SUPPLEMENTAL AGENDA COVER MEMO

Memorandum Date:	April 3, 2024
First Reading Date:	February 27, 2024
Second Reading/Joint Public Hearing:	March 12, 2024
Third Reading/Deliberations:	April 23, 2024

TO:	Board of County Commissioners
DEPARTMENT:	Public Works, Land Management Division, Planning Program
PRESENTED BY:	Jared Bauder, Senior Planner, Lane County Terri Harding, Principal Planner, City of Eugene
AGENDA ITEM TITLE:	**ORDINANCE NO. PA 1391** / IN THE MATTER OF AMENDING THE EUGENE-SPRINGFIELD METROPOLITAN AREA GENERAL PLAN AND ADOPTING THE RIVER ROAD-SANTA CLARA NEIGHBORHOOD PLAN. (County File No.: 509-PA23-05532 / City File No.: MA 23-5)

I. MOTION

April 23, 2024 (3rd Reading/ Deliberations & Action):

1) **Option 1:** Move to approve Ordinance No. PA 1391 as presented;

2) **Option 2:** Move to revise the Ordinance to reflect amendments made by the Board of Commissioners and return for a fourth reading (date certain) and deliberations on the revised Ordinance.

3) **Option 3:** Move to not approve the proposed ordinance.

II. RECOMMENDATION

Staff recommends **Option 1** above.

III. AGENDA ITEM SUMMARY

The Board is being asked to consider approval of an Ordinance to adopt amendments to The Eugene-Springfield Metropolitan Area General Plan (Metro Plan) for the purpose of adopting the River Road-Santa Clara Neighborhood Plan. On April 23, 2024, the Board is being asked to deliberate

and take action the proposed ordinance. Previously on February 27, 2024, the Board conducted a 1st Reading of Ordinance No. PA 1391 and held a Work Session. On March 12, 2024, the Board held a joint public hearing with the Eugene City Council.

Amendments to the Metro Plan must be reviewed and adopted by the Board of Commissioners (the Board) for the regulation of lands between Eugene City Limits and the Eugene Urban Growth Boundary, which are urbanizing areas subject to Lane Code Chapter 10. This proposal is in accordance with the urban transition agreement made between Lane County and the City, which requires joint development and adoption of Metro Plan amendments and land use regulations within the Eugene urbanizing area.

IV. DISCUSSION

The purpose of this Supplemental Agenda Cover Memo is to respond to major themes raised in written testimony by the public at the joint public hearing, and to respond to questions raised by elected officials. The City Council and Board of Commissioners held a joint public hearing on March 12, 2024. At the hearing, twelve people testified. The issues raised in testimony included general support for the Neighborhood Plan and Metro Plan amendments, and both support and opposition to the proposed land use code amendments for various reasons. Following the testimony, Councilors and Commissioners asked questions. Responses to topics raised at the public hearing are included with this memo as **Attachment 1**.

The Eugene City Council is scheduled for April 22, 2024 to conduct their deliberations and action on the components of the city adoption package. Lane County is scheduled to deliberate the next day on April 23, 2024, and staff will provide an update on the final action taken by the Eugene City Council at that time.

A full analysis of this proposal, along with the proposed Ordinance and associated attachments can be found in the Agenda Cover Memo from the February 27th, 2024 1st Reading, hyperlinked here: https://cdnsm5-hosted.civiclive.com/UserFiles/Servers/Server_3585797/File/Government/BCC/2024/2024_AGENDAS/022724agenda/T.11.A.pdf

The **components of the Lane County adoption package** attached to this memorandum include the Draft River Road- Santa Clara Neighborhood Plan and the Proposed Eugene-Springfield Metropolitan Area General Plan Text Amendments.

The **components of the City of Eugene adoption package** include the Draft River Road Santa Clara Neighborhood Plan, Proposed Eugene-Springfield Metropolitan Area General Plan Text Amendments, and the Proposed City of Eugene Land Use Code Amendments (neighborhood-specific).

It is important to note that only the Eugene City Council will act on the proposed code amendments because they will only apply to properties within Eugene's city limits.

V. ATTACHMENTS

Attachment 1. Memorandum, Staff Response to Public Testimony and Elected Officials' Questions (March 22, 2024)

MEMORANDUM

March 22, 2024

To: Eugene City Council and Lane County Board of Commissioners

From: Terri Harding, City of Eugene Planning Division
Elena Domingo, City of Eugene Planning Division
Jared Bauder, Lane County Land Management Division

Subject: Staff Response to River Road Santa Clara Neighborhood Plan
Public Testimony and Elected Officials' Questions

On March 12, 2024, the Eugene City Council and Lane County Board of Commissioners held a joint public hearing on the proposed River Road Santa Clara Neighborhood Plan and related code amendments. At the hearing, twelve members of the public provided spoken testimony. As of March 22, 2024, the date of this memo, City staff have delivered six batches of written testimony to the City Council and County Board of Commissioners, including 107 pieces of submitted testimony. Batches 1-4 consist of testimony that was submitted to the Eugene and Lane County Planning Commissions; batches 5-6 consist of testimony submitted after the Planning Commissions' reviews and recommendations on the proposed adoption package. All submitted testimony will be provided to the Council and the Board for their consideration.

This memo responds to major themes raised at the Council and Board's joint public hearing and in written testimony, as well as to questions raised by elected officials.

Adoption Package and Process

The proposed River Road-Santa Clara Neighborhood Plan Adoption Package consists of: 1) a new refinement plan for the River Road and Santa Clara Neighborhoods; 2) amendments to the Eugene-Springfield Metropolitan Area General Plan (Metro Plan) to ensure consistency with the new refinement plan; and 3) amendments to Eugene's Land Use Code. The proposed land use code amendments will apply only within the City of Eugene.

Because the proposed new refinement plan and the proposed Metro Plan amendments apply to properties located in both the City and the County, both the City Council and the County Commission must consider and adopt the refinement plan and the Metro Plan amendments for those pieces of the adoption package to take effect. Because the proposed code amendments only apply within city limits, only the City Council will consider and adopt the proposed amendments to the Eugene Code.

This memo addresses issues related to the proposed refinement plan, the proposed Metro Plan amendments and the proposed Eugene Code amendments. Information specific to the proposed Eugene Code amendments is provided to the County Commissioners as helpful context but should only

be considered by the Commissioners to the extent it affects the proposed refinement plan and Metro Plan amendments' compliance with applicable approval criteria.

1. Connecting the Neighborhood Plan and the Land Use Code Amendments

City Councilors and Commissioners raised the question about how the proposed land use code amendments, which will only apply within the Eugene city limits, implement the new Neighborhood Plan.

The Neighborhood Plan is organized around five Topic Areas: Economic Development, Transportation, Parks and Natural Resources, Land Use, and Community. Each Topic Area includes vision statements, goals, and policies. Vision statements and goals describe hopes for the future, while the policies help guide the City and County in planning and policy decisions and provide a consistent course of action to move the community towards attainment of its goals.

The Neighborhood Plan goals and policies were key to informing the River Road Corridor Study, which focused on the designation of neighborhood centers for greater housing and job density. The Corridor Study included concepts such as encouraging new buildings with appropriate heights and relationships to the street that promote a long-term transition to a highly walkable, safe, and active streetscape, combined with gradual building scale transitions between uses of greater and lesser intensity. The Corridor Study also focused on neighborhood centers with more active development. These concepts were carried over into the proposed neighborhood-specific code amendments. A summary of the proposed code amendments, which only apply within the city limits, is provided as Exhibit A to this memo.

The proposed code amendments implement land use policies in the new Neighborhood Plan, including policies 2.1, 11.2, 13.2, 14.1, and 14.2 (listed below), by providing transition standards between different uses/scales/zones and incorporating pedestrian scale design through building design, size, scale, and site layout requirements for C-2 Community Commercial zoned properties.

> ***Policy 2.1 Vibrancy****: Incentivize and support redevelopment that fosters active mixed-use neighborhood centers.*
>
> ***Policy 11.2 Well Designed Built Environment****: Update design standards through legislative updates to local land use regulations so that they provide for gradual transitions between different uses and scales and incorporate pedestrian scale design through building design, size, scale, and site layout requirements.*
>
> ***Policy 13.2 Walkable Neighborhood Centers****: Support walkable neighborhood centers where people can access transit, shopping, parks, schools, and public spaces within walking distance through legislative updates to local land use regulations.*
>
> ***Policy 14.1 Compatibility Transitions****: Enhance compatibility through development standards such as height and scale transitions, setbacks, buffering with trees, and window offsets between adjacent properties that are zoned differently through legislative updates to local land use regulations.*

> ***Policy 14.2 Neighborhood Livability****: Retain and enhance neighborhood livability, such as by mitigating noise, identifying and encouraging preservation of historical and cultural properties, and promoting green development and design at pedestrian scale.*

The proposed code amendments also implement these policies by prohibiting the establishment of certain uses on C-2 zoned properties located within both the city limits and within the River Road-Santa Clara neighborhood boundaries, except for those properties located along the north side of a section of River Avenue between River Road and the Beltline. A copy of the map showing the prohibited use area is attached to this memo as Exhibit B. The phasing out of these uses reflects long-term priorities for both the River Road and Santa Clara Neighborhood Organizations and is in line with creating a more active, walkable, and pedestrian-friendly corridor, consistent with the Neighborhood Plan, as well as the City's transportation and climate goals. Carving out a section of River Avenue between River Road and the Beltline from the prohibited use area is consistent with the intention of the code amendments and supporting policy direction because these properties are not located directly along the River Road corridor, are adjacent to the wastewater treatment plant, and close to the Beltline Highway, and are therefore less likely to create an active walkable area, regardless of the uses allowed there.

In addition to being supported by the new Neighborhood Plan, the proposed code amendments are also supported by the 1987 River Road-Santa Clara Urban Facilities Plan. Specifically, General Land Use Policy 2.1(1) and Commercial and Industrial Land Use Policies 2.3(1) and 2.3(7)

> ***Policy 2.1(1)*** *Minimize land use conflicts by promoting compatibility between land uses, especially among residential, commercial-industrial, and commercial-agricultural uses.*
>
> ***Policy 2.3(1)*** *Maintain and enhance the compatibility of adjacent land uses through the use of appropriate buffering mechanisms, such as landscaping standards.*
>
> ***Policy 2.3(7)*** *Ensure compatibility between neighborhood commercial developments and the surrounding residential area by identifying and applying siting and development standards.*

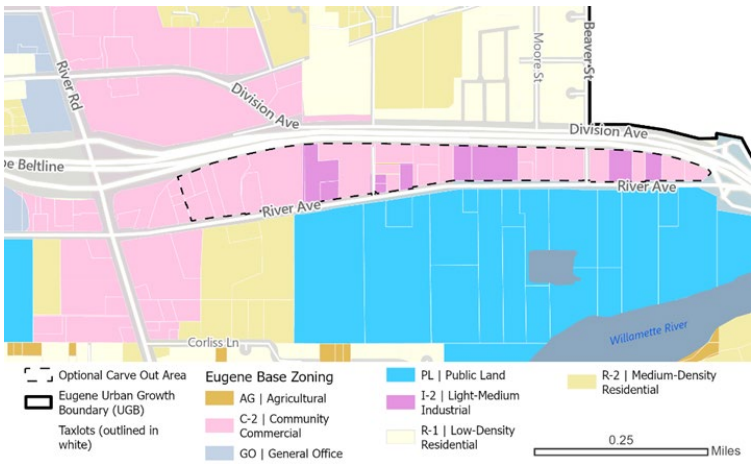
The code amendments implement transition standards and development standards and limit building height for C-2 zoned properties, enhancing compatibility of C-2 zoned properties and adjacent land uses.

2. Land Use Code Amendments – Prohibited Uses

As proposed, the code amendments would prohibit the establishment of the following uses in the C-2 Community Commercial Zone within the city limits and within the boundaries of the River Road-Santa Clara Neighborhood Plan, *except for the north side of River Avenue, between the wastewater treatment plant and Beltline Highway*:

- Motor Vehicle Sales/Rental/Service, excluding recreational vehicles and heavy trucks
- Motorcycle Sales/Rental/Service
- Recreational Vehicles and Heavy Truck, Sales/Rental/Service
- Agricultural Machinery Rental/Sales/Service
- Boat and Watercraft Sales/Service
- Equipment, Heavy, Rental/Sales/Service – includes truck and tractor sales
- Storage Facility, Household/Consumer Goods, enclosed

The area along River Avenue is proposed to be excluded, or carved out, of this proposed use prohibition because this area has a commercial/industrial character. Carving out this area is consistent with the intention of the code amendments and supporting policy direction because these properties are not located directly along the River Road corridor, are adjacent to the wastewater treatment plant, are located close to the Beltline Highway, and therefore are less likely to support the creation of an active walkable area. The carve out area applies to the north side of River Avenue, between River Road and the Beltline Highway area. Existing code provisions related to allowed uses would remain in place for the carve out area. The existing businesses in this area would be able to continue to operate, expand, and/or sell to new owners, and would not become non-conforming uses if the City Council adopts the proposed code amendments.



City Councilors and Commissioners raised the question about how the proposed land use code amendment to prohibit certain uses in the C-2 is consistent with adopted economic development policies. While it is true that the proposed code amendments may negatively impact some businesses, Eugene's adopted land use policies recognize that land use regulations may not be able to comply with all applicable policies equally, and the policies anticipate that balancing on a case-by-case basis may be required.

The introduction to Eugene's Comprehensive Plan states, "The policies of the various chapters are interrelated and, together, create the City's policy framework for land use planning. There may be conflicts and inconsistencies between and among some policies. When making decisions based on the Envision Eugene Comprehensive Plan, not all of the policies can be met to the same degree in every instance. Use of the Envision Eugene Comprehensive Plan requires a balancing of its various policies on a case-by-case basis, with an emphasis on those policies most pertinent to the issue at hand."

In this case, policies 3.5 and 3.6 of the Envision Eugene Comprehensive Plan, which are provided below are potentially applicable to the proposed code amendments and in particular, the proposed Prohibited Uses Area. While it is true that new motor vehicle, boat, heavy equipment and storage uses would be prohibited in the Prohibited Use Area, businesses of those types already located within the Prohibited Uses Area would be able to continue to operate; however, those uses would become non-conforming and could not be expanded, with the ultimate long term effect being that over time they are phased out

along the corridor. This is a policy tradeoff to promote and foster a more active, walkable, pedestrian friendly corridor, in support of the following neighborhood Plan policies:

> ***Policy 2.1 Vibrancy****: Incentivize and support redevelopment that fosters active mixed-use neighborhood centers.*
>
> ***Policy 11.2 Well Designed Built Environment****: Update design standards through legislative updates to local land use regulations so that they provide for gradual transitions between different uses and scales and incorporate pedestrian scale design through building design, size, scale, and site layout requirements.*
>
> ***Policy 13.2 Walkable Neighborhood Centers****: Support walkable neighborhood centers where people can access transit, shopping, parks, schools, and public spaces within walking distance through legislative updates to local land use regulations.*

The list of prohibited uses on C-2 zoned properties located within both the city limits and within the River Road-Santa Clara Prohibited Uses Area reflect long-term priorities for both the River Road and Santa Clara Neighborhood Organizations. The prohibited uses are mostly auto-oriented commercial/industrial uses and phasing them out along the River Road corridor will help work towards the City's transportation and climate goals, including the reduction of greenhouse gas emissions, which is an outcome consistent with Envision Eugene Policy 3.6.

> ***Comprehensive Plan Policy 3.5: Business retention and expansion****: Facilitate the retention and growth of existing businesses in the community.*
>
> ***Comprehensive Plan Policy 3.6 Responsible economic development****: Support economic development initiatives that reflect long-term priorities, improve community resilience to climate change and natural hazards, improve energy efficiency or reduce greenhouse gas emissions, and enhance opportunities to borrow, rent, or otherwise make better use of underutilized public and private assets.*

3. Land Use Code Amendments – Building Height

The current maximum building height in the C-2 Community Commercial zone is 120 feet. Reducing the maximum height of buildings along the River Road corridor has been a high priority expressed in community input from the beginning of the neighborhood planning process in 2017. Early corridor study workshops resulted in a concept of roughly five-story buildings (60-75 feet) along the corridor, transitioning to roughly three-story buildings (35-50 feet) near the corridor, and finally the currently allowed 30 feet (37 with a pitched roof) buildings in the R-1 Low Density Residential zoned areas of the neighborhood. Based on the consistently expressed community priority of pedestrian-scale buildings in the area and along the corridor throughout the planning process, staff's original proposal for the code amendments was to reduce maximum building height to 60 feet in for properties zoned C-2 and located within the River Road-Santa Clara Neighborhood Plan Area boundary and the city limits. A map showing the proposed River Road-Santa Clara Neighborhood Plan Area boundary is attached to this memo as Exhibit C.

Following consideration of public testimony, the Eugene Planning Commission recommended revising the code amendments to set the maximum allowed building height at 65 feet for properties zoned C-2

and located within the River Road-Santa Clara Neighborhood Plan Area boundary and the city limits. Examples of existing buildings that are close to 65 feet in height include existing apartment buildings in the Walnut Station Special Area Zone (on or near Franklin Boulevard) and Amazon Corner (on Hilyard Street in South Eugene). Photos of these buildings are included in Exhibit D. The proposed 65 foot maximum building height provides a pedestrian scale to the buildings along the River Road corridor that was important to those who participated in the corridor study process.

Public testimony to the elected officials both supports the proposed height reduction and expresses concerns about potentially limiting housing capacity in a large area of the city. The amount of property affected by the proposed height limitation is relatively limited (see Neighborhood Plan Map in **Attachment A**, page 6) and housing is still an allowed use on the affected properties. The proposed height limit would potentially impact the total amount of housing that could be constructed by limiting building height to approximately 5 stories instead of the approximately 10-12 stories that are currently allowed on properties zoned C-2.

Some of the submitted testimony suggested carving out the area along River Avenue from the building height limitation, should it otherwise be approved. This suggestion was not specifically considered by the Planning Commission, but Council could find that it makes sense, for the same reasons the carve-out area makes sense for prohibited uses.

4. Land Use Code Amendments – C-2 Community Commercial Design Standards

The proposed code Amendments include commercial design standards such as frontage and setback requirements, building entrance orientation and window coverage requirements. These amendments are intended to transform the character of the River Road corridor over time to a more active, pedestrian-friendly, and less auto-oriented area. If new development, including expansion of existing businesses, cannot be designed to comply with these standards, adjustments to the standards are possible through an Adjustment Review process. The Adjustment Review process provides for review by the Planning Director based on specific approval criteria. The process includes public notice and an opportunity for public comment prior to a decision. There is no public hearing unless the Planning Director's decision is appealed.

Since new building setback standards in the C-2 Community Commercial zone were adopted in 2021 (from 0-10 feet to 5-15 feet), dozens of buildings that comply with the new setbacks have been permitted. Six Adjustment Review applications have also been submitted requesting to adjust the front setback standards. They were all approved after going through the process of design consultation and review by City staff on multiple work teams. As the community grows and changes, older developments are gradually replaced with new developments that conform to current regulations.

The proposed neighborhood-specific code amendments also include transition standards for properties zoned C-2 with property lines abutting land zoned R-1 Low Density Residential. Transitions between uses of greater and lesser intensity has been a neighborhood priority since the beginning of the planning process – as represented in the Neighborhood Plan (Policies 11.2 and 14.1) . The transition standards proposed are informed by the City's adopted Clear & Objective housing approval criteria and are supported by the existing Urban Facilities Plan, and non-regulatory Community Design Handbook.

Some of the submitted testimony suggested carving the area along River Avenue from the proposed design standards, should they otherwise be approved. This suggestion was not specifically considered by the Planning Commission, but Council could find that it makes sense, for the same reasons the carve out makes sense for prohibited uses.

5. Information Requested: Ground Floor Commercial

The question was raised about how the City could encourage or incentivize more neighborhood-serving retail and services in the areas of River Road and Santa Clara that are zoned C-2 and located within the city limits. Some testimony asked for ground floor commercial uses to be required for new development in the C-2 zone in the neighborhood-specific package of code amendments. This issue was discussed throughout the planning process, and mixed-use development along River Road is a priority for the plan; however, this requirement was not recommended for several reasons.

First, mixed-use development (commercial and housing uses within the same development site) and mixed-use buildings (commercial ground floor with housing above) are already allowed in the C-2 zone. Ground floor commercial is not required within the C-2 zone anywhere in the city, including downtown, because this requirement can present a financial barrier to much needed housing development.

In addition, recent changes in state law strongly discourage cities from imposing new limitations on housing. Recently adopted state legislation allows for a developer proposing housing to seek an adjustment to a regulation requiring ground floor commercial, and potentially avoid it. The Oregon Department of Land Conservation and Development has also identified ground floor commercial requirements as a potential barrier to housing and has included the removal of such standards on a list of tools for cities to consider for implementation as part of their required Housing Production Strategy. Eugene is in the early stages of developing its required Housing Production Strategy.

As an alternative to imposing requirements for ground floor commercial uses, staff recommend consideration of incentivizing neighborhood-serving retail along mixed-use corridors in upcoming citywide planning efforts as part of the Urban Growth Strategies project. The incentives could include a mix of development regulations, tax exemptions, zoning changes, and/or fee reductions.

6. Information Requested: Parking Management

Parking issues can be addressed using a variety of tools and programs, including **policies, land use code provisions, and programs and projects.** Both policy and code tools assume eventual urbanization of the River Road and Santa Clara neighborhoods. At the **policy** level, the Neighborhood Plan includes a new Right-of-Way management and coordination policy that was agreed to by City and County staff:

"**Policy 5.5 Public Right-of-Way Management**: City and County continue to cooperatively work towards addressing jurisdictional issues in the right of way, including parking, maintenance, street improvements, and annexation issues."

This policy will guide City and County coordination as streets transfer jurisdiction or are planned for improvement projects in the future.

At the **land use code** level, Eugene has recently eliminated off-street parking requirements for new development as part of implementing the Climate Friendly and Equitable Communities (CFEC) rules. However, off-street parking is still allowed (just not required) and the City continues to typically see construction of off-street parking associated with new housing developments. However, because the River Road-Santa Clara area remains a patchwork of city and county jurisdiction, spill-over parking impacts from new development of property located within the city limits onto County streets can and does occur.

There are also a variety of City and County **programs and projects** that apply to the management of parking in the River Road-Santa Clara area. Enforcement of City and County regulations, jurisdictional transfer of ownership and maintenance responsibility of streets, street improvement and safety projects, and ongoing staff coordination are some of the ways parking management is addressed on an ongoing basis. The City has resources to enforce right of way code violation for City jurisdiction areas. Concerns should be reported at www.eugeneparking.com. In addition, transportation demand management (TDM) strategies such as bus passes and information on ways to safely get around without a car, can reduce the demand for parking over time, and are part of the City's transportation planning team's services.

Once the Neighborhood Plan is adopted, City staff will coordinate an annual meeting with City and County staff and neighborhood leaders from both community organizations. Parking and other effects from urbanization are sure to be among the issues prioritized for future action and funding requests.

Exhibit A

Summary of River Road-Santa Clara Neighborhood Plan Adoption Package Components

Metro Plan Amendments

The proposal involves a Metro Plan Amendment to be considered by the City of Eugene and Lane County to:

- adopt the new **River Road- Santa Clara Neighborhood Plan**
- remove Chapter II Section F from the *Eugene-Springfield Metropolitan Area General Plan* (Metro Plan) and references to this section in the Table of Contents and Chapter II Introduction

Land Use Code Amendments (considered by City of Eugene only)

The proposal involves a City of Eugene Land Use Code Amendment to establish River Road and Santa Clara neighborhood-specific code amendments within the city limits, as follows:

- In the C-2 Community Commercial Zone, applies the following design standards:
  - Limit building height to 65 feet (current limit is 120 feet).
  - Apply transition standards (setbacks, landscaping, and/or fencing) to new buildings and building additions that increase the square footage of floor area by 20% or more for any development on property abutting Low Density Residential (R-1) zoned land.
  - Require buildings fronting River Road to provide a main entrance facing that street or to the corner where River Road and another street intersect.
  - Increase the minimum percentage of the street facing building façade that must be within the maximum front yard setback, from 25% to 80%.
  - Require minimum percentage of windows along the ground floor of street facing facades and prohibit blank walls of more than 20 linear feet of any façade.
  - Require weather protection features over all building entrances.
- In the C-2 Community Commercial Zone (excepting most of the River Avenue area), prohibits the establishment of the following uses:
  - Motor Vehicle Sales/Rental/Service, excluding recreational vehicles and heavy trucks
  - Motorcycle Sales/Rental/Service
  - Recreational Vehicles and Heavy Truck, Sales/Rental/Service
  - Agricultural Machinery Rental/Sales/Service
  - Boat and Watercraft Sales/Service
  - Equipment, Heavy, Rental/Sales/Service – includes truck and tractor sales
  - Storage Facility, Household/Consumer Goods, enclosed
- In the R-1 Low Density Residential Zone, allows the "Display and Sale of Agricultural Products Grown Offsite" as a permitted use and include limits to size of display, hours of operation, and signage in keeping with "small scale."
- Amends Table 9.8010 and corresponding figure to add the new River Road- Santa Clara Neighborhood Plan
- Adds adjustment review criteria specific to River Road-Santa Clara under EC 9.8030(39).

Exhibit B

Map 9.2161(11)

River Road - Santa Clara Prohibited Uses Area

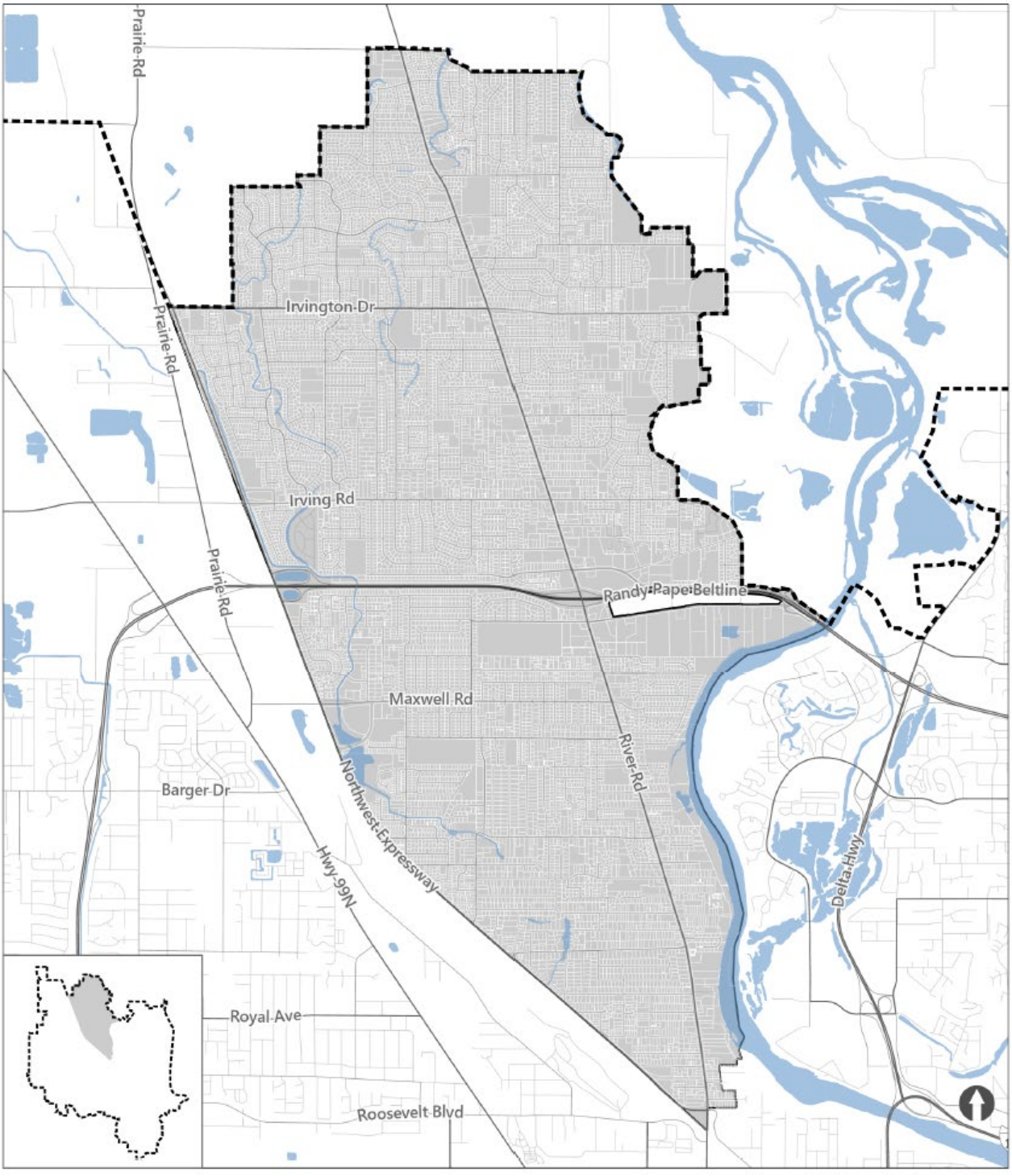


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Exhibit C

Map 9.2170(3)(d)

River Road - Santa Clara Neighborhood Plan Area

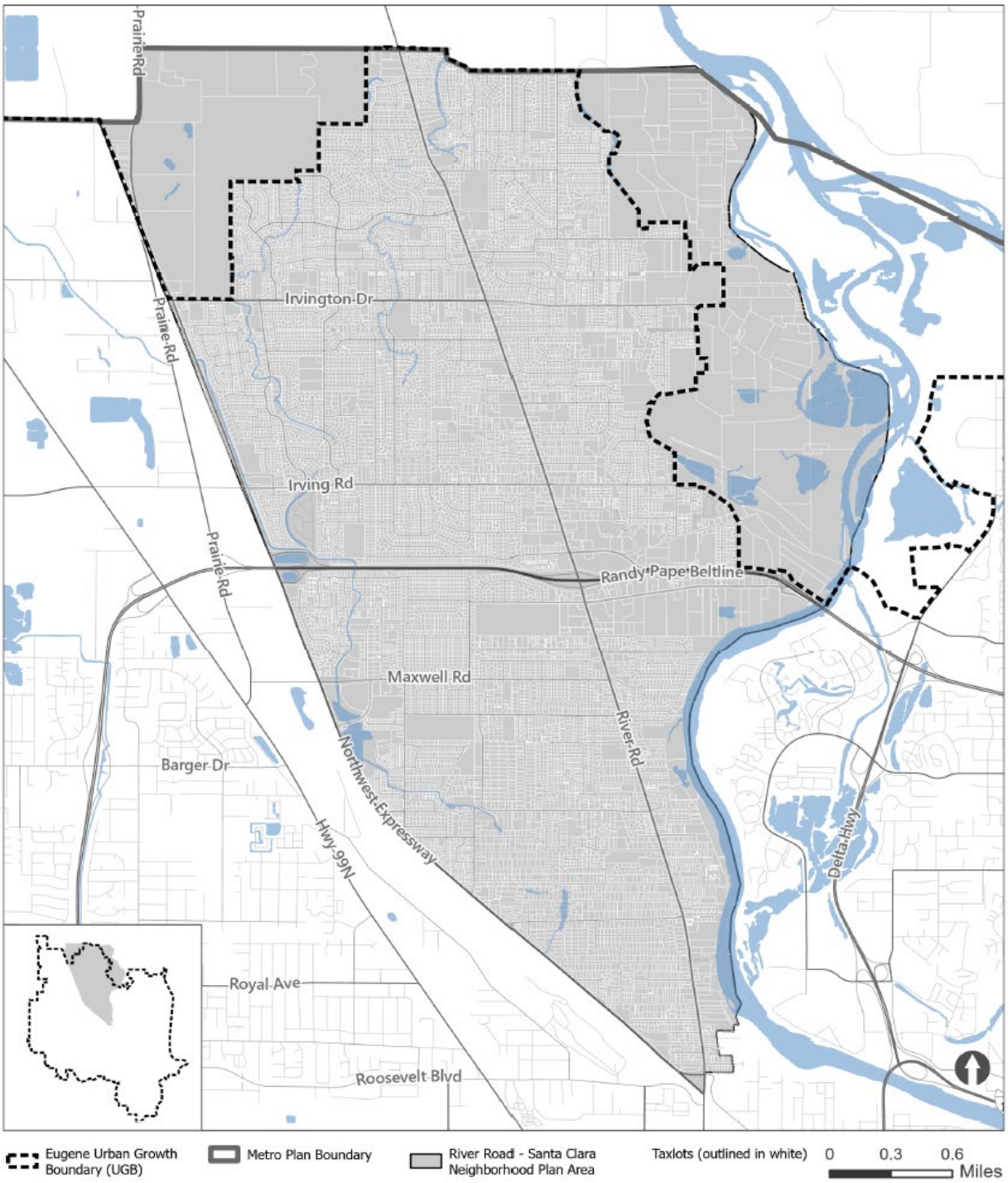

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Exhibit D

Amazon Corner, 32nd and Hilyard: 62’ in height

Yugo Skybox & Courtside Apartments, near Franklin and Villard/Orchard: both 65’ in height