

Coburg City Council
Coburg Planning and Zoning Commission
91136 N. Willamette Street
Coburg OR 97408

March 17, 2022

Received by
City of Coburg
MAR 18 2022

Dear Mr. Mayor, Commissioners, and Council Members

At the February 22 City Council meeting testimony was presented at length to the City showing aerial photographs of three locations in Eugene and Springfield of Campus Industrial (C.I.) development (designated Campus Employment or E-1 zone in Eugene). The testimony emphasized that the areas have not been completely developed even after years of being available. The testimony suggested that such would be the fate of C.I. zoning in Coburg: the property would languish undeveloped into the foreseeable future.

What the presentation did not present to the City, however, was a comparable analysis of Light Industrial (L. I.) development. Does an L.I. zoning guarantee rapid development to 100%, as the testimony seems to suggest? To address this omission, we have reviewed the extent of both L.I. development and C.I. development in established communities similar to Coburg, and in Eugene. (Please note that the evaluation as to percentages is based on a visual analysis of on-line aerial photographs and hence is approximate, and as current as the posted photographs.)

First, looking at cities comparable to Coburg in size, how completely built out are their Light Industrial zones? It turns out that Industrial zones in these communities, even after many years, are not 100% built out:

Creswell	60%
Cottage Grove	75%
Veneta	50%
Junction City	25%

Two of these locations, Creswell and Cottage Grove, have direct access to I-5, and still have on the order of 200 undeveloped acres of industrial zoned land.

An even better analysis would be to look at areas that have both C.I. and L.I. zoned land in the same location. The geographical and demographic advantages and disadvantages would be virtually the same, and hence would be a rough guide to the comparable "popularity" of the two land uses.

As it happens, the Greenhill Technology Park that the developer characterized as an example of low demand for Campus Industrial development is located in an area that includes a lot of land zoned for Light Industrial. This location is in west Eugene, bounded by West 11th Avenue (highway 126) on the south, Green Hill Road on the west, and South Danebo Avenue on the east. Amazon Creek runs through the location, as does a rail line. The area is approximately 700 acres in total, and consists of approximately 300 acres each of Light-Medium Industrial (I-2) and

Campus Employment (E-1), along with about 100 acres of land zoned Natural Resources (NR), which is essentially preserved open space.

When we look at the amount of land actually developed in the Industrial Zones, we find it to be about 1/3 or less of the available land. When we look at the Campus Employment zoned land, we find a significantly higher portion is developed, about ½ or more of the available land. The reality here at this location in Eugene is directly opposite of the implied testimony at the Council meeting; the Campus Industrial type land appears more likely, not less likely to be developed than the Light Industrial type land.

The power point presentation stressed the lack of demand for C.I. “over the last 20 years” (slide 39). What the presentation didn’t remind viewers is that the worst recession since the Great Depression, which included a major collapse in the mortgage banking system, occurred during this period. For example, in the retail/commercial sector in Eugene, the Fifth Street development was just ready to move ahead in 2008 when the recession hit. According to the Regional Economist for Lane County, it took until 2019 for the market to recover enough to start construction.

Current demand for C.I. development is without a doubt influenced by the current major pandemic which has disrupted office occupancies, boosted some industrial sectors, and depressed others. In deciding what is best for Coburg, however, the planning should not focus on the past, but look to the future. It seems unlikely that the “research and development, manufacturing, assembly, packaging, related activities, and limited industrial-supportive commercial uses” (identified in paragraph 1. of the Coburg Development Code for Campus Industrial) will disappear forever or move to the central business districts of cities. For a more balanced future forecast Coburg may want to ask the opinion of real estate professionals who are not directly involved in this Coburg development.

The power point presentation (slide 7) indicates that “Companies won’t make large capital investments in a zone that’s not feasible” and states that “a scale of 20-acre parcels makes office building impractical”. The restriction in the Coburg code is of course a minimum lot area, and also applies to the L.I. zones. If this is truly an impediment to development, then Coburg could simply change the code to reflect a different minimum lot area. In reviewing the Greenhill development, slide 19 indicates that “Strict use requirements made it undesirable and uneconomical to develop”. Again, this sounds as if the code could be modified to make C.I. more desirable. This would be more productive to Coburg’s long-term growth than simply rejecting the whole concept of Campus Industrial.

The presentation states that “no manufacturing use would be permitted in CI zone”. This statement seems nonsensical. The Coburg Development Code explicitly states that the “purpose of the Campus Industrial District is to provide areas for high employment centers, including but not limited to research and development, manufacturing, assembly, packaging...” Under “Permitted Principle Uses and Structures” item 2.a.(2) identifies “Manufacturing and

Assembly". Is the presenter suggesting that the Code somehow does not intend to allow manufacturing?

The presentation indicates that "LRAPA issues air quality permits for any new commercial or industrial construction". This is not accurate. LRAPA issues permits not for "any" new commercial or industrial construction but only for those specifically requiring a permit due to the noxious nature of the emissions (identified in Title 37, Table 1). This is a crucial distinction; in Campus Industrial virtually all occupancies that produce obnoxious smells are eliminated. Those that don't are not excluded. A conventional commercial office building is not prohibited. In the manufacturing sector, a moderate sized cabinet making shop that outsourced its spray finishes would not be excluded. A typical garment factory would not be excluded.

Looking at the actual build-out in the Campus Employment zones in the Greenhill Road area we noticed that some of the occupants have made use of the natural landscaping in the adjacent Natural Resources zoned areas. Data Logic has built a major facility that is single story and divided up into two beautifully designed buildings connected by a breezeway. Their landscaped areas blend seamlessly with the adjacent public wetlands and natural landscape. The parallels to Area 8 in Coburg immediately come to mind. In Coburg the over ½ mile long edge on the east property line, with its continuous forest of mature Oregon Ash, backed up by the taller dark green conifers, with the foothills of the Cascades in the distance, is a gorgeous and unique ready-made amenity that will be a major selling point for an occupant wanting an appealing environment for its workforce and customers.

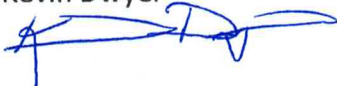
By designating this annexation Campus Industrial Area, it will be a "win-win-win" result. Neighboring residents are spared the unsightliness, odors, noise, and harsh lighting that inevitably lead to complaints when the adjacent use is Light Industrial. The workforce and visitors to the new campus facility would enjoy a stunningly beautiful adjacent landscape. And Coburg gains an attractive development of its eastern border that reflects well on the City.

Best Regards.

Andrew Hays



Kevin Dwyer



Diamond Ridge Water Association

Cc: Zack Mittge, Hutchinson and Cox