

The bottom line is everybody wants Eugene to be a nice city, and there are some nuances to what different people think that means.

bonds and not have all the headaches and risk and all that. There are some people who would potentially do that, but I don't know who those people are.

So why not keep lowering the rents until someone takes the properties on a short-term lease?

The rents *are* low, and you can't go below free. We have a tenant down there who hasn't paid for 10 or 12 months. And on the west end of Broadway there are vacancies, and Bené's Pizza went out of business.

What was frustrating for us, setting aside the economics of the project and the inability to acquire the other properties, was all the chatter that had nothing to do with the project. Such as, "there's only going to be rich people down there on Broadway." But in Eugene, rich people might be anybody who earns more than \$20,000. Eugene isn't exactly on the high end of income scale, or income per capita. All this chatter came up, which was ridiculous. Somebody else had a concern that it would be all monolithic, but we had actually looked at hiring different architectural firms for each block. Those are the details, and we hadn't gotten that far yet.

Whole Foods is a great example [of the chatter]. Whole Foods became a

whipping boy for the city building a parking garage which had nothing to do with Whole Foods. They [citizens] got lost in the forest again. They couldn't focus. The city decided to build a parking garage that just happened to be built at the same time by the same developer, and next to Whole Foods. But the parking was not for Whole Foods. There's all this public outcry about subsidizing Whole Foods, and the city's not even providing parking for Whole Foods.

I thought Whole Foods required the parking garage to be built next door?

They had their requirements for all the parking spaces they needed, and they were all on their own property. Not one parking space in the garage is for Whole Foods.

Jenny Ulum interjected here that the Whole Foods parking garage was "built into the lease only because that was what the agreement was with the city. So they just acknowledged that. It looked like a requirement but only because that was what they were going to do. They would have signed a lease without that requirement, if that was how it was proposed to them."

So what's the solution for Broadway? Would it make sense in your business plan to take one of your buildings and do something nice with it to raise the

value of the other buildings?

Yes. Going back to the Sears site, if we don't get the Sears site and somebody else does something there, I think it's an advantage to everybody. Potentially they would have a plan that was bigger than just the Sears site and they may want our site. We'd sell it to them. That's one scenario. The other scenario is after we know what's going to happen to that site, maybe based upon that, we'd be willing to do something. I did hear a rumor that one of the parties looking at it was interested in building office spaces, not mixed use. Off the cuff, that sounds like not the best use. I don't think the vacancy for office space is down below 5 percent now. It's relatively high.

The Sears site is a full quarter-block, so the city owns the entire frontage across from the library, but they only own half of the southwest block. Diamond Parking owns a quarter block out of the middle and then we own a quarter plus an eighth.

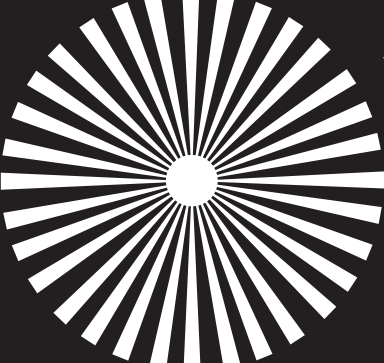
What was your reason for hiring a PR firm?

Well, obviously we weren't doing very well ourselves [laughs], and Jenny's a nice lady. We don't work with public relations firms in other cities; we don't need to. We do what we say we are going to do and we do what it takes to get the job done. We

hired Jenny and her firm because of all this chatter that has nothing to do with our project. We live here in this community, and it was a way to address the chatter and provide a stream of information.

The bottom line is everybody wants Eugene to be a nice city, and there are some nuances to what different people think that means. There was a small minority that thought it was great a few years ago when all the anarchists were downtown, but I can't believe very many people thought that was a good idea. And so for something to happen, I think people have got to give a little bit of slack and let something at least develop enough to know what it *really* is going to be before everybody weighs in on what they *think* it's going to be.

Friends of Eugene had a forum and decided things they wanted. You want open space, you want parks? Great. Would it hurt my feelings if the city bought all four of those blocks and tore them down and made a park? No. But who's going to pay for that and how? Are you going to cut public maintenance of streets to have a park downtown? Are you going to cut buying additional parklands to protect the ridgeline from development in order to have a park downtown? There are financial choices to be made, and I'm not the one to make those choices. **EW**

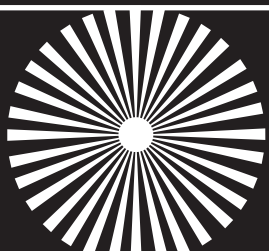


Yes, we are still here

Our downtown store is bigger and brighter and filled with good books

SMITH FAMILY BOOKSTORE

Downtown
525 Willamette Campus
768 East 13th



It's NOT what's OUTSIDE, but what's INSIDE

FAMILY PLANNING

LANE COUNTY PUBLIC HEALTH



- ♥ FREE or low cost women's health exams
- ♥ Birth control supplies
- ♥ Emergency contraception
- ♥ Pregnancy counseling and testing

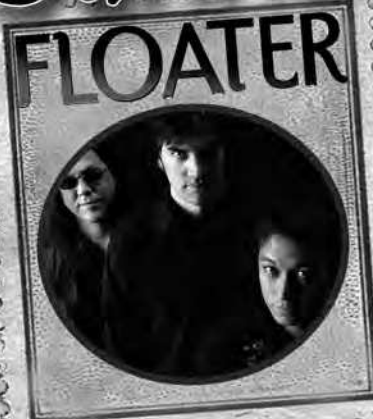
To schedule an appointment call:
682-4361
Confidential Services
Se habla Español



Located on 135 East 6th Ave., Eugene
(across Oak St., kitty-corner from the Hilton)



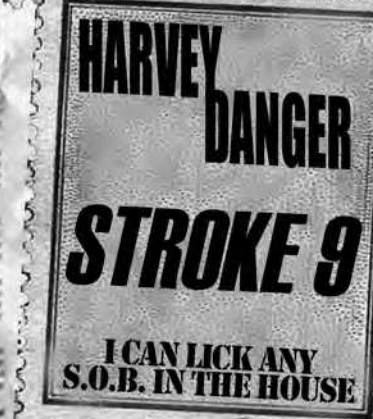
SUMMER BLAST



FLOATER



MXPX



HARVEY DANGER

STROKE 9

I CAN LICK ANY S.O.B. IN THE HOUSE

SATURDAY, JUNE 24th

SECRET HOUSE VINEYARD

ALL AGES DOORS @ 2:30

ticketmaster