTRICT; AND WITHDRAWING THE SAME TERRITORY FROM THE WILLAKENZIE RURAL FIRE PROTECTION DISTRICT AND DECLARING AN EMERGENCY.

Planner Andy Limbird presented the staff report on this item. The property owners have requested annexation of a 1.81 acre parcel located at 855 South 57th Street (Map 18-02-04-14, Tax Lot 200). As submitted, the annexation area includes Tax Lot 200 and a 5-foot wide strip of South 57th Street right-of-way; staff are recommending also annexing the east 25 feet of the South 57th Street right-of-way as measured from centerline. The purpose of the annexation is to allow connection of the existing house to City sewer and water, and to facilitate a future land division for residential development. The attached Staff Report (Attachment 1) includes an analysis of the annexation request and recommended Council actions. Maps of the annexation area, as modified, are included with the Staff Report (Attachment 2 in the agenda packet).

The annexation area can be served with the minimum level of key urban facilities and services as required in the *Eugene-Springfield Metropolitan Area General Plan*. Services are immediately available or can be provided in a timely manner. An executed Annexation Agreement that addresses urban service provision and financing responsibility between the City and the property owners is attached (Attachment 3, Exhibit C).

The Director's recommendation to the City Council is to: (a) modify the annexation area to include a 25-foot wide portion of South 57th Street right-of-way along the property frontage; (b) approve the modified annexation of territory to the City of Springfield, Lane County Metropolitan Wastewater Service District, and Willamalane Park and Recreation District; and (c) withdraw the same modified annexation area from the Willakenzie Rural Fire Protection District.

The City Council is authorized by ORS Chapter 222 and SDC Article 5.7 to accept, process, and act on annexation requests from property owners. The attached Annexation Agreement has been

executed by the City Manager. The City and property owners have reached agreement on responsibilities for service provisions and costs for providing the urban services needed for further residential development. The property owner submitted a request for annexation in July, 2007 and, without an Emergency Clause, the annexation will become effective the day following the next election cycle (November 5, 2008), consistent with SDC 5.7-155 and ORS 222.040, 222.180, and 222.465.

Lane County Assessor's records attribute a 2007 assessment value of \$181,018 to the property. As new development occurs, the assessed value will increase and additional revenue will be added to the City's tax base.

Councilor Ballew said one of these annexations had an annexation agreement. She asked if by approving the annexation, they were also approving the agreement.

Mr. Limbird said the City Manager had already executed the annexation agreement. This application was a little more complicated and contained future portions of public streets. He explained. Staff had received only one letter in response to the public notification. The letter was an expression of support from an adjacent property owner. He noted that the letter would be placed in the record by reference.

Councilor Ralston asked if these types of annexations could be done all at once since there would be others in this area.

Mr. Limbird said they had no further requests for annexation in this location at this time and Council had chosen not to prompt annexations, but to leave it to owner requests. It was coincidental that three requests for annexation had come to Council over the last year in this area.

Councilor Ralston said this could be ripe for causing island annexations.

Mayor Leiken opened the public hearing.

1. Bernice Hill, 1052 South 58th Street, Springfield, OR. Ms. Hill asked about a street near her home and if they were going to continue that street up towards South 57th. She wanted to know what the owner was going to do with the property behind her home. Her home faced South 58th and the house on the other side faced South 57th Street.

Mr. Limbird said the requested annexation area along with the property to the north would share an east/west public street that would connect the current dead end South 58th Street. That would provide a link to South 57th Street. That connection was identified on the City's conceptual street map. There would also be a portion of South 58th Place heading south for eventual connection with the existing South 58th Place. That was the development intent and would be seen through a subdivision allocation.

Mayor Leiken suggested that if that didn't answer her question, Ms. Hill talk to Mr. Limbird.

Mr. Limbird said he would give his business card to Ms. Hill. He noted that the property owner had not formally applied for land division.

Mayor Leiken closed the public hearing.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO ADOPT ORDINANCE NO. 6226. THE MOTION PASSED WITH A VOTE OF 4 FOR AND 0 AGAINST (2 Absent – Wylie and Pishioneri).

BUSINESS FROM THE AUDIENCE

None.

COUNCIL RESPONSE

CORRESPONDENCE AND PETITIONS

1. Memo from Leia K. Pitcher, Thorp, Purdy, Jewett, Urness and Wilkinson, Representing Springfield Public Schools, Regarding the City of Springfield's Recommendation to OLCC on Shaker's Application for a Liquor License.
2. Petition from Citizens of Springfield Regarding the Patrician Manufactured Homes.
3. Correspondence from Lou Tettenburn, 2290 33rd Street, Springfield, Oregon Regarding the Lowe's Development on Marcola Road and the Patrician Mobile Home Park and Conference Center.

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 4 FOR AND 0 AGAINST (2 Absent – Wylie and Pishioneri).

BIDS

ORDINANCES

BUSINESS FROM THE CITY COUNCIL

1. Committee Appointments.
2. Business from Council
 - a. Committee Reports
 - 1) Mayor Leiken said the Governor's subcommittee on transportation had its final meeting. There was some pretty good news on the recommendation being presented to the Governor and legislature on a split of ODOT money. He explained the recommended allocations of 50% to the State, 30% to the counties and 20% to the cities. He said he would be sending a rough draft to the Council.

BUSINESS FROM THE CITY MANAGER

1. FY08-09 Budget Allocations to Human Services Commission – Veteran Services Office.

Assistant City Manager Jeff Towery presented the staff report on this item. The City allocated \$128,394 from the General Funds, to the Human Services Commission (HSC) in the FY08-09 budget, as well as \$90,747 from the Community Development Block Grant (CDBG) fund. During deliberations by the Budget Committee and City Council, there was support for setting

aside an additional \$20,000 of General Fund money for Buckley House services, in the event that Lane County budget cuts resulted in reductions in their programs. Lane County was able to fully restore Buckley House funding but made other cuts to HSC-funded services. Lane County has proposed that \$20,000 from the City of Springfield be matched with \$37,000 from the City of Eugene to leverage nearly \$120,000 in State funds in order to provide a variety of Veteran Services as outlined in the attached letter.

An affirmative vote would result in the expenditure of \$20,000 currently in General Fund reserves.

Councilor Ballew said she would not be supporting this. She did support veterans, but she found it irritating that this was a Federal government responsibility and local governments were doing it for them.

Councilor Ralston said he served on the HSC. When funds were unexpectedly received for the Buckley House and the HSC had still cut veteran's service, he suggested Springfield could possibly share that cost with Eugene and Lane County. He felt it was important because it was matching money from both the Federal and State government. It restored the minimum service amount.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO AUTHORIZE THE EXPENDITURE OF \$20,000 TO THE HUMAN SERVICES COMMISSION FOR SUPPORT TO THE VETERAN SERVICES OFFICE.

City Attorney Joe Leahy asked for a moment to check on the quorum issue related to a budget item being voted upon.

Mr. Leahy suggested going forward while they continued to check. If there was need, they could come back later on this issue.

THE MOTION PASSED WITH A VOTE OF 3 FOR AND 1 AGAINST (BALLEW) (2 Absent – Wylie and Pishioneri).

2. Agreement Between the City of Springfield, Springfield Renaissance Development Corporation, Springfield School District 19 and Willamalane Park and Recreational District for Support of Wildish Theater and Springfield's Downtown Urban Renewal District.

Assistant City Manager Jeff Towery and City Attorney Joe Leahy presented the staff report on this item. The following are the fundamental terms of this Agreement.

SRDC presently has these outstanding financial obligations:

- a. A loan due and payable to Siuslaw Bank in an amount not less than \$600,000.
- b. The balance of a loan in the amount of approximately \$93,371.55 payable to the State of Oregon, Oregon Housing and Community Services – Community Incentive Fund Loan.

SRDC, Willamalane, and the School District intend to form a non-profit corporation to ensure the long term economic development viability of the Wildish Theater.

1. **Donation by CITY.** City agrees to donate \$100,000 to SRDC for:
 - A. \$75,000 for helping to pay the Note to Siuslaw Bank.

- B. \$25,000 for the WILDISH THEATER Endowment Fund to be used for long term care and maintenance of the WILDISH THEATER.
2. **Loan by City.** CITY agrees to loan \$100,000 to SRDC for pay off the Note to Siuslaw Bank. The loan shall be secured by a Note executed by SRDC and guaranteed by School District and Willamalane subject to the following conditions:
- A. No interest on the Note.
 - B. Due and payable not later than July 1, 2018.
 - C. Forgiven upon proof of satisfaction of loan from State of Oregon.
3. **Assignability.** SRDC may assign Agreement to the new non profit.

Resources are available from the funds collected related to the rezone of the former Chambers property. Those funds were dedicated to the construction of So. 32nd Street improvements and other economic development activities. Approximately \$2.4 million remains with about \$2 million committed to other projects.

Mr. Leahy concurred with Mr. Towery's report. The essential terms of the money were spelled out in the agreement. The only issue related to the security for the loan. Mr. Leahy and the City Manager would like some discretion for security of the loan.

Mayor Leiken asked Mr. Leahy about the issue of a possible tie on this item and if he would be able to break the tie with the limited number of Council members present. He asked if this item should be tabled.

Mr. Leahy said a quorum was four members of the Council. The vote on the previous item was fine and a vote on this item, even if a tie vote was broken by the Mayor, would be fine according to the Charter.

IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR BALLEW TO APPROVE THE FUNDAMENTAL TERMS AND AUTHORIZE THE CITY MANAGER TO EXECUTE SUBJECT TO CITY ATTORNEY APPROVAL ON THE SECURITY OF THE LOAN.

Mr. Leahy asked for more clarification on the fundamental terms. The only discretionary issue in this was the security of the loan.

Councilor Ralston said he felt he had compromised in saying he would approve of loaning the \$100,000, but it was not his intent to forgive the loan under any circumstances. He would not support this agreement for that reason.

Councilor Ballew said she was not overly happy about the loan, but asked if Councilor Ralston could support it if it were modified.

Councilor Ralston said he would support it if it was not a forgiven loan.

Councilor Woodrow asked if that would be an issue of the agreement was amended to say the loan would not be forgiven.

Members of the SRDC in the audience acknowledged that it would be a major issue.

Mr. Towery said the direction they felt they had received from Council was that Council's overriding concern was that all of the debt be cleared. They understood it was not unanimous, but they heard that if all the debt could go away through repayment or forgiveness, that would satisfy the Council's primary concerns.

Mr. Leahy said the \$25,000 to help with long term endowment was also added. They had tried to put together what they heard from Council.

Councilor Woodrow said he would stand by the original motion.

THE MOTION PASSED WITH A VOTE OF 3 FOR (BALLEW, WOODROW, MAYOR) AND 2 AGAINST (LUNDBERG AND RALSTON) (2 Absent – Wylie and Pishioneri).

3. Authorization to Proceed with Thurston Fire Station #16 Replacement Project – P20534.

Mr. Towery noted that this was Ms. Knapel's last day with the City of Springfield.

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 9550 square foot facility. On February 4, 2008, the Council selected a two story pitched roof option with a construction budget of \$1,832,000 and directed staff to proceed with the project design. On May 19, 2008, Council approved the design development phase of the project, increased the construction budget to \$2,081,450 and directed the staff to proceed with completion of the design. The Council also directed staff to negotiate with the CM/GC to bid the work and to develop a Guaranteed Maximum Price (GMP) proposal after construction work bids were received. The construction documents have been completed and the CM/GC, John Hyland Const. has completed the bidding process. The bid results indicated an initial construction cost for the project of \$2,234,283. Working with the architect and the CM/GC, staff identified \$58,400 in value engineering reductions, resulting in a GMP proposal of \$2,175,883 – approximately \$94,500 above the approved budget. The project staff has identified some additional value engineering items and is completing the analysis of these items.

In order to allow the project to proceed to construction, staff recommends the award of the construction contract in the amount of \$2,175,883. In addition, staff recommends that Council direct the value engineering process to continue in order to examine alternatives which would reduce the construction amount by \$30,000. To provide for the increase the construction cost, staff proposes two actions. First staff recommends the transfer of approximately \$64,400 in funds from the project contingency to the construction budget. Up to this point, the contingency which is included in the project budget was approximately 11.5%. This transfer will reduce the contingency to approximately 8%. This reduction in contingency is appropriate now that bids have been received for the work. Second, staff recommends that Council increase the project budget by \$30,000 and that this amount be included in the construction contract as a reserve amount to be used in the event that the remaining value engineering reductions cannot be achieved. Staff will report back to Council on the completed value engineering process in September 2008.

Mayor Leiken thanked Ms. Knapel for her time with the City. He said he was sorry to see her go. She had been involved in several signature projects for the City and was a top notch professional.

Ms. Knapel said it had been a pleasure working for the City and the Council.

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE AN INCREASE IN THE PROJECT BUDGET OF \$30,000 FOR THE THURSTON FIRE STATION #16 PROJECT AND DIRECT STAFF TO CONTINUE A VALUE ENGINEERING ANALYSIS. THE MOTION PASSED WITH A VOTE OF 3 FOR AND 1 AGAINST (BALLEW) (2 Absent – Wylie and Pishioneri).

IT WAS MOVED BY COUNCILOR LUNDBERG WITH A SECOND BY COUNCILOR WOODROW TO APPROVE THE GUARANTEED MAXIMUM PRICE OF \$2,175,883 FOR THE CONSTRUCTION OF THE THURSTON FIRE STATION #16. THE MOTION PASSED WITH A VOTE OF 3 FOR AND 1 AGAINST (BALLEW) (2 Absent – Wylie and Pishioneri).

BUSINESS FROM THE CITY ATTORNEY

ADJOURNMENT

The meeting was adjourned at approximately 9:55 p.m.

Minutes Recorder Amy Sowa


Sidney W. Leiken
Mayor

Attest:


City Recorder