

City of Eugene



Proposal for Acquisition of the Civic Stadium Properties RFP 14_83

Submitted: December 3, 2013

**City of Eugene
City Manager's Office
125 E. 8th Avenue
Eugene, Oregon 97401**



December 3, 2013

Lane County School District No. 4J
Facilities Management
Attn: Kathi Hernandez, Management Analyst
715 West 4th Avenue
Eugene, OR 97402

RE: RFP No. 14_83 – Acquisition of the Civic Stadium Properties

To the Board of Directors:

On Wednesday, November 27, 2013, the City Council directed me to submit to Lane County School District No. 4J (“SD 4J”) a purchase offer using Park Bond funds for the Civic Stadium property, “with the offer contingent on other parties (1) entering into an agreement with the City within 60 days, satisfactory to the City Manager, that guarantees not less than \$5.5 million of private funds for the costs of renovating, maintaining and operating Civic Stadium, and (2) submitting a business plan for Civic Stadium that is reviewed and approved by City Council.”

The purchase offer for the property is \$4.5 million. If the contingencies are met in 60 days – *i.e.*, by January 26, 2014 – SD 4J would quickly have the revenue from the sale of the property. The City would have \$5.5 million of private funds to be used for the renovation, operations and maintenance of Civic Stadium and a Council approved business plan. This provides a level of certainty to the District and community that the vision of a renewed Civic Stadium could be realistically implemented.

While the District may receive higher purchase offers, it is unlikely that those offers will include the preservation of the stadium or site for a community purpose. Moreover, it is unlikely that those offers will provide immediate cash as it is likely the offers will be contingent on other, longer-term events. The City’s offer of \$4.5 million is consistent with SD 4J’s primary goal of raising revenue, while also meeting your secondary goals of providing additional benefits to SD 4J, provides community benefit, is compatible with the surrounding neighborhood and preserves the Civic Stadium grandstands.

The City’s lead on the Civic Stadium project is:

Sarah Medary
Assistant City Manager & Director of Planning and Development
City of Eugene/City Manager’s Office
125 East 8th Avenue
Eugene, OR 97401
Sarah.J.Medary@ci.eugene.or.us
541-682-6877

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This letter confirms that, except for the conditions and contingencies stated in response to section 3.9 Conditions/Contingencies – *i.e.*, the \$5.5 million and Council-approved business plan – this proposal is binding on the City for a period of not less than ninety days.

Please do not hesitate to contact me or Sarah Medary if you have any questions or would like any additional information.

Sincerely,



Jon R. Ruiz
City Manager

1.3 SIGNATURE PAGE

This page must be completed and included with all proposal submittals.

This proposal is submitted for the acquisition of the property indicated below (select one):

- Combined Properties
- Stadium Parcel Only
- North Lots Only

Proposer acknowledges review of Addenda number (s) 1 through 1

Proposer Acknowledges review of Reference Documents from SD 4J Project Website.

Agreed by:

Legal Name of Proposer: City of Eugene

Doing Business As (if applicable) _____

Address: 125 E. 8th Avenue, 2nd Floor, Eugene, OR 97401

Telephone: 541-682-5010 FAX: 541-682-5414

Internet Email Address: sarah.j.medary@ci.eugene.or.us

Proposer's Signature: 

Type or Print Officer's Name and Title: Jon R. Ruiz, City Manager

Property Development Proposal

The City of Eugene is offering to purchase the entire Civic Stadium site. If the City is able to acquire the site, then the City intends to preserve and rehabilitate the grandstands and to renovate the remainder of the stadium for use for various activities, including possibly soccer, track, other sports, and other events such as graduation ceremonies.

The City also is open to the possibility that another party would be interested in owning, rehabilitating and operating the stadium. By purchasing the site, the City would be able to ensure that the grandstands and stadium are preserved, and if another party is interested in owning and operating the site, the City would ensure through deed restrictions that the grandstands are maintained and the site would be used for activities such as soccer, baseball or similar types of activities.

Maintaining public ownership of the property would be compatible with the current zoning of the site as Public Lands.

Revenue

Purchase Price - The City of Eugene is offering to purchase the entire Civic Stadium site (stadium parcel and north lots) for \$4,500,000.

Terms of Purchase – The City’s purchase offer is contingent on two future events that must occur on or before January 26 (60 days after the City Council approved its motion directing the submission of this response). First, another party must provide to the City either cash or a substitute acceptable to the City Manager in the amount of \$5.5 million that would be used for the costs of renovating, maintaining and operating Civic Stadium. Second, the City Council must review and approve a business plan for the ongoing maintenance and operation of Civic Stadium from another party. The City will notify the School District on or before January 27, 2014, whether those two contingencies have been satisfied.

Development Proposal Follow-through Assurance – The City is proposing to acquire the property to both preserve the grandstands and to ensure that Civic Stadium is used as a public facility for recreational activities. The City is amenable to an appropriately worded deed restriction to ensure that the property is used with those purposes in mind. Such a deed restriction would ensure that the property is used for those purposes whether owned and operated by the City, or by another party.

Requirements for Fundraising, and/or Public Contributions or Incentives – As stated above, the City’s offer is contingent on (1) another party providing the City with \$5.5 million in cash or equivalent for renovation, maintenance and operation of Civic Stadium, and (b) a business plan for Civic Stadium that is reviewed and approved by City Council. Both of those contingencies will occur, if at all, not later than January 26, 2014.

Additional Benefits to SD 4J

The City's offer to purchase, should all the conditions be met, would provide immediate and long term benefits to SD 4J.

1. Revenue – the City's purchase offer contingencies would be met prior to the RFP award which means \$4.5 million in funds could be almost immediately available for SD 4J use.
2. Public Lands – The City would be purchasing this property in order to keep the property available for use by the general public. The property would become part of the City's extensive park system.
3. Land Use – if the property stays in public ownership with the City as the buyer, the current zoning of Public Lands could likely remain the same which would facilitate an easier path forward for the SD. If the property needs future land use actions, the process would be the responsibility of the City, not SD 4J.
4. Community Support – The City and School District have a long history of partnership on the Civic Stadium site that dates back to 1938. At that time, the land was "to be used as a recreation area for the School District and for the municipality." Over the last several years, there has been significant community support for preserving the historic Stadium and public space. Since the City's offer would ensure the renovation, maintenance and operation of Civic Stadium, it honors the history of the site and leverages existing community support towards SD 4J.
5. The rehabilitation of Civic Stadium could yield substantial benefits to School District 4J including recreational facilities that may be available to SD 4J students for community and interscholastic team sports.

Community Benefit of Proposed Use

Community Heritage - In 1938, residents of Eugene decided to develop a new athletic field to be shared by the City and School District. Before \$25,000 in funds could be obtained from the Works Progress Administration (WPA), the School District had to have ownership of the property. City voters passed a bond measure and deeded Civic Stadium to School District Number 4. As a condition of the sale, the land was “to be used as a recreation area for the School District and for the municipality.” The stadium was opened with a football game on Oct. 29 between Eugene High School and the Corvallis Spartans. (*Blakely, Joe R.; Eugene’s Civic Stadium, 2009*) The City of Eugene’s purchase offer represents an opportunity to preserve this heritage.

Neighborhood Benefits – Preserving and restoring Civic Stadium is consistent with the Neighborhood Livability pillar of Envision Eugene, the community’s plan for the next 20 years of growth. One of the strategies is to “recognize the value that historic properties contribute to community character and livability, and work to preserve those significant properties.”

Environmental Benefits – Preservation maximizes the use of existing materials and infrastructure, reduces waste, and preserves the historic character of an area. In general, rehabilitation often uses less energy, fewer materials and produces less waste than demolition and new construction. The City’s proposal to renovate and maintain Civic Stadium aligns with the community’s sustainability goals that aim to reduce fossil fuel consumption and greenhouse gas emissions.

Economic Benefits – Restoring the stadium for community use could provide a number of economic benefits. The first and most immediate benefit would be realized by SD 4J with \$4.5 million in revenue for the sale of the property. Other short term economic benefits could include the jobs associated with the restoration and repair of the stadium property and grandstands. Longer term, future potential uses could generate revenue, improve property values and create other economic opportunities in the neighborhood.

Preservation of Grandstands for Continued Use

The City's purchase offer is contingent on another party guaranteeing not less than \$5.5 million of private funds for the cost of renovating, maintaining and operating Civic Stadium as well as a City Council approved business plan for the continued operation of the stadium. The intent of Council's offer is to preserve the grandstands and field.

If for any reason, the grandstands or fields need to be altered for a different use, such as soccer, the City would require compliance with the processes set out by the National Register of Historic Places.

Proposer Qualifications and Experience with Similar Projects

The City's purchase offer is contingent on another party providing funding (\$5.5 million) for renovation, maintenance and operation of the Stadium, and a City Council approved business plan for ongoing stadium maintenance and operations.

The City has a well-established partnership with School District 4J. We have shared use and maintenance agreements on grounds and facilities and have partnered to finance and construct shared athletic facilities.

Beyond 4J, the City has similar business relationships on city-owned parkland such as Laurelwood Golf Course and the Cuthbert Amphitheater. Other examples at Alton Baker Park include The Science Factory and the BMX bike facility. If an agreement is reached with another party by January 26, 2014, School District 4J can be confident that the City can work effectively to carry the Civic Stadium project forward.

The City of Eugene was incorporated in 1862 and has provided municipal government and services to the community for over 150 years. The City manages a budget of approximately \$XXX million each year. The City of Eugene holds a very high bond rating from Moody's Investors Service of Aa1. The City has held a double-A rating for more than 50 years. This demonstrates the City's strong fiscal management and stable financial performance over a long period of time.

The City is responsible for the acquisition, development and maintenance of city-wide infrastructure including streets, sewers, parks, buildings, parking lots and structures. These services also include land use planning, issuance of building permits, community development efforts. In addition, the City's Culture and Recreation Services include the Eugene Public Library, recreational services, and operation of the Hult Center for the Performing Arts and Cuthbert Amphitheater.

The Civic Stadium proposal aligns with several current City Council goals including:

- Sustainable Development;
- Accessible and Thriving Culture and Recreation; and
- Effective, Accountable Municipal Government.

The electors of the City of Eugene (many of whom are also electors for SD 4J) have regularly supported their public parks. Examples of this include the passage of the last two parks bond measures.

