

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO: 17-06-27-10

IN THE MATTER OF GRANTING THE  
COUNTY ADMINISTRATOR  
AUTHORITY TO NEGOTIATE A REAL  
PROPERTY TRANSACTION FOR  
LOCATION OF A NEW COUNTY  
COURTHOUSE

**WHEREAS**, on July 14, 2016, the Board of County Commissioners and the Eugene City Council held a joint session to provide an update on several planned projects in downtown Eugene and to discuss the potential for collaboration on the development of a renewed civic center; and

**WHEREAS**, on July 18, 2016, the Eugene City Council approved a motion to direct the City Manager to work with the County and the Circuit Court to investigate the following possibilities: (1) a new City Hall on the Butterfly Lot and a Courthouse on the full City Hall block; (2) Phase 1 of a new City Hall as currently planned and a wraparound Courthouse; or (3) other options that might arise. That motion also cited factors to be considered, including but not limited to: parking, a City Hall Phase 2, and the Lane County Farmer's Market. Council further directed that the work with the County and Court be completed by November 15, 2016. Following this action by the Council, the Board of County Commissioners provided similar direction to the County Administrator at its July 19, 2016 meeting. To fulfill this charge, City and County staff met regularly through the month of August, 2016 to charter the work and begin the collaborative effort necessary to fulfill the direction of each of the elected bodies; and

**WHEREAS**, on September 20, 2016, City and County staff presented an update on these efforts to a joint session of the Board of County Commissioners and Eugene City Council, including a review of the Elected Representative Group members and their role in the work, a review of the joint Staff Task Force (STF) members, and an introduction of the task force's independent facilitator, Cameron McCarthy Landscape Architecture & Planning. Cameron McCarthy reviewed the planned scope of work of the task force, as well as the approach and methodology to be employed in order to meet the STF's schedule for completion of the work; and

**WHEREAS**, on October 19, 2016, City and County staff, along with representatives from Cameron McCarthy, presented information on work completed since the previous joint elected officials meeting, including an update on the project task/action list, a review of the space programs that had been developed for each of the uses to be accommodated under each development scenario, a discussion on the STF's draft prerequisites and considerations document, and a presentation of preliminary development concept models; and

**WHEREAS**, on October 25, 2016, the Board of County Commissioners met to review each of the preliminary development concept models in greater detail and provide direction to

the STF regarding which configuration of the County Courthouse the Board preferred under each. Similarly, the City Council met on October 26, 2016 to provide direction to the STF regarding which configuration of City Hall Phase I and Phase II the Council preferred under each of the concept models. The direction given at these meetings provided the STF with the information necessary to refine the models to three final development concepts; and

**WHEREAS**, on December 5, 2016, City and County staff, along with representatives from Cameron McCarthy, introduced and provided an overview of the information contained in the STF's draft report. The report contained comprehensive analyses of three different development scenarios ("Scenario A", "Scenario B" and "Scenario C"), which was distributed at the meeting with an electronic version of the report posted online; and

**WHEREAS**, on December 14, 2016, the Board of County Commissioners met to discuss the three scenarios the STF had studied. In addition to the participation of the entire Board, Presiding Judge Karsten Rasmussen offered valuable insight regarding the Circuit Court's view of the three coordinated development scenarios. The discussion revealed a clear preference to site the Courthouse as shown in "Scenario C", on the site of the former City Hall. This consensus was reached with a clearly stated recognition that the County's desires were limited to the siting of the Courthouse, and with respect and deference to the City Council regarding the siting of City Hall. In the end, the following motion passed unanimously by the Board:

*Direct the county administrator to formally convey the County's desire to acquire the site of the former City Hall for the purpose of constructing a courthouse as contemplated in Scenario C, and to bring back a detailed plan in January to achieve the acquisition.*

*Direct the county administrator to work with City staff and the Farmers' Market representatives to pursue a detailed plan that optimizes development opportunities at the Butterfly Lot, including a Farmers Market.*

*Direct staff to continue working with our partners at the State to ensure continued funding for land purchase, design and development and construction.*

Also on December 14, 2016, shortly after the Board of County Commissioner's meeting, the Eugene City Council met to review and discuss the three scenarios the Joint Task Force on Coordinated Downtown Development had studied. In addition to these three scenarios, the City Council received and considered information regarding the EWEB Headquarters Site, which was also under consideration as a potential site for a new City Hall. Ultimately, the Council approved the following motion with a 5-3 vote:

*Direct the City Manager to:*

*(a) begin negotiations with Lane County over the possible purchase of a portion of the butterfly lot for city hall, and*

*(b) offer to sell to Lane County the city hall site, contingent on the city being able to commence construction of phase I of city hall on the butterfly lot, with a backup option to locate city hall on the city hall site.*

**WHEREAS**, on January 10, 2017, County staff returned to the Board of County Commissioners to present a planned approach to procuring the preferred courthouse site. The Board expressed their support for the proposed work at the meeting. To formally initiate this work, the County Administrator and City Manager executed a joint work group charter that designated the staff and dedicated the resources necessary to fulfill the direction of the Board and Council, within a mutually agreed upon framework. Since that time, the joint work group has worked to make progress toward the tasks and objectives associated with the planned approach; and

**WHEREAS**, on June 26, 2017, the Eugene City Council, on behalf of the City of Eugene and the Eugene Urban Renewal Agency, unanimously approved motions authorizing the City Manager to enter into a purchase and sale agreement and intergovernmental agreement consistent with a City and County staff negotiated property exchange deal sheet, contingent upon the Board of County Commissioners accepting an identical property exchange deal sheet no later than June 27, 2017.

**NOW, THEREFORE**, the Board of County Commissioners of Lane County **ORDERS** as follows:

1. The Board of County Commissioners accepts the terms in the negotiated deal point sheet attached to this Order as Exhibit A, and authorizes the County Administrator to negotiate and sign agreements to exchange certain real property with the City of Eugene as described in Exhibit A. The agreements must contain in substantial form the terms contained in this Order. The County Administrator must notify the Board before any agreement is executed.
2. The County Administrator's authority to negotiate pursuant to this Board Order expires at 9:00 p.m. on September 27, 2017.

**ADOPTED** this 20th day of June, 2017.

Pat Farr, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM  
Date 27 JUNE 2017  
  
LANE COUNTY OFFICE OF LEGAL COUNSEL

## Property Exchange Deal Sheet

Lane County, City of Eugene, and the Urban Renewal Agency will enter into a Purchase and Sale Agreement and an Intergovernmental Agreement consistent with the following and contingent upon a judicial declaration that the butterfly lot can be used for the intended purposes.

1. **Price of land** – Fair market value based on joint appraisal work:  
County pays City \$3,990,000 for full block bound by 7<sup>th</sup> and 8<sup>th</sup> and Pearl and High for future home of Courthouse. City retains 5' easement along 8<sup>th</sup> Avenue from Pearl to High. City pays County \$940,000 for northern portion of butterfly lot for future home of City Hall. URA pays County \$940,000 for southern portion of butterfly lot for re-establishment of the park block, completion of the historic Public Square and location for a farmer's market. County maintains partnership interest as outlined below.
2. **Legacy and the historic public square** – City and County develop an intergovernmental agreement that outlines our shared commitment to memorializing the history of the public square as part of the redevelopment of the butterfly lot and/or park blocks. We agree to tell the story through a meaningful memorialization or physical installation. County and City agree to cooperate on design, content, location and implementation costs.
3. **Farmer's Market** – City and County will be engaged partners, along with the Lane County Farmer's Market, on the development of farmer's market improvements. The improvements will be funded through a combination of funding. URA funds already designated for the project, up to \$4.5 million. County agrees to invest up to \$940,000 in cash or in kind investments with a minimum of \$500,000 in financial contribution.
4. **Future phase of City Hall** – consistent with Scenario C, County agrees to provide an option to purchase the existing courthouse at fair market value. This option would be available for a mutually agreed upon time as agreed upon in the IGA when the majority of tenants are relocated to a new courthouse and will anticipate a valuation methodology that includes valuation of existing improvements, whether assets or liabilities.
5. **Cooperative approach** – City and County agree to cooperate on a number of items to be outlined and detailed in an intergovernmental agreement to include:
  - Providing City leased space in Public Service Building at no cost for 3 years, or until staff can move to a new City Hall, whichever comes first.
  - Developing a better integrated operational plan for ensuring all four blocks of the newly re-established public square are functional and safe to include providing City law enforcement in the public square of applicable City code and administrative rule provisions.
  - Creating no or low cost staging areas for construction as feasible for City Hall, Courthouse and public space/market improvements.
  - Developing plan to address parking demands associated with the planned developments, both in the interim and long term.
  - Clarifying working relationships, shared interest and partnerships as related to implementation of our shared goals. The intent of this is to describe the continuum of engagement from being key partners on the Farmer's Market improvement to key stakeholders in overall re-development of the public square to important and interested parties on development of city hall and courthouse.