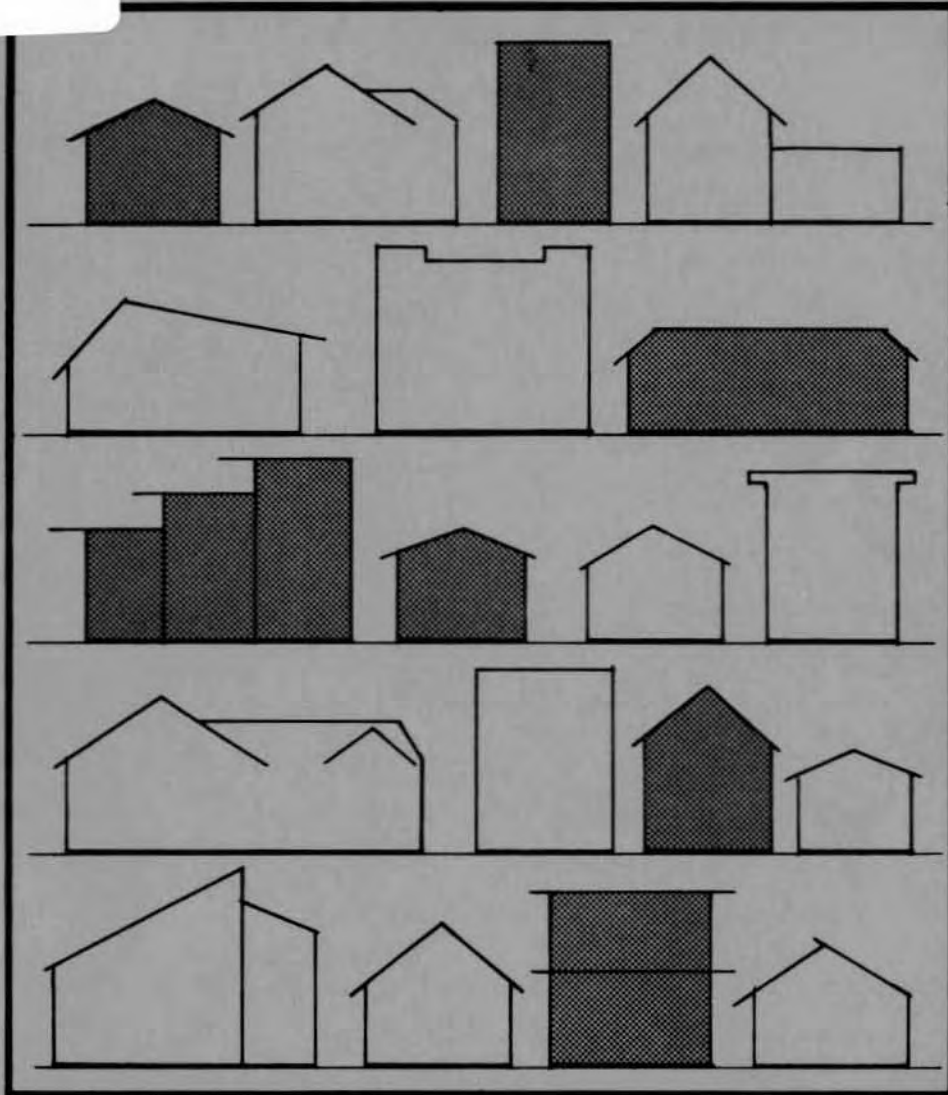


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## Housing in Eugene's Downtown: Long Term Strategies



Adopted April 1981

# LONG-TERM STRATEGIES FOR DOWNTOWN HOUSING

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## DOWNTOWN HOUSING: LONG-TERM STRATEGIES

### I. INTRODUCTION

For the past two years, as part of its goal-setting sessions, the City Council has identified the issue of downtown housing as one of the most important concerns facing the community. In subsequent discussions with the Eugene Renewal Agency, the council called out a three-part role for downtown Eugene as a government office and commercial center, a cultural center, and a residential neighborhood.

The City has successfully concentrated its efforts over the last ten years on strengthening the downtown as a government office and commercial center and a cultural center. The City's efforts now need to be concentrated on achieving the goal of downtown housing. This focus recognizes that a residential population base in downtown Eugene will provide ongoing support for the downtown area's commercial and cultural roles. Efforts to develop housing downtown are therefore a logical extension of the City's desire to strengthen downtown Eugene as the core of the city. This recognizes that the reintroduction of residential development within the City's downtown is consistent with a variety of other City goals and policies, particularly those pertaining to providing housing near employment and service centers, maintaining the health and vitality of downtown, and providing a mix of housing within the community.

In January 1980, the Eugene City Council received a report on strategies for pursuing housing in Eugene's downtown. In reviewing that report, the council asked the Eugene Planning Commission to focus on long-term strategies for increasing housing opportunities in the downtown area.

The Planning Commission began its review of the draft report Housing in Eugene's Downtown: Long-Term Strategies following publication of the draft in December 1980. That review included several Planning Commission work sessions, a joint work session with the Eugene Renewal Agency and the Planning Commission, and a public hearing in March 1981. The City Council acted on recommendations forwarded by the Planning Commission incorporating additional revisions and in April 1981 adopted the revised goal and recommendations as a supplement to City policies for the downtown area. The adopting resolutions are found in Appendix B of this report.

This report consists of three sections following this introduction. Section II sets forth the long-term goal for downtown housing along with a series of recommended actions needed to achieve that goal. Section III provides the background or framework within which downtown housing will occur: Identifying potential neighborhoods or subareas within the downtown, analyzing existing housing and residential support services, and examining potential housing sites and existing and potential structure types for downtown housing. Section IV focuses on five long-term strategies for downtown housing and provides the basis for the series of recommendations included in Section II.

## II. THE DOWNTOWN HOUSING GOAL AND RECOMMENDED ACTIONS

GOAL: To make downtown Eugene's role as a residential neighborhood equal in priority to its role as a major cultural, governmental, and commercial center.

In order to achieve this long-term goal, the City will need to make housing its highest short-term priority for downtown area development. In pursuing this downtown housing goal, the City will also apply other related City goals and policies including those which encourage developments that mingle different types of housing and thus can accommodate households of varied ages, incomes, occupations, and interests, while at the same time discouraging the creation of economic ghettos.

### RECOMMENDATIONS

The recommendations below have been discussed to one degree or another in the community for some time. In some cases they address programs which already exist in the downtown area. They are supported by the discussion found in Sections III and IV. All of these recommendations recognize the need for public-private partnership in achieving the goal of creating downtown housing.

1. The Multi-Unit Property Tax Exemption Program should be expanded at this time to include the Central Eugene Project renewal area as well as those portions of the Downtown Eastside and 5th Avenue subareas presently excluded from the program boundaries.

Under this recommendation the boundaries of the Multiple-Unit Property Tax Exemption Program would be defined as follows: The western boundary is Washington Street between 13th Avenue on the south and the Southern Pacific Railroad on the north; the northern boundary is the Southern Pacific Railroad between Washington Street and the Ferry Street Bridge; the eastern boundary is the Ferry Street Bridge ramps between the Southern Pacific Railroad and Broadway, Patterson Street between Broadway and 11th Avenue, and High Street between 11th and 13th avenues; and the southern boundary is 11th Avenue between Patterson and High streets and 13th Avenue between High and Washington streets. (See Map F, Tax-Exemption Areas).

2. The City should consider applying an exemption from the Systems Development Tax for residential development within the expanded property tax exemption area.
3. During the update of the Downtown Renewal Plan, provision for downtown housing should continue to be stressed. Opportunities for housing development or redevelopment should be identified in any proposal for expanded or newly created renewal areas.
4. Parking requirements for subsidized housing for the elderly should be reduced to one space for every four units.
5. The City should study the potential for long-term leasing of spaces within public parking structures as one alternative for meeting parking requirements for residential development in the downtown area.



Use of existing public parking structures by downtown area residents cannot be implemented without further study. Preliminary investigation indicates that there may be problems with the tax status and debt servicing of the structures if they are used to meeting parking requirements for residential development in the downtown area. In addition to tax status and debt servicing, the study will evaluate the ability to secure and make efficient use of the structures, taking into account the need for 24-hour access and the lack of turnover associated with residential parking.

6. The City should consider changing regulations governing required off-street parking for downtown housing to allow required parking to be located more than 400 feet from the development site.

Housing developers may decide not to pursue this option because of marketing difficulties with housing consumers or lack of support by the lending community, but the City should consider allowing alternatives to these regulations at least on an experimental basis.

7. The City should continue analysis of the downtown area and its potential for residential development. Further analysis and implementation activities in the downtown area should focus on 1) identifying specific areas within downtown with the greatest potential for housing development; 2) making those sites available for residential development; and 3) providing amenities to support downtown housing.

The Eugene Renewal Agency has initiated a housing market analysis for the downtown area and one of the products of that analysis will be the identification of specific sites for housing development. Amenities that may be needed to improve the image and ability of the downtown area to serve residential development include lighting, street trees, open space and park development, and contributions to residential support services like day-care centers or grocery stores.

8. The City should investigate the formation of a non-profit housing corporation and work with the Lenders Task Force, the Eugene Renewal Agency, and chartered neighborhood organizations to identify mechanisms for local public financial assistance to downtown housing; those mechanisms could include passage of general obligation bonds for downtown housing, creation of a public urban bank, and use of housing revenue bonds in the downtown area.
9. The City should continue to identify and eliminate or lessen the impact of regulations or laws which act as barriers to housing in the downtown area.
10. The City should take steps to conserve and improve the more than 1,500 dwelling units that are already located within the downtown area.

This recommendation acknowledges the irreplaceable resource represented by existing low- and moderately-priced housing in the downtown area. The City's efforts in downtown housing conservation will focus on improvements in the existing housing rehabilitation program to involve more investor owners and the development of other strategies to discourage the loss of residential units through demolition or conversion to non-residential use.

### III. FRAMEWORK FOR DOWNTOWN HOUSING

The planning for downtown Eugene is, and will continue to be, made up of a collage of different functional and area plans. These functional and area plans for downtown Eugene are shaped and held together by the long-range policies of the City found in the Metropolitan Area General Plan and Eugene's Community Goals and Policies. The statements in these policy documents guide more detailed plans like the Downtown Renewal Plan (Central Eugene Project), central area neighborhood refinement plans, recommendations of the Downtown Transportation Study, the Civic Center plan, and government center planning efforts. The combination of long-term strategies for downtown housing, the recently initiated downtown renewal plan update process, implementation of policies in the central area refinement plans, and continued implementation of recommendations from a variety of functional plans provide a context within which the community can act to strengthen the role of housing in the downtown area. (See illustration of Framework For Downtown Housing.)

Land use, ownership patterns, support services, and existing housing resources provide the framework for any new or expanded housing opportunities in the downtown area. Work in this area is crucial to the success of the strategies that involve incentives for housing development. The goal of this analysis is to identify those areas where incentives or other public tools might best be applied.

#### A. Defining the Downtown Area and its Subareas

The study area boundary illustrated on Map A was designed in December 1979 to include the Central Eugene Project as well as areas around the downtown renewal project that:

- a. Were identified in adopted plans as having some potential for housing development; or
- b. Already contained substantial housing resources.

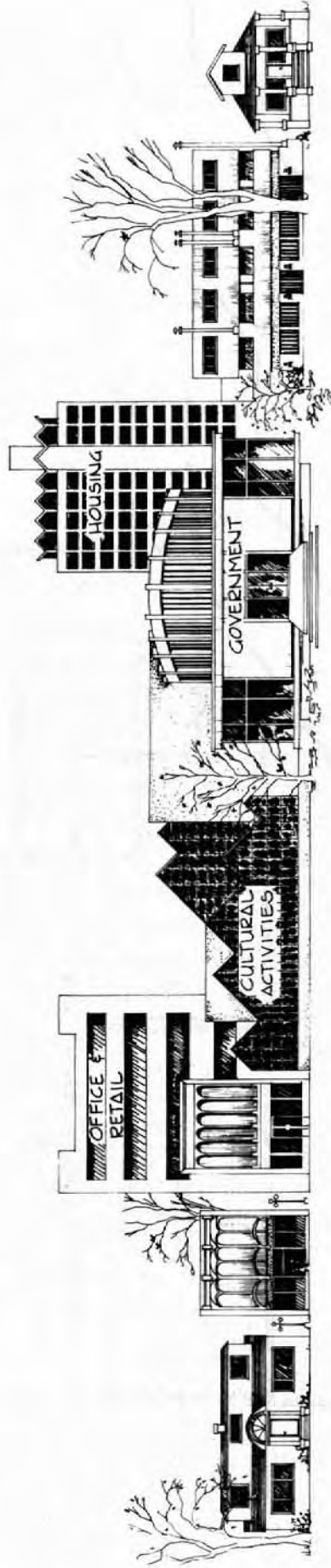
Map A illustrates the downtown study area and surrounding residential neighborhoods. Adjacent residential areas are extremely important to the City's efforts to expand housing resources within the study area. The adjacent residential neighborhoods provide a stock of existing dwelling units which have been rehabilitated or which are rehabilitable, setting the stage for further residential development within the downtown study area. The City's commitment of substantial amounts of Community Development Block Grant funds in the central area neighborhoods complements efforts to expand housing opportunities within the downtown study area. Because of the importance of these adjacent residential areas to additional residential development in the downtown area, housing strategies for downtown must also consider the impacts on the adjacent residential neighborhoods.

The downtown study area can be broken down into several distinct subareas. Map B illustrates five subareas identified within the study area boundaries.

##### 1. Central Eugene Project Subarea (A)

The Central Eugene Project is the downtown renewal project area and forms the core of the downtown study area. There are three activity areas within the Central Eugene Project.

FRAMEWORK FOR DOWNTOWN PLANNING



NEIGHBORHOOD REFINEMENT PLAN

CENTRAL EUGENE PROJECT

NEIGHBORHOOD REFINEMENT PLAN

DOWNTOWN TRANSPORTATION STUDY

CIVIC CENTER PLAN

DOWNTOWN HOUSING

COMMUNITY GOALS & POLICIES

METROPOLITAN AREA GENERAL PLAN

STATEWIDE GOALS & GUIDELINES







# MAP B

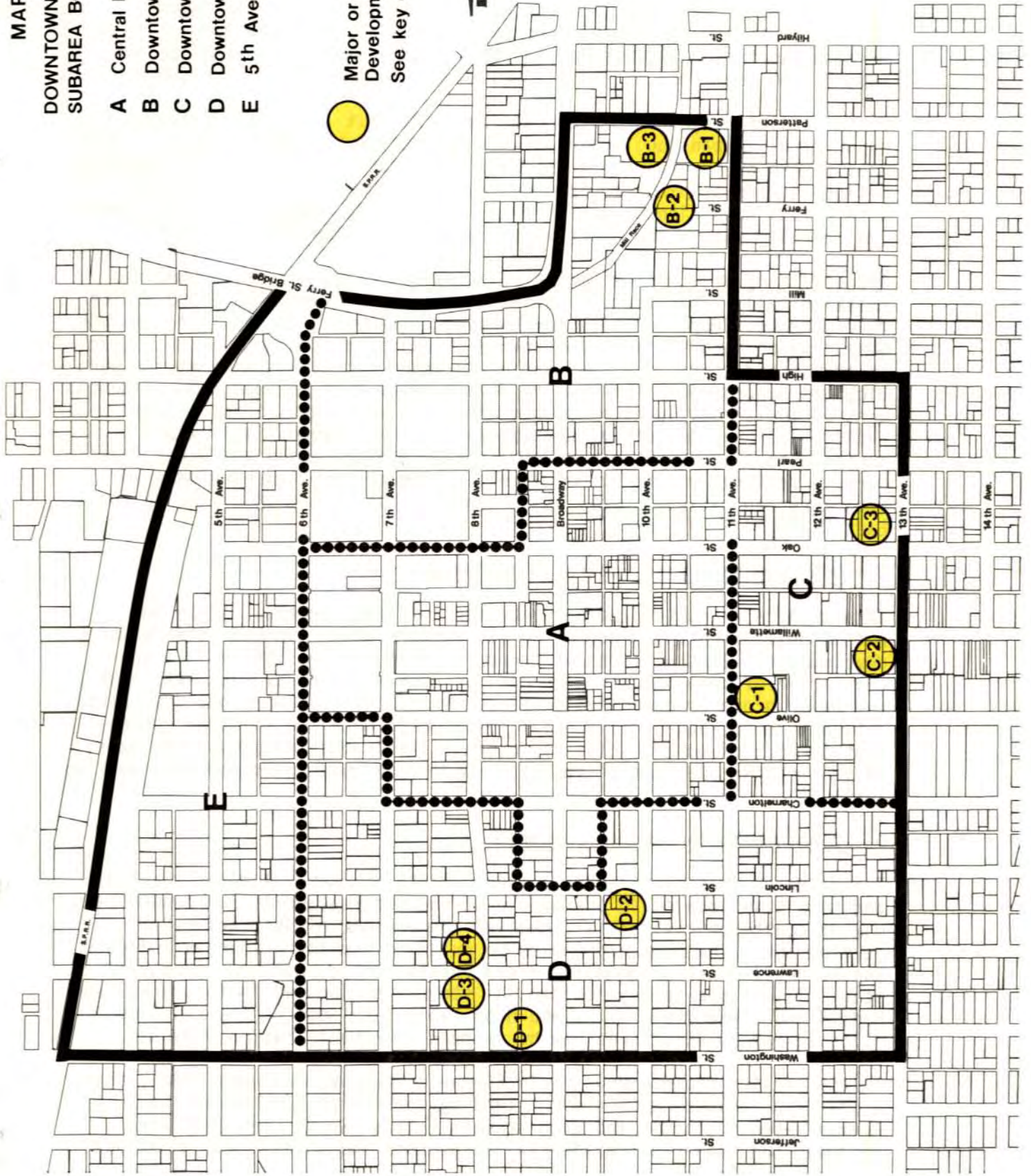
## DOWNTOWN HOUSING: SUBAREA BOUNDARIES

- A Central Eugene Project
- B Downtown East Side
- C Downtown South
- D Downtown West Side
- E 5th Avenue



Major or Recent Housing  
Development

See key on Table 1



Cultural activities are focused at the northern end of the project area. The Eugene Performing Arts Center, the Hilton Hotel, and the Eugene Conference Center will all be located in this area. There appears to be no opportunity for new residential construction in this portion of the subarea and there are no existing housing resources within the subarea.

On the western edge of the Central Eugene Project is an area targeted for major retail expansion. Opportunities for residential development in this area depend on the future of the City's efforts for major retail expansion. Residential development could occur as a secondary land use in conjunction with retail expansion or as a primary land use in conjunction with commercial development in the event major retail expansion does not occur.

The remaining area of the Central Eugene Project is focused around the existing mall. This area is characterized by existing retail and office developments. Opportunities for housing development in this area include some limited opportunities for re-use of existing structures, particularly at the second-story level and vacant or underused sites which may be particularly appropriate for housing developments that include non-residential uses on the street level or on the first two or three stories. Mixed residential/non-residential developments on the downtown mall would increase housing opportunities, while maintaining retail and other commercial patterns at the street level. This approach has been used in many European cities as well as in Canadian cities and US cities on the East Coast.

## 2. Downtown East Side Subarea (Subarea B)

This area is characterized by government offices, general office and retail development, and except on its eastern edge, limited residential development. In the southeast corner of this subarea, there is a concentration of dwelling units in mid- to high-rise structures. At least one major property owner and developer within this subarea has indicated interest in increased residential development near the existing concentration of mid- to high-rise structures. Additional opportunities exist in the area in the form of vacant or underdeveloped sites (surface parking lots).

## 3. Downtown South Subarea (Subarea C)

This area is characterized by a wide variety of uses. A major hospital and clinic is located in the middle of the subarea and is surrounded by a mix of scattered residential, general commercial, office, and retail development. The maps and tables on existing housing resources indicate the recently constructed Olive Plaza development as well as older substantial multiple-family residential structures located in this area (see Maps B and C and items 4, 5, and 6 on Table I). Some of the existing multiple-family structures may be in need of rehabilitation programs.

In the earlier report, Housing In Eugene's Downtown (January 1980), this study area included a corridor extending south from 13th Avenue to 19th Avenue between Lincoln and High streets. This "South Corridor" area includes two high-rise residential structures and significant additional



residential development (see items 4, 5, and 6 on Table II as examples). This area also includes substantial support services for residential development, a range of service, office, and retail development, and numerous vacant and underdeveloped parcels. Additional housing potential in this area is being explored in the context of neighborhood refinement plans for neighborhoods extending to the east and west.

#### 4. Downtown West Side Subarea (Subarea D)

The area immediately west of the downtown mall maintains a primarily residential character, while at the same time containing churches, office developments, and a range of support services for residential development. In 1977, the MU Mixed-Use District was applied to much of the property within this area to support and maintain the area's residential character while at the same time providing for existing and limited additional office and community commercial uses. This subarea has been the site of new residential construction for both elderly low-income and non-elderly middle- to high-income persons in the last two years. There are opportunities in the area for housing rehabilitation and for new housing development on vacant and underused parcels (surface parking lots).

#### 5. 5th Avenue Subarea (Subarea E)

This subarea is focused along 5th Avenue and around the historic preservation and revitalization efforts of a number of structures in the area. At the eastern end, the 5th Avenue Special District encourages and supports redevelopment and reuse of older industrial structures. The present expansion of the 5th Street Public Market and the location of a new grocery store on the south side of 5th Avenue between Pearl and Oak Streets contributes a full range of support services for residential development within this subarea. Unfortunately, there are few, if any, opportunities for housing development within the subarea itself. It is bounded on the north by the Southern Pacific railroad tracks and on the south by the arterials of 6th and 7th avenues. It includes some uses which are not necessarily compatible with residential use, specifically the newly constructed Lane County Jail. It also includes a range of industrial and retail activity and some limited existing residential development. The limited opportunities in this area include rehabilitation and conservation of existing housing and some limited expansion of existing housing resources on vacant or underdeveloped sites.

In the January 1980 report on downtown housing, two additional areas were discussed immediately north of the 5th Avenue subarea. The East and West Butte areas are located north of the Southern Pacific Railroad tracks and are located respectively east and west of Skinner Butte. Both of these areas are characterized by substantial residential pockets at their north ends and predominantly non-residential uses to the south. The East Butte area contains some major housing resources (see items 1, 6, and 7 on Table II) as well as the most recent residential development near the downtown area (item 2, Table II).



Table I  
 MAJOR OR RECENT HOUSING DEVELOPMENT DOWNTOWN STUDY AREA  
 (See Map B) \*

Project Name	* Map Index	No. of Units	Density DU/Acre	Bed-rooms	No. of Floors	Address(es)	Sales Price	Rental Rates	Parking No./Type	Other
Patterson Towers	B-1	91	111	1, 2	12/elev	1080 Patterson	-	\$185-350	12/covered 71/surface	Concrete Rent increase \$5 every 2nd story
Eugene Manor	B-2	73	75.3	46-1 BR 12-2 BR 14 Studio 1 Penthouse	6/elev	1040/1050 Ferry	-	\$160-242	44/surface	Concrete
University Inn	B-3	251 rooms	NA	dormitory	7/elev	1000 Patterson	-	\$252-328 room & board	102/surface	Concrete 20 meals/week included in rent dormitory
Olive Plaza	C-1	150	153	1	12/elev	1133 Olive	-	\$306	23/surface	100% tax exempt HUD Section 202 Section 8 \$35,000 County, \$65,000 City
Florence Apts	C-2	50	167	Studio 1, 2	5/elev	1272 Williamette	-	\$ 90-200	3/surface 13/covered	Brick/concrete
Marion Apts	C-3	18	64	Studio	4	1263 Oak	-	\$185-245	16/surface	Brick
Broadway Center	D-1	107	62	Studio 1, 2	3	451 W Broadway	-	\$205-295	115/surface	Private Financing. Property tax exempt Wood frame
Lincoln Terrace	D-2	20	40.8	1, 2, 1 plus	3	303-335 W 10th 952-998 Lincoln	\$62,178/ \$96,730	-	28/covered	Condominiums
Marfrandave Plaza	D-3	6	12.8	1, 2, 1 plus	2	796, 798 Lawrence	-	\$200-350	2/covered 4/surface	House moving- 3 Buildings Wood frame
Lawrence Court	D-4	51	82.3	1	4	767 Lawrence 377 W 8th	-	\$301	12/surface	Sec. 8 HUD/State Financing Property tax exempt. Wood Frame. Moved/Rehab.

Table II

## MAJOR OR RECENT HOUSING DEVELOPMENT ADJACENT TO DOWNTOWN STUDY AREA

Project Name	No. of Units	Density DW/AC	Bed-rooms	No. of Floors	Address(es)	Sales Price	Rental Rates	Parking No./Type	Other
One West 4th	56	37.1	32 Studio 24- 1 BR	2	1 W 4th	-	\$221 - 231.50	84/Surface	Wood Frame
High Street Townhouses*	18	29.5	Studio, 1, 2	3	106-140 High Street	\$46,080 to 112,860	-	11/Covered 17/Surface	Condominiums Red Brick constr.
15th & Olive Apts	34	78.4	Studio, 1	2	95 W 15th	-	\$205- 230	34/Surface	R-4
Willamette Towers	92	102.8	Studio, 1, 2 Penthouse	13/elev	1313 Lincoln	-	\$162- 264	47/Surface 48/Covered	Concrete Rent increase \$5/mos. every 3rd floor
Lane Towers	122	200	1, 2, Studio	11/elev	1601 Olive	-	\$175- 275	28/Covered 23/Surface	Concrete
Parkview Terrace	150	62.5	129- 1 BR 21- 2 BR	4/elev	255 High	-	Averages \$90 (25% of income)	58/Surface	Concrete
Ya-Po-Ah Terrace	224		Studio, 1	18/elev	350 Pearl	-	\$177- 225	55/Surface	Concrete

\* Under construction

Table III  
 TOTAL HOUSING RESOURCES, DOWNTOWN STUDY AREA  
 (See Map C)

Dwelling Type	# Structures (projects)	# Units *
Single Family	95	95
Duplex	42	84
3-4 Unit Structures	36	129
5 + Unit Structures	52	1,204** 1,512** Total

\* Includes group quarters (boarding houses, rooming houses, etc.).

\*\* Includes 251 single and double occupancy rooms in the University Inn.







## B. Support Services for Residential Development

Neighborhood support services are a vital part of residential neighborhoods. Many developments that serve regional needs are located in the downtown area and can provide some of the services for downtown area residents. Retail services, medical services, Library services, academic services (downtown campus, Lane Community College), the Performing Arts Center, and the Lane County Fairgrounds are all examples of regional services that also serve neighborhood residents. Map D, "Residential Support Services," identifies additional basic services located within the study area boundaries, including grocery stores, laundromats and cleaners, and pharmacies (see Table IV for more detailed information on those services). Additional examples of these support services exist outside, but immediately adjacent to the study area boundaries. This map indicates that most of the daily service needs of downtown area residents can be provided by services within walking distance of each of the subareas. Major, full-service grocery stores are not located within the study area but can be found six blocks from the southern end of the study area or four blocks from the northern edge of the study area. Downtown residents, like residents throughout the city, will in many cases choose to do weekly shopping trips by automobile.

The recent addition of a grocery store on 5th Avenue between Oak and Pearl streets is encouraging. Although its customers aren't yet living downtown, it is part of a substantial service cluster on 5th Avenue which draws from a broad market area and provides a substantial resource for future downtown residents. A similar service cluster exists at 16th and Willamette Street, south of the Downtown Study Area.

## C. Housing Potential

Map C, "Existing Housing Resources," illustrates the distribution of existing housing developments in the Downtown Study Area. Existing housing includes dwelling units in a range of structure types from single-family to multiple-family high-rise (see Table III), as well as housing for groups which share certain facilities, including students housed in the University Inn. Tables I and II provide additional information about the larger or more recently constructed residential developments in and around the downtown study area.

The potential for residential development within each of the subareas includes potential for conserving and rehabilitating existing housing and opportunities for new construction. Map E, "Potential Housing Sites" illustrates numerous vacant and underdeveloped sites, some of which are publicly owned. This map also identifies surface parking lots in the Downtown Study Area. These underdeveloped and vacant lots constitute potential sites for downtown housing. Along with the opportunity for new construction comes the question of the appropriate form for new housing development within each of the subareas.


### 1. Opportunities for Housing Conservation and Rehabilitation

There are more than 1,500 residential units within the Downtown Study Area and many times that number in the neighborhoods surrounding the downtown area. (See Table III.) Encouraging renovation of existing structures is consistent with policies established in Eugene over the last ten years.


Table IV

RESIDENTIAL SUPPORT SERVICES, DOWNTOWN STUDY AREA


(See Map D)\*

Pharmacies - Map\* symbol 

1. Gold Cross
2. Bakers
3. Eugene Hospital and Clinic

Grocery Stores (Retail) - Map\* symbol 

1. Kiva
2. 5th Street Public Market
3. Community Natural Foods and General Store
4. Custom Meat
5. Growers' Market
6. Beverage King
7. Lawrence Street Grocery
8. Jones Market
9. Scargenti's Bakery and Delicatessen
10. Porter's Foods Unlimited

Cleaners/Laundromats - Map\* symbol 

1. Skopils
2. Wash-Dri-Ette
3. Valley Superior Cleaners
4. McAyeals Wardrobe Cleaners and Men's Formal Wear





Developed Open Space (Public)

- A. The Eugene Mall
- B. The Park Blocks



MAP D

EXISTING RESIDENTIAL  
SUPPORT SERVICES

-  Retail food store
-  Laundry/cleaner
-  Pharmacy
-  Developed open space

 See key on Table 4



In the last several years, rising construction costs have made rehabilitation and conservation even more desirable. Eugene has focused its funds and programs for housing rehabilitation in the neighborhoods surrounding the downtown area. These efforts have been largely successful in encouraging rehabilitation of single-family housing. However, little, if any, rehabilitation of existing multiple-family development has occurred. Map C shows the location of existing multi-family structures in the downtown area and Table I provides additional information on some of the more substantial residential structures (see Map B for location of these structures). Not all of the existing housing units within the downtown area are in need of rehabilitation. Whether conservation or rehabilitation is called for, these units represent a significant housing resource.

## 2. Structure Types for New Construction

There are basically three structure types which seem to be appropriate for consideration in the development of public policy for downtown housing. These structure types include low-rise high density, high-rise high density, and developments that include a mix of residential and non-residential uses.

Low-Rise High-Density Housing. This form of housing has been the prevalent form for urban housing for hundreds of years. As a structure type, low-rise high-density housing can be less than three stories in height and still attain goals for increased density in the downtown area. Most of the recent examples of downtown area housing (see Table I, items 7 and 8, and Table II, item 2) employ this building type and have attained density ranging from 30 to 60 units per acre. The limited number of stories means that elevators are not necessary and less expensive construction techniques can be used. Recent changes in the 1979 Uniform Building/Fire Code will permit the use of basic frame construction techniques in some low-rise high-density development in the downtown area.

This means that local developers more accustomed to single-family construction techniques can become involved in downtown housing. Appendix A of this report includes a brief analysis of the effects of the 1979 Uniform Building/Fire Code and applies that analysis to an identified housing site on the downtown mall at 11th and Willamette.

In some cities, this type of housing has been built to densities of 40 to 60 units per acre, while one example in Canada reached 100 units per acre. The combination of potentially less expensive construction techniques, the lack of the need for elevators, and the potential for higher densities combine to make low-rise high-density projects more economically feasible. Finally, the low-rise nature of this structure type is more compatible with the existing character of residential development in neighborhoods adjacent to the downtown area and with maintaining view corridors to Skinner Butte and Spencer Butte north and south of the downtown study area. These factors tend to suggest that low-rise high-density is the most likely form for new downtown housing.



High-Rise High-Density Housing. There are seven residential structures in and around the downtown area which are high-rise, high-density. (See items 1, 2, 3, and 4 on Table I and items 4, 5, and 7 on Table II). One of these structures is only six stories in height and two additional structures are subsidized housing for the elderly. Within the last ten years, only one high-rise high-density residential building has been built in the downtown area. It received numerous subsidies in the form of property tax exemptions, construction cost grants, and subsidies for its low-income elderly tenants. Several factors suggest that there is limited potential for this type of housing in downtown Eugene:

1. Construction costs for high-rise developments (steel and concrete) have risen dramatically in the last five years;
2. Eugene's relatively depressed rental rates suggest that this type of housing is not economically feasible for unsubsidized rental units;
3. In a housing market the size of Eugene's, the market for the number and type of units that this structure type provides may be too limited; and
4. There are a limited number of sites within the downtown area where high-rise high-density housing developments are appropriate.




The high-rise high-density form of housing or a mid-rise (four to eight stories) version of it may be economically feasible if some of the construction costs can be shared with other uses. New construction which combines residential uses and non-residential uses in the same structure may make the high- or mid-rise, high-density form of construction feasible for housing in the downtown area. In mixed-use developments, the cost of this more expensive form of construction can be shared by the substantially higher income producing commercial portions of the structure.

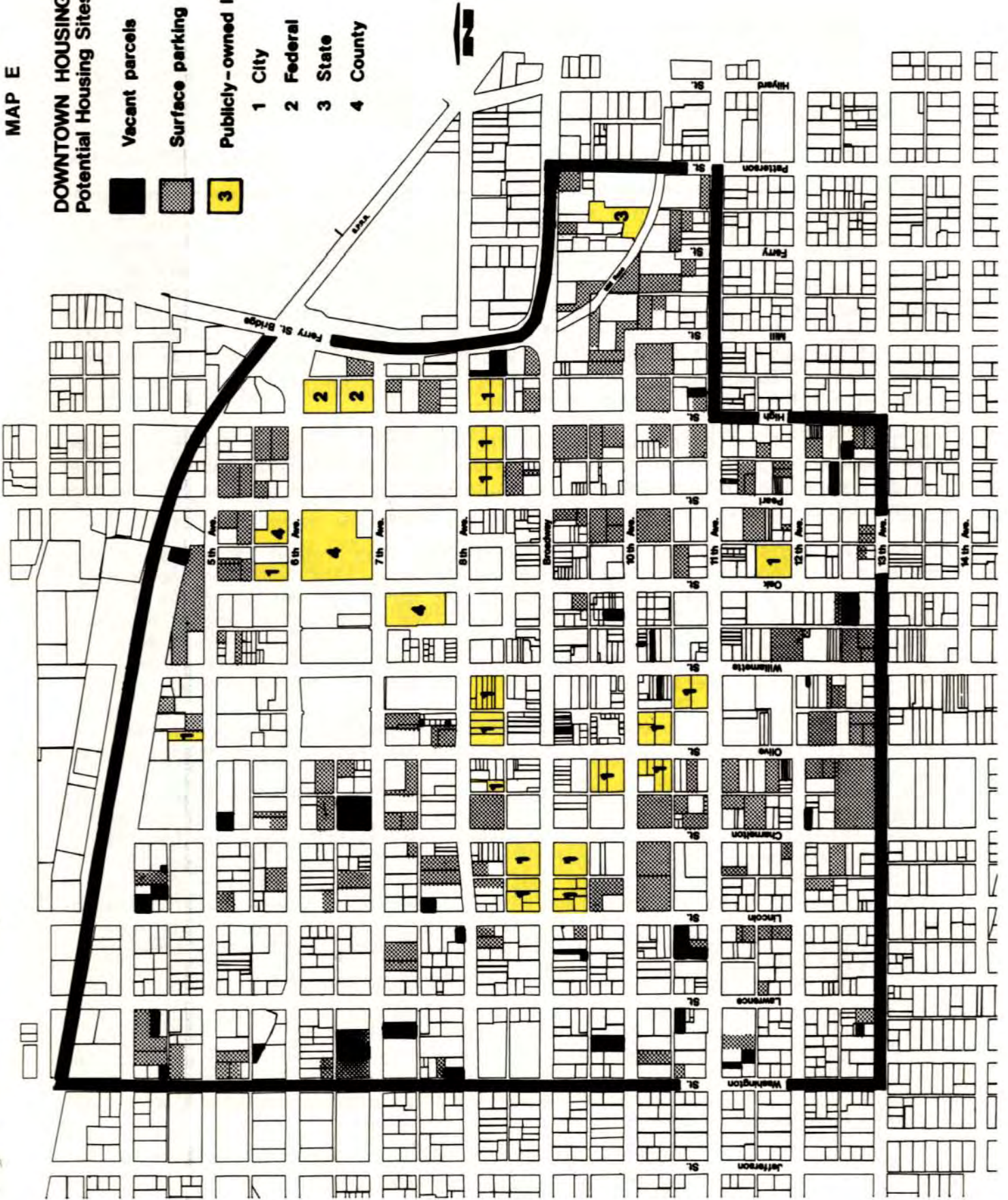
Mixed-Use Development. This form of housing is rare in Eugene. Limited-service commercial uses have been incorporated into the ground floor level of two of the existing high-rise high-density residential structures; however, few other examples of mixed-use development can be found locally. In certain portions of the downtown area, the opportunities for mixed-use development are more significant. In those areas with already strong retail, office, or other non-residential markets and patterns, non-residential development on the first one to three stories of a structure can be feasible. A combination of uses would allow use of a more expensive construction type and sharing of the costs of that construction type and such amenities as elevators among the residential and non-residential uses. Mixed-use development can be adapted to either low-rise high-density or high-rise high-density forms of construction. In recently drafted model development criteria for a site on the Eugene Mall, mixed residential-non-residential development is called for to maintain retail patterns at the street level while providing opportunities for housing in upper floors. Perhaps the greatest inhibitor to mixed-use development is the lack of local experience in financing, construction, and marketing for such development.



MAP E

DOWNTOWN HOUSING:  
Potential Housing Sites

-  Vacant parcels
-  Surface parking
-  Publicly - owned land
- 1 City
- 2 Federal
- 3 State
- 4 County





#### IV. LONG-TERM STRATEGIES FOR DOWNTOWN HOUSING

There are five strategies which the City can use to increase downtown housing. Some of these involve changes to existing City programs or regulations, while others involve initiating new programs.

##### A. STRATEGY NUMBER 1: Expand Boundaries for Multi-Unit Property Tax Exemption Program

The Multi-Unit Property Tax Exemption Program was adopted by the City in 1977 as a program to encourage housing in close proximity to downtown. The program provides for a ten-year abatement of property taxes on the housing related improvements in a development. The City's present legislation requires that the development must include at least 24 units, be located within an area defined as eligible for the property tax exemption, and include one or more elements that benefit the public. A Project Advisory Committee makes recommendations to the Joint Housing Committee on the public benefits to be included in a project seeking eligibility for the tax exemption.

In 1979, the State Legislature amended the enabling legislation for the program. The amendments provide for the extension of the program to 1985 and allow cities to determine the minimum number of units to qualify for the program and the time frame for tax exemption up to ten years.

The City's legislation for the Property Tax Exemption Program currently applies to an area bounded by Washington Street on the west, 13th Avenue on the south, High Street on the east, and 5th Avenue on the north, but excluding the area included within the Central Eugene Project. (See Map F.) The renewal project area was initially excluded because the financial base for the Renewal Agency is tax increment financing and the property tax exemption would affect Renewal project financing. Because of the flexibility added to the program by the amendments to the State legislation, as well as the priority for housing in the downtown area, the Eugene Renewal Agency now supports expansion of the Multi-Unit Property Tax Exemption Program into the Central Eugene Project area.

The present boundaries of the program cover properties within the Downtown West Side and Downtown South subareas of the downtown study area, exclude the Central Eugene Project area, and include only portions of the 5th Avenue and Downtown East Side subareas. While the portion of the 5th Avenue Subarea presently excluded from the program does not contain substantial opportunities for housing, adopted plans for the area encourage mixed-use development including residential development. Application of the Property Tax Exemption Program in this area would support those plans and policies and make housing development somewhat more competitive with other land uses.

The portion of the Downtown East Side Subarea that is presently excluded from the Property Tax Exemption Program boundaries contains both vacant and under-developed sites with housing potential. A major developer/property owner in the area has expressed interest in housing development and the availability of the Property Tax Exemption Program would significantly enhance the area's potential for new housing construction.

Finally, the Eugene Renewal Agency has recently identified a site within the Central Eugene Project where they will be seeking development proposals that combine non-residential and residential development. Expansion of the Multi-Unit Property Tax Exemption Program to include the Central Eugene Project would make this and other sites in the downtown area more feasible for residential development.

Although not directly related to the Multi-Unit Property Tax Exemption Program, it is significant that the City Council acted in 1979 to exempt portions of the central area from the City's Systems Development Tax. This is another example of the City's commitment to encourage development including higher-density residential and commercial development in the downtown area. The area presently exempted from the Systems Development Tax is consistent with the present boundaries of the Property Tax Exemption area. Expansion of the Systems Development Tax exemption area to include additional housing opportunity areas in the downtown would be consistent with the City's priority for downtown housing and policies encouraging increased residential density in the central area.

**B. STRATEGY NUMBER 2: Expand Renewal Area Boundaries to Include Retail and Housing Opportunity Areas**

Within renewal areas, the City can employ a number of incentives to encourage residential development which are not available to be used outside renewal area boundaries. Capturing the tax increment from new development provides a source of funds for a range of public improvements. Land write-downs can be used as another incentive for residential development. An update of the renewal plan, including expansion of downtown renewal area boundaries, is presently under consideration both in response to the City's priority for downtown residential development and to support retail and other commercial activities in the downtown area.

**Expansion of Downtown Renewal Area Boundaries**

On September 8, 1980, the Planning Department reported to the Planning Commission on the status of the Eugene Renewal Plan update. At that time, only preliminary review of new State legislation governing renewal projects had been accomplished by the staff. We reported that expansion of an existing renewal project was limited to an additional 20 percent in land area. Because of that severe limitation, we reported that a renewal area expansion would have less potential for satisfying the City's housing goals than we had hoped.

The renewal plan update has three major components at this time: to emphasize downtown housing within the central area; to incorporate property required for the proposed retail expansion west of the mall; and to provide solutions to the parking and congestion problems in the 5th Avenue area. With the strict limitation on area expansion, and with other competing objectives, few additional housing sites could be included.



# MAP F

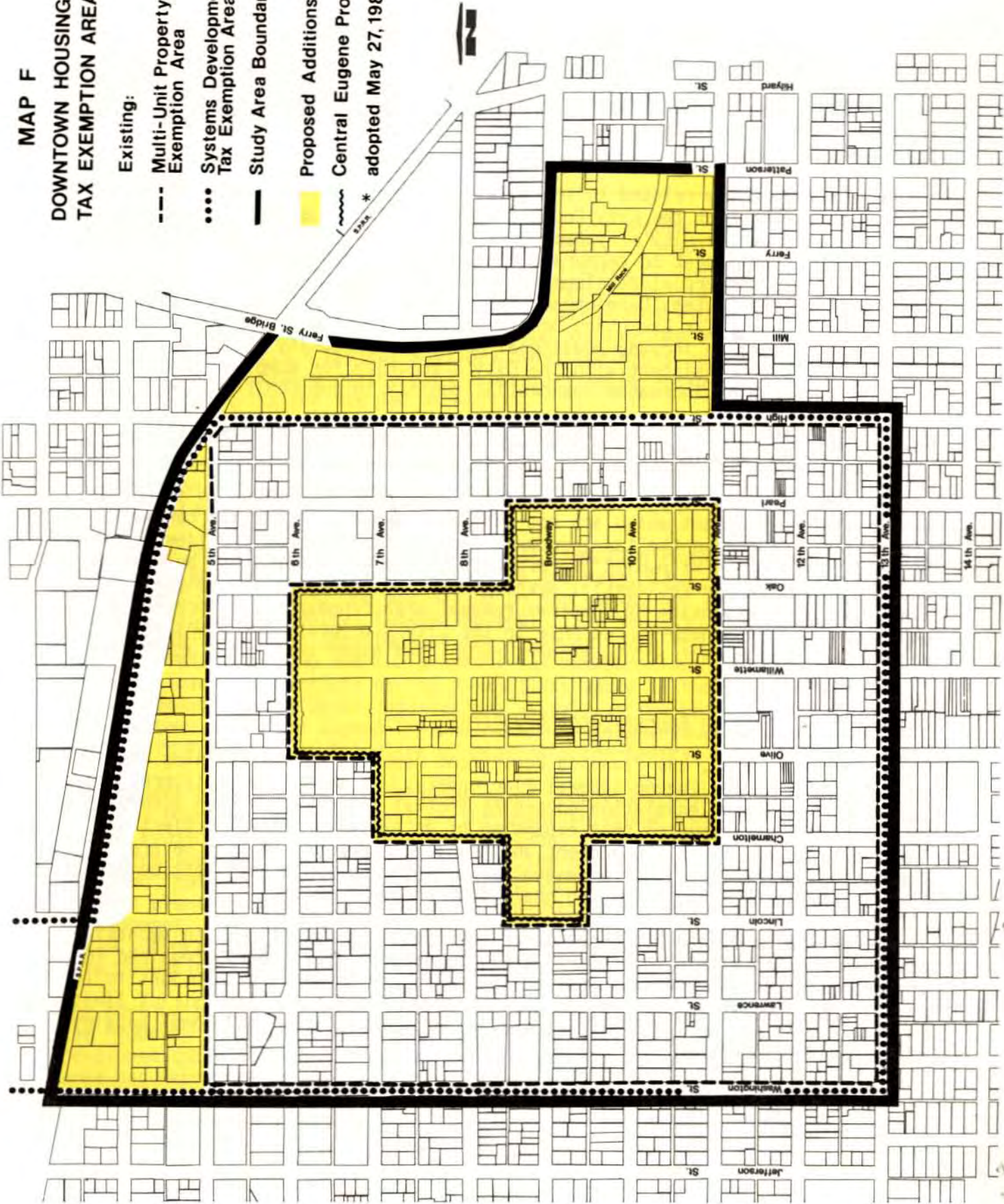
## DOWNTOWN HOUSING: TAX EXEMPTION AREAS

Existing:

- Multi-Unit Property Tax Exemption Area
- Systems Development Tax Exemption Area
- Study Area Boundary

Proposed Additions\*

Central Eugene Project  
adopted May 27, 1981





Since that September work session, the departments of Planning and HCC have retained a professional consultant, Lyle Stewart, to assist the City in their renewal plan update. The staff is currently supplying Mr. Stewart with the background information and financial data he requires to begin his evaluation and analysis. To date there is little to report; however, from our preliminary conversations with him, it is evident that our September report to the commission may have been overly pessimistic.

#### Creation of a New Renewal Project Area

There are two separate approaches the City may take in the renewal area expansion. The first is an expansion of the existing project, limited to a 20-percent area, as noted above. The second is the creation of an entirely new renewal project. Both of these approaches have advantages and disadvantages. With both, the tools of the Renewal Agency could be applied to meet the City's housing goals. These tools include land assembly through negotiation or condemnation, reduction of land cost for desirable projects, the capture of tax increment to be used in the project area, and the use of revenue bonds to offer developers below market rate interest on interim or long-term financing. As noted elsewhere in this report, tax abatement for rental housing is also expected to be available within the renewal area.

In a small, expanded renewal project, few potential housing sites could be included within the new boundaries. However, any such sites would be within an existing renewal project with a substantial tax increment flow.

In a new, separate renewal project, there would be a greater opportunity to include a variety of possible housing sites. A much larger area could be involved than through expansion of the current project. However, funds cannot be commingled between two renewal projects. Each must stand alone and support public expenditures within its own boundaries. Thus, a newly created renewal project would require some time before it began to generate tax increment sufficient to finance public projects and improvements.

Finally there is a recent change in property value assessments that may affect the ability of a renewal project to generate tax increment flow. Statewide equalization under a five-percent limitation on assessed value increases will shift the burden of property taxes away from owner-occupied residences (homesteads) to all other properties, including rental housing. Each county will have different factors applied to homestead and non-homestead assessments. In Lane County, assessed values for homesteads are limited to a 1.9-percent increase, and for non-homesteads to a 6.1-percent increase. Under State Revenue Department calculations, this should result in a five-percent increase in total assessed value for the county. Thus, owner-occupied residences (condominiums, for example) within renewal projects will generate proportionately less tax increment flow than will commercial projects or rental housing. The greater the number of owner-occupied projects within renewal areas, the greater will be the negative impact on tax increment.

Work is proceeding on the renewal plan update. The generalized boundaries of the area under study are as follows: the Southern Pacific tracks on the north,

High Street on the east, 15th Avenue on the south, and Washington Street on the west. These boundaries include all of the City's C-3 zoning, the west side Mixed-Use District, the Whiteaker Refinement Plan's Mixed-Use Special District area, potential housing sites south of the central area, and the C-2 zoning surrounding the downtown.

C. STRATEGY NUMBER 3: Restructure Parking Requirements for Residential Development in the Downtown Area

A comprehensive and sensible parking program is a necessary element of any long-term residential development policy. Such a program must take into account public policies regarding the automobile, development costs of parking in the downtown area, and the requirements of lenders and buyers which translates into the marketability of residential development. The balancing of these factors is particularly necessary for residential development in downtown areas where the space available for development is constrained and the price of land is high.

Lending institutions, when examining a project for financial feasibility, frequently require that the developer provide at least the minimum parking required by the code and may ask that the developer provide parking above and

beyond what is required by the code. Discussion with a representative from the Federal National Mortgage Association, which provides secondary mortgage financing for residential development, indicates that in order to obtain long-term financing, developers are frequently required to provide secured parking, guest parking, and more than one parking space per dwelling unit.

Parking requirements have been identified as one of the regulations which should be reviewed to determine if they unnecessarily constrain residential development in the downtown area. Public parking regulations affecting housing in the central area attempt to address off-street parking needs while recognizing the need to encourage alternatives to auto use and support innovative and efficient ways to provide parking for downtown residents. Review of the parking regulations involves three possible approaches:

1. Review parking space requirements for downtown area housing;
2. Review regulations governing off-site parking, including parking space within municipally owned parking structures; and
3. Review parking space requirements for specialized housing, particularly subsidized housing for the elderly.



## 1. Parking Space Requirements for Downtown Area Housing

Because of the higher cost, limited parcel size, and limited availability of land in the downtown area, parking space requirements for downtown area housing should not be excessive. At the same time, off-street parking must be provided at a level which is sufficient to discourage unauthorized use by downtown residents of customer or other commercial parking areas and available to the extent necessary to attract renters and buyers to live downtown and to attract financial institutions to finance downtown area housing. The present parking requirements affecting residential development in the downtown area vary by dwelling unit type and zoning district. In general, City regulations require two spaces per single-family dwelling unit, one and one-half spaces for every unit in multiple- or two-family structures, two and one-half spaces for quad type units, and three spaces for quint type units. In the C-3 Central Business District, parking spaces required for any residential development have been reduced to one space per dwelling unit. Similarly, in the mixed-use district applied to the west side downtown area, parking requirements have been reduced to one space per dwelling unit. Present requirements also stipulate that bicycle storage spaces will be provided in conjunction with all multiple-family dwelling units (structures of three or more units). One space is required for each dwelling unit and two spaces for each quad or quint type dwelling unit.

Existing housing in and around the downtown area, with the exception of subsidized housing for the elderly, provides parking at ratios ranging from 1.6 to .4 spaces per dwelling unit (see Tables I and II). In the high-rise residential structures, parking ratios ranging from .4 to one space per dwelling unit appear to be adequate. Where available parking is less than one space per unit, the adequacy of the parking may be due to the tendencies for the developments to be occupied by elderly tenants. In the recent conversion of Willamette Towers from rental units to condominiums, a few tenants have offered to sublet their parking space to other tenants, and the overall ratio of one space per dwelling unit appears to be adequate. Because the structure is not fully converted, these are only tentative conclusions.

Both of the more recent newly constructed condominium projects in the downtown area provide parking at a ratio of close to one and one-half spaces per dwelling unit. In the case of the Lincoln Terrace Condominiums, eight of the 28 parking spaces provided are available to buyers for a maximum lease period of two years. By the end of that time, developers expect construction of a second phase of the Lincoln Terrace Condominiums. Based on their experience in the preceding two years, the developers will decide whether they will reduce the parking spaces available to buyers of the Phase 1 units by making some of those spaces available to buyers in Phase 2. They are presently providing eight spaces more than the one space per dwelling unit required by the MU Mixed-Use District.

## 2. Regulations Governing Off-Site Parking and Opportunities for Parking Within City-Owned Parking Structures

Present off-street parking requirements for residential development in the downtown area indicate that parking must be provided on the development site or within 400 feet of the development site that the parking is required to serve. All required parking must be under the same ownership as the development site, except where special covenants are approved by the City Attorney binding the parking to the development site. In general terms, this means that parking must be on the development site or within one block's distance. In cases where City-owned parking structures are located within 400 feet of a potential housing site, consideration could be given to reserving a block of spaces for adjacent or nearby residential development.

The City may wish to consider changes in the regulations governing off-site parking, leaving the number of required spaces the same, but permitting the developer to provide those spaces at a greater distance from the development. This flexibility could permit the developer to fulfill his obligation to supply the required number of parking spaces at the same time removing the burden of providing those spaces on what may be a constrained development site. This approach may be more feasible for downtown area residents, since they may not need to use their cars as frequently as residents in outlying areas. Therefore, downtown residents may not require their car to be as conveniently located as it would need to be in suburban residential developments. One possibility worth investigating is increasing the distance for off-site parking facilities from 400 feet to a maximum distance of one-quarter mile or slightly over four blocks. The one-quarter mile standard is used locally and at the Federal level in locating Federally sponsored housing near mass transit facilities and schools.

The City currently has parking structures in the downtown area that are presently underused. It may be possible to lease spaces in these structures on a long-term basis to help housing developers meet their parking requirements. Such a program might encourage downtown housing while providing additional revenue for the City from the parking structures. Revenue generated from these leases could be pledged to retiring the indebtedness entered into in constructing the parking structures or for some other public purpose. Such a program could be used to replace some of the revenues lost as a result of the City's success in encouraging downtown employees to use alternative modes of transportation to come to work.

It is likely that residential parking in City-owned parking structures would need to be secured. Adequate security would probably require personnel circulating through the garage to ensure the vehicle safety. Discussions with the lending community also indicates that these parking spaces would have to be designated and reserved for specific downtown residents. Spaces would have to be available 24 hours a day for the exclusive use of those residents. This means that the designated spaces could not serve the dual purpose of providing parking for shoppers during the daytime and downtown residents at night. Given

that many of the people choosing to live downtown would not need to use their car during the day, it is unlikely that these spaces would be available for turnover in any case. The intent of the City to secure both the Performing Arts garage and the Parcade after a certain hour in the evening would need to be adjusted to allow downtown residents access to the parking structures after the designated closing hour.

### 3. Parking Requirements for Specialized Housing Projects, Particularly Subsidized Housing for the Elderly

The present City parking requirements do not distinguish between specialized housing developments and other dwelling units. Typically, developers of specialized housing projects, particularly subsidized housing for the elderly, have sought and received variances from parking requirements. Most of the variances granted for such projects have been based on research done by a prominent architectural firm in 1976, which reviewed subsidized high-rise housing projects for the elderly in Portland, Oregon. Typically, those projects provided one parking space for every four dwelling units. The same survey indicated that residents of the housing developments owned only half as many automobiles as there were parking spaces provided for.

The recently constructed Lawrence Court on 8th Avenue is a subsidized elderly project which received a variance for parking to limit parking spaces to one space for every four units. The recently constructed Olive Plaza development, also a subsidized housing development for the elderly, received a parking variance to the extent that only 22 spaces were required for 150 units, with two of those spaces not available to residents. This parking variance is consistent with the auto ownership ratios experienced in subsidized housing projects for the elderly in Portland; however, residents of Olive Plaza exhibit auto ownership in excess of the Portland area projects. The waiting list for parking spaces in Olive Plaza indicates that a ratio of one space for every four dwelling units would be adequate to serve the residents' needs.

### D. STRATEGY NUMBER 4: Identify Funding Sources and Approaches to Support Downtown Area Housing

Local governments like the City of Eugene have a number of financial tools available to them to encourage residential development in the downtown area.

They include: a) use of tax-exempt financing for interim or long-term financing; b) use of tax increment funds for housing-related improvements; and c) formation of institutional arrangements that focus public efforts on housing.

#### Tax-Exempt Financing

Tax-exempt funds can be generated to finance housing through bond issues sponsored by a public agency. Tax-exempt financing must be used to carry out a legitimate public purpose, such as providing housing for low- and moderate-income households or for providing housing in specific targeted areas. There are a



number of types of housing programs which have been carried out with tax-exempt financing. The purpose of these programs has been to assist the private sector in creating specific types of housing to meet a need perceived by the public agency that authorizes the use of the tax-exempt financing.

One of the most common types of housing programs using tax-exempt financing is the housing revenue bond program providing funding for residential development through the State Housing Finance Agency. During times of high interest rates for construction loans, this method of financing can make funds available for construction loans if the project is otherwise economically feasible. Any such project must meet the underwriter's requirements for economic feasibility, which means that the revenue produced by the project must be capable of retiring the bonded indebtedness.

Programs allowing for the financing of single-family mortgages backed by housing revenue bonds have come under criticism in recent years because they have been used to finance construction of moderate- and upper-income dwelling units, particularly for owner-occupants. The "Ullman Bill" contains a retroactive clause which would severely limit the use of tax-exempt financing for owner-occupied housing.

The tax-exempt housing finance programs have generally been intended to provide a Federal subsidy in the form of a tax exemption from income tax in order to encourage developers to construct dwelling units specifically aimed at those with low and moderate incomes. The issuing of bonds for single-family mortgage programs generally meets the loosely defined public purposes required to justify such a tax exemption.

The State of Oregon has authorized the City of Eugene to spend up to \$12 million in housing revenue bonds to develop housing in the city. This pool of funds remains available to the City in spite of the cloud of the Ullman Bill over the use of these bonds for owner-occupied housing.

### Tax Increment Financing

Tax increment financing is another tool which can be used to assist in financing residential development in the downtown. Tax increment financing is only available within renewal project boundaries and can only be spent for a public purpose within that area. One possible use for a tax increment financing is the rehabilitation of older structures within the renewal project area. This approach involves the sale of tax-exempt tax allocation bonds to provide low-interest financing for rehabilitation projects.

Tax increment financing can also be used to assist in public improvements related to a private residential development within the renewal project boundaries. While there are limitations in what tax increment financing can be used for, it is a significant resource in the urban renewal area. Legal counsel for the Eugene Renewal Agency is presently investigating the extent to which tax increment funds can be used to carry out programs for the development of downtown housing within the renewal project area.



## Formation of New Institutional Arrangements

Eugene already has a number of financial tools to use in its work with the private sector to develop downtown housing. While these tools have been effective, more direct financial tools are needed. They are especially critical in times of rising construction costs and volatile interest rates.

Direct subsidies to housing development are similar to the strategies which were used to create commercial reinvestment in the downtown. The City needs a formal institutional arrangement to make its financial tools effective. This institution might take the form of a city housing authority, a non-profit housing corporation, or a public urban bank. Whatever the institutional arrangement, its function should be to ensure that residential development occurs in downtown Eugene.

### E. STRATEGY NUMBER 5: Identify Public Amenities and Services to Support Downtown Housing

Other cities' actions to support downtown housing closely parallel actions already taken in Eugene. One exception is the approach taken by the City of Portland in identifying housing opportunity areas and determining the public role in providing public amenities and support services for downtown housing. The City of Portland has developed a framework plan and development guidelines for part of the downtown area.

The framework plan is a composite of existing plans and policies aimed at achieving the overall objective of downtown housing and other objectives that have been identified which are specific to subareas within the framework plan area. The framework plan sets generalized development guidelines which address private development, public development within public right-of-way, public development outside public right-of-way, and joint development. The guidelines respond to adopted City policies and in some cases to newly proposed City policies addressing downtown housing, support services for downtown housing, and the interrelationship between existing institutional, retail, commercial, and residential land uses within the plan area.

Examples of possible design solutions resulting from applying the design guidelines to specific situations are also provided. In some cases, the design solutions could be applied wherever a similar situation occurred with the plan area. In other cases, the design solutions are intended to be applied within a specific subarea of the downtown plan area.

The City of Portland has the option of initiating specific projects in areas where the housing opportunities appear to be the greatest and where developers have already indicated an interest in developing downtown housing. For projects in areas which seem to have a low priority or opportunity for housing development, the specific projects proposed in the framework plan and ideas suggested by the development guidelines provide the basis on which development proposals from the private sector can be evaluated. At some point, the City of Portland may be in the enviable position of having to choose where to concentrate limited public resources in response to privately initiated housing development proposals.

pv/PL36b14



APPENDIX A: Long-Term Strategies for Downtown Housing  
1979 Uniform Building/Fire Code

The 1979 Uniform Building/Fire Code contains significant changes from the present code. With adoption of the revised code in 1980, a number of obstacles to housing construction in the downtown area are removed.

Under the new code, the maximum floor areas within buildings are based on a number of factors including:

1. Construction type
2. Number of stories (single-story or multiple-story)
3. Separation from adjacent structures and
4. Internal fire protection systems

Perhaps the most significant change in the revised code is the elimination of fire zones, making it feasible to construct frame buildings in the downtown area.

For the purposes of assessing the impact of these new standards on potential housing construction downtown, the following analysis applies the revised standards to a parcel at 11th and Willamette (Parcel 134B) that is owned by the Eugene Renewal Agency. Two frame construction methods can be applied: Type V and Type III. Type V construction involves basic 2"x4" frame construction that is common to single-family dwellings, with one-hour fire-resistant exterior walls. Type III construction is also wood-frame with two-hour fire-resistant exterior walls. For the Type III construction alternative to reach its maximum height of four stories, the regulations will require an engineered structure with heavier framing. Both of the building types presented in the attached table assume below-grade parking that is separated from the building above by a three-hour fire-resistive ceiling. The area devoted to parking is not used in calculating allowable floor area.

The parcel at 11th and Willamette contains 25,600 square feet. A right-of-way dedication will be required along Willamette Street, reducing the lot area to 24,480 square feet. Parcel 134B is separated from adjacent structures on the south and east by the 66-foot rights-of-way of the Willamette Street Mall and West 11th Avenue and on the north and west by 14-foot alley rights-of-way. This separation creates a floor area bonus for any new building developed under the 1979 code provisions. With both construction types presented, the use of sprinklers doubles the allowable floor area.

According to the attached table, a Type III building with an internal sprinkling system could be built to a height of four stories with a total floor area of 81,000 square feet. This is nearly four times the land area of the parcel, assuming approximately 5,000 square feet of land area in circulation and open space at ground level. Under a multiple-use concept proposed for this site, the 1979 code would allow below-grade parking for residential units, ground-level commercial uses, and three stories (60,750 square feet) of residential development.

PD:pv/PL36b30





APPENDIX B

Housing in Eugene's Downtown:  
Long-Term Strategies

Adopting Resolutions:

3493 and  
3498

RESOLUTION NO. 3493

A RESOLUTION ADOPTING LONG-TERM STRATEGIES  
FOR HOUSING IN EUGENE'S DOWNTOWN AREA.

The City Council of the City of Eugene finds that:

In December of 1979 the City Council identified downtown housing as a high priority for the City and directed the staff to provide background information on existing housing resources and on the potential for increasing housing development in the downtown area.

The Council received a report on Housing in Eugene's Downtown in January of 1980, and based on that report asked the Eugene Planning Commission to develop long-term strategies to increase and improve residential development in the downtown area and improve the ability of the downtown area to function as a residential neighborhood.

In December of 1980 the Planning Commission began its review of a draft report on Housing in Eugene's Downtown: Long-Term Strategies. The report and its recommendations address the downtown area as outlined on Map A of the report and defined on the east by the Ferry Street Bridge and Broadway and Patterson streets, on the south by 13th Avenue, on the west by Washington Street, and on the north by the Southern Pacific Railroad.

The Planning Commission held a public hearing on the draft report on March 3, 1981 and considered revisions arising from previous work sessions and public testimony at that hearing. Based on the public testimony the Planning Commission incorporated additional revisions, and at its meeting of March 9, 1981 recommended a revised

version of the Housing in Eugene's Downtown: Long Term Strategies report for adoption by the City Council.

A public hearing was held by the Council on the Housing in Eugene's Downtown: Long-Term Strategies report on April 13, 1981 to consider the recommendations of the Planning Commission and members of the public who wished to be heard. Based on the materials submitted and the testimony presented at that hearing, it appears that the revised recommendations in the report, including a long-term goal for downtown housing and a series of recommended actions to achieve that goal should be adopted.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based upon the above findings, which are incorporated herein by reference, the Goal and Recommendations in the draft report on Housing in Eugene's Downtown: Long-Term Strategies, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, as revised by the Revisions attached as Exhibit "B" hereto are hereby adopted as a supplement to City policies for the downtown area. The explanatory text following the Goal and Recommendations is acknowledged by the Council as clarification and explanation of the intent of the Goal and Recommendations.

Section 2. The City Council hereby specifically adopts as additional findings, the supporting text, maps, diagrams, tables, and appendix contained in the attached Housing in Eugene's Downtown: Long-Term Strategies report.

The foregoing Resolution adopted the 13th day of April, 1981.

*William L. Mc Guire*  
 \_\_\_\_\_  
 City Recorder



## Exhibit B, Resolution 3493

ADOPTED REVISIONS

1. Insert on page 1 following the Downtown Housing Goal a statement to address the household types and income ranges that downtown housing is expected to serve, taking into consideration other adopted City goals and policies.

GOAL: To make downtown Eugene's role as a residential neighborhood equal in priority to its role as a major cultural, governmental, and commercial center.

In order to achieve this long-term goal, the City will need to make housing its highest short-term priority for downtown area development. In pursuing this downtown housing goal, the City will also apply other related City goals and policies including those which encourage developments that mingle different types of housing and thus can accommodate households of varied ages, incomes, occupations, and interests while at the same time discouraging the creation of areas characterized by households with low incomes.

2. Insert the illustration, "Framework For Downtown Planning" and supporting text to clarify the relationship of the long-term strategies for downtown housing to other planning efforts in the downtown area. The supporting text insert would occur on page 3 of the draft report, at the beginning of Section III as follows:

### III. FRAMEWORK FOR DOWNTOWN HOUSING

The planning for downtown Eugene is, and will continue to be, made up of a collage of different functional and area plans. These functional and area plans for downtown Eugene are shaped and held together by the long-range policies of the City found in the Metropolitan Area General Plan and Eugene's Community Goals and Policies. The statements in these policy documents guide more detailed plans like the Downtown Renewal Plan (Central Eugene Project), central area neighborhood refinement plans, recommendations of the Downtown Transportation Study, the Civic Center plan, and government center planning efforts. The combination of long-term strategies for downtown housing, the recently initiated downtown renewal plan update process, implementation of policies in the central area refinement plans, and continued implementation of recommendations from a variety of functional plans provide a context within which the community can act to strengthen the role of housing in the downtown area. (See illustration of Framework For Downtown Housing.)

3. Recommendations No. 5, 6, 7, and 8 in the draft report should be revised and two new recommendations (No. 9 and 10) should be added as follows:

Recommendation No. 5:

The City should study\* the potential for long-term leasing of spaces within public parking structures as one alternative for meeting parking requirements for residential development in the downtown area.

Use of existing public parking structures by downtown area residents cannot be implemented without further study. Preliminary investigation indicates that there may be problems with the tax status and debt servicing of the structures if they are used to meeting parking requirements for residential development in the downtown area. In addition to tax status and debt servicing, the study will evaluate the ability to secure and make efficient use of the structures, taking into account the need for 24-hour access and the lack of turnover associated with residential parking.

\*In the case of this recommendation's revisions, the underlining of the word study does not denote adding a word, but merely adding emphasis.

Recommendation No. 6:

The City should consider changing regulations governing required off-street parking for downtown housing to allow required parking to be located more than 400 feet from the development site.

Housing developers may decide not to pursue this option because of marketing difficulties with housing consumers or lack of support by the lending community, but the City should consider allowing alternatives to these regulations at least on an experimental basis.

Recommendation No. 7:

The City should continue analysis of the downtown area and its potential for residential development. Further analysis and implementation activities in the downtown area should focus on 1) identifying specific areas within downtown with the greatest [housing] potential for housing development; [and generating a set of development guidelines for use by both the public and private sectors to guide the future development of downtown housing.] 2) making those sites available for residential development; and 3) providing amenities to support downtown housing.

The Eugene Renewal Agency has initiated a housing market analysis for the downtown area and one of the products of that analysis will be the identification of specific sites for housing development. Amenities that may be needed to improve the image and ability of the downtown area to serve residential development include lighting, street trees, open space and park development, and contributions to residential support services like day-care centers or grocery stores.

Recommendation No. 8:

The City should investigate the formation of a non-profit housing corporation [which in conjunction] and work with the Lenders Task Force, [and] the Eugene Renewal Agency, and chartered neighborhood organizations [will] to identify mechanisms for local public financial assistance to downtown housing; those mechanisms could include passage of general obligation bonds for downtown housing, creation of a public urban bank, and use of housing revenue bonds in the downtown area.

Recommendation No. 9:

The City should continue to identify and eliminate or lessen the impact of regulations or laws which act as barriers to housing in the downtown area.

Recommendation No. 10:

The City should take steps to improve housing rehabilitation programs as one means of conserving and improving the more than 1,500 dwelling units that are already located within the downtown area.

The City's current housing rehabilitation program is well used by owner-occupants of single-family structures, but under used by investor-owners of both single- and multiple-family structures. This recommendation acknowledges the irreplaceable resource represented by existing moderately priced housing in the downtown area.



RESOLUTION NO. 3498

A RESOLUTION SUPPLEMENTING RESOLUTION NO. 3493  
ADOPTED BY THE COUNCIL ON APRIL 13, 1981 CON-  
CERNING LONG-TERM STRATEGIES FOR HOUSING IN  
EUGENE'S DOWNTOWN AREA.

The City Council of the City of Eugene finds that:

On April 13, 1981 the City Council by Resolution No. 3493 approved and adopted as a supplement to City policies for the downtown area the Goal and Recommendations in the draft report on Housing in Eugene's Downtown: Long-Term Strategies, a copy of which was attached as Exhibit "A" to the Resolution, as revised by the Revisions attached as Exhibit "B" to the Resolution.

At the time of adoption Councilors indicated a desire to revise two sections of the report and directed staff to incorporate those revisions in a supplemental resolution.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. The draft report on Housing in Eugene's Downtown: Long-Term Strategies, and the adopted Revisions thereto, are amended by revising the explanatory note under the adopted goal statement as follows:

In pursuing this downtown housing goal, the City will also apply other related City goals and policies including those which encourage developments that mingle different types of housing and thus can accomodate households of varied ages, incomes, occupations, and interests, while at the same time discouraging the creation of economic ghettos.

Section 2. Recommendation No. 10 of the adopted Revisions is amended to provide:

The City should take steps to conserve and improve the more than 1,500 dwelling units that are already located within the downtown area.

This recommendation acknowledges the irreplaceable resource represented by existing low- and moderately-priced housing in the downtown area. The City's efforts in downtown housing conservation will focus on improvements in the existing housing rehabilitation program to involve more investor owners and the development of other strategies to discourage the loss of residential units through demolition or conversion to non-residential use.

The foregoing Resolution adopted the 22<sup>nd</sup> day of April, 1981.

William L. M. Guire  
City Recorder