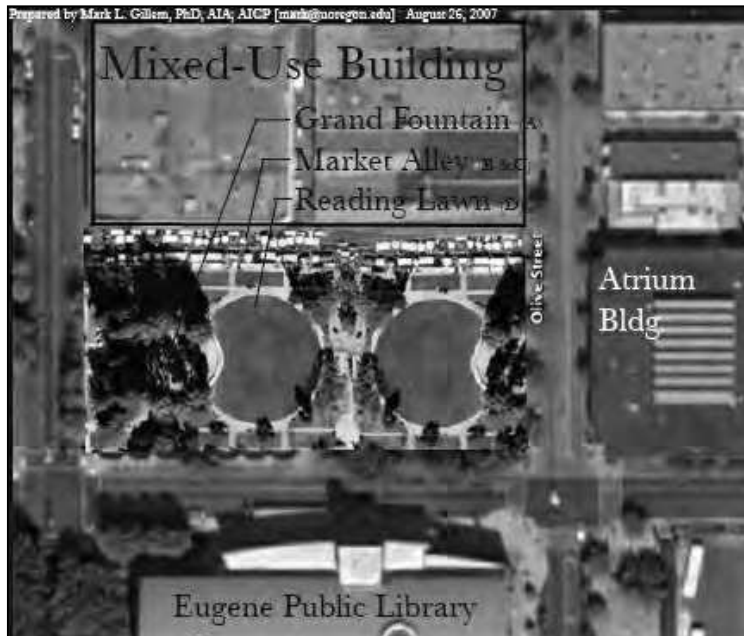




KATHRYN SCHUESSLER



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Downtown Decision

Committee requires little for \$50 million subsidy

The much anticipated draft recommendations from the West Broadway redevelopment advisory committee contain little specificity and wouldn't do much to alter the controversial downtown redevelopment plans of developer KWG.

The committee recommendations are largely broad generalizations that do not address key controversial points in the KWG redevelopment scheme. Here are some of the unanswered big questions:

- How much should the city **subsidize** the developers? The committee is silent on the issue. With KWG demanding a guaranteed 13 percent profit on the project, the proposed subsidy could easily exceed \$50 million. An Aug. 13 memo to the City Council from city staff estimates the total city cost of the Broadway project at \$44 million. That includes about \$26 million in direct subsidies, \$8 million in loan interest and \$10 million in tax breaks. Staff wrote that the estimate does not include likely construction inflation, increases in property prices, business relocation costs, public amenities and road, sidewalk and utility work. These additional costs could easily add millions to the price tag.

About \$40 million of the subsidy will come from urban renewal, a controversial program that diverts tax revenue from state school funds and local government services.

The committee also did not speak to whether the Broadway redevelopment proposal is the best use of the available funds, which could also be used to build a new City Hall, police station, parks, homeless shelter, low income housing, swimming pool, teen center or other amenities.

- How much **parking** should the city subsidize? Under the KWG proposal, a large part of the city subsidy would go to build parking garages at about \$80,000 per parking space. Taxpayers have already paid for thousands of parking spaces downtown in largely empty garages. But KWG, using formulas similar to those for suburban shopping malls, says it needs many more spaces. The committee recommendations include vague statements about considering transit and bike use and parking demand management but did not examine KWG's parking formulas. The committee recommends that the city "reduce minimum parking requirements" for the project,

but the city already has no minimum parking requirements downtown.

- Should the redevelopment include a **park**? Chamber of Commerce representatives, city staff and other business interests have argued against a park, contending that public open space will attract street people problems. But citizens have argued that a park would make the area more livable and attract development. UO architecture professor Mark Gillem argues that a green half-block park with a fountain across from the library would attract families and denser housing like a similar, hugely successful park in downtown Vancouver, Wash. (see Gillem's Viewpoint in this issue). But the committee was mum on the park issue, saying that open space could simply mean wider sidewalks across from the library.

- Should the city subsidize corporate chain stores to compete with **local businesses**? The KWG plan proposes a 58,000 sq. ft. grocery, but the committee did not say whether the city should subsidize a huge Whole Foods-type store to compete with the local Kiva grocery, a block away, and other natural foods stores. KWG has expressed skepticism that local businesses could afford the higher rents in the "upscale" development. The committee recommended that the development "provide opportunities" for "local" businesses, but did not say how. The development will displace many local businesses and nonprofits, but the committee was vague on whether the city would go beyond the limited relocation compensation already required by federal law.

- Should the city tear down the **historic** farmer's market and bank buildings? Local historic preservation activists have said the buildings should be restored. But the committee addressed the issue only with the vague statement that the developer should "consider building features that recall" local history. The committee also said the city should "consider" a design review process for the development, but it's unclear whether citizens will have any real say over the final design.

The committee did offer a few specific recommendations that could have an impact such as requiring 15-ft. sidewalks on Broadway, a free transit zone downtown and a LEED silver green building standard. At an Aug. 22 public forum, about 150 participants

Left: Broadway public forum draws a crowd Aug. 22
Right: Mark Gillem's park proposal

provided a few more specific new ideas such as providing space for a new YMCA downtown, an open air theater, street car and murals.

Without more specifics to justify the expense, the Broadway proposal could face a tough time at the ballot box in November. Eugene's popular downtown library failed three times before it passed, and it cost \$15 million less than the controversial Broadway proposal. A new city police station with a similar price tag has failed three times at the ballot. And the police and library measures were largely unopposed. A growing coalition of local businesses threatened by the development or subsidized chain competition and citizens opposing corporate subsidies, parking garages and tearing down historic buildings could defeat the November ballot measure.

If the measure does fail, that doesn't mean nothing will happen downtown. City staff told the City Council on Aug. 15 that the city has enough urban renewal and other funds to pursue the Beam and Kemper projects in the area should the November measure fail.

Portland developer Beam proposed a historical rehab of the Centre Court and Washburne buildings for retail, office and housing uses. Beam manager Pete Eggspuehler said last week that his firm would also build a four-story building in the adjacent Aster pit and consider an additional two floors of housing above the brick Washburne building. Beam has also proposed a possible large redevelopment of the Taco Time building in a later phase.

Portland developer Kemper has previously said that it would follow through with a half-block condo project across from the library if the KWG proposal it partnered in fell through. Together, the Beam and Kemper projects would leave about half the redevelopment area rebuilt at a public cost of only about one-tenth of the larger KWG proposal. The two proposals have enjoyed unanimous support on the City Council and little community opposition.

Gillem said another option would be to push the redevelopment back to the northern half of the block across from the library and pursue his big green park idea. To pass, the Broadway plan can't be "just more parking garages that are half empty," he said. "The citizens have to see a real public benefit." **EW**

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