

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Capstone Collegiate Communities Student Housing Development Proposal

Meeting Date: April 25, 2012
Department: Planning and Development
www.eugene-or.gov

Agenda Item: B
Staff Contact: Nan Laurence
Contact Telephone Number: 541-682-5340

ISSUE STATEMENT

The work session will be an opportunity to discuss the proposal by Capstone Collegiate Communities (Capstone) to build student housing on the former PeaceHealth clinic site and consider the public testimony received on April 23 regarding the applications for the right-of-way vacation and the Multi-Unit Property Tax Exemption (MUPTE).

BACKGROUND

On March 12, the council held a work session to discuss the proposal received from Capstone regarding the student housing development and the planned public engagement opportunities. On April 9, the council reviewed the project and the public comments received to-date.

On April 23, the council held public hearings for both the right-of-way vacation and the MUPTE. A total of 56 people spoke, seven on the right-of-way vacation, and 49 on the MUPTE. A request was made to hold the record open for the right-of-way vacation. As a result, the record will be held open until 5 p.m., April 30, followed by a seven-day rebuttal period until 5 p.m., May 7. The applicant is entitled to a seven-day final argument period until May 14, which they may waive to enable action at the work session scheduled for May 9.

A request was also made to hold the MUPTE record open. Since this is a fiscal decision, not subject to the land use hearing and record requirements that the City is applying to the proposed vacation, there is no formal “closure” of the record; there is no need to declare the record will be kept open. Public testimony may be accepted and considered until the council chooses to act on this issue.

Questions and Answers

At the work session on April 9, Mayor Piercy and the City Councilors asked a number of questions about the Capstone proposal. Attachment K of the agenda item summary (AIS) for the MUPTE public hearing on April 23, addresses those questions and provides responses based on the information available at this time.

Community Issues and Current Status

Based on comments at council work sessions, input from the public engagement opportunities and the public hearing, a number of issues and concerns emerged. Some of those concerns are due to direct project impacts while others are related to the overall impacts of dense housing in and around the University and Downtown. Issues concerning onsite management and the dedication of a new bike path have been included as requirements of the MUPTE approval. City staff and Capstone continue to work on other emerging issues as the review for this project continues. Below are the current issues and Capstone's responses.

1. Issue: Assurance of continued onsite management

Status: Per the project description in the MUPTE resolution, onsite management will be required during the 10-year period of exemption. This requirement will run with the property even if the project is sold and Capstone is not retained as the manager.

Continued onsite management is critical for the project after the 10-year exemption period is over. To address this issue, staff will research and evaluate code provisions or possible alternative legal requirements that would ensure onsite management for projects meeting a critical size-threshold. Staff will bring this information to the council for consideration and action by the end of the calendar year.

2. Issue: Bike Path

Status: Capstone has agreed to create and dedicate a bicycle/pedestrian path connecting with the existing route along 12th Avenue. This facility is designed specifically to promote connectivity, create a straighter alignment, and improve the crossing at Willamette and Olive streets to ensure safe and convenient movement for pedestrians and bicycles. The bike path will include a 10-foot-wide two-way bicycle facility that is clear of obstructions and separated from pedestrians, within the new 20-foot right-of-way; a bicycle crossing island at the intersection of West 12th Avenue and Olive Street that prohibits left turns for automobiles; and a replacement crosswalk within Willamette Street that aligns the proposed bicycle connection through the site with the existing bicycle way east of Willamette Street. The bike path and these key features will be required as a condition of MUPTE approval.

3. Issue: Neighborhood Context

Status: Capstone has had a number of meetings with residents of nearby properties, including multiple conversations with residents and managers at Olive Plaza in an effort to identify and address potential issues during construction and after completion. A letter providing information on the mitigation and assistance Capstone is proposing is Attachment A. In addition, Capstone agrees to:

- A. Coordinate with the Eugene Police Department (EPD). Capstone has agreed to coordinate closely with the EPD to promote pro-social, courteous, and safe behavior on the part of the residents.
- B. Minimize parking impact. Capstone will make every effort to minimize the impact on the existing downtown neighborhood in terms of parking by providing adequate on-site parking for residents and guests.

- C. Work with Look Me In The Eye. Capstone agrees to work with Look Me In The Eye, a disability advocacy organization, to identify opportunities to employ their clients as part of the housing development. Attachment B provides information from Capstone to Look Me In The Eye.
 - D. Provide access to unused parking. If the surface and structured parking is not fully utilized, Capstone agrees to provide parking for Olive Plaza or public use at market pricing.
4. Issue: Support for Alternative Modes of Transportation
 Status: The City of Eugene code includes a number of requirements that support alternative modes of transportation. In addition to meeting code requirements for bike parking, Capstone has agreed to:
- A. Include additional bike parking and secured storage, a shared public car facility (such as “WeCar”) and an electric vehicle charging station. Capstone will promote these alternative modes to the residents of the development. Capstone will present the additional bike parking for City of Eugene staff review.
 - B. Construct a new bus stop on Willamette Street south of 12th Avenue. The new stop will include a shelter and will be integrated with the new student buildings south of the 12th Avenue crossing at Willamette Street. This new stop is anticipated to minimize the impact upon the downtown station which has been an issue with the Olive Plaza residents. The design of the stop will be coordinated with Lane Transit District and City of Eugene staff.
 - C. Coordinate with the City’s Bicycle Pedestrian Master Plan Study. Capstone has agreed to coordinate with the City of Eugene’s Bicycle Pedestrian Master Plan Study regarding paths to the University of Oregon from downtown, such as by providing data on bike use or surveying residents.
5. Issue: Design and Construction
 Status: Capstone has agreed to:
- A. Improve the existing sidewalks surrounding the project. Capstone will expand the circulation space and new streetscape elements to provide for a more inviting pedestrian environment. Capstone will also work with City of Eugene staff to see if expansion of the existing right-of way is desired in this location. In addition, Capstone has agreed to provide signage to improve enforcement of the prohibition of bikes and skateboards on the sidewalk near Olive Plaza (Attachment A).
 - B. Retain as many existing street trees as possible. Capstone will work with the City Arborist to establish specific tree and root pruning and care instructions to minimize impact to the trees and retain as many existing trees as possible. In the case an existing tree is required to be removed, it will be replaced with a like species.
 - C. Consistent with Capstone policy, the use of qualified local contractors, suppliers and workers will be encouraged as much as possible.

Timing & Next Steps

May 9 is reserved for consideration and action on the Capstone project. The council has 180 days from the date of MUPTE application (January 24) to take action on the MUPTE or it is deemed approved. Action on the right-of-way vacation is scheduled for May 9.

RELATED CITY POLICIES

Encouraging housing in the downtown core is consistent with numerous adopted planning and policy documents. Examples include:

Growth Management Policies

- Policy 1 Support the existing Eugene Urban Growth Boundary by taking actions to increase density and use on existing vacant land and under-used land within the boundary more efficiently.
- Policy 2 Encourage in-fill, mixed-use, redevelopment, and higher density development.
- Policy 3 Encourage a mix of business and residential uses downtown using incentives and zoning.

Eugene Downtown Plan

- Build upon downtown's role as the center for government, commerce, education and culture in the city and the region.
- Downtown development shall support the urban qualities of density, vitality, livability and diversity to create a downtown, urban environment.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Stimulate multi-unit housing in the downtown core and on the edges of downtown for a variety of income levels and ownership opportunities.
- Enhance functional designs for streets, sidewalks and related public improvements with carefully chosen design elements, including materials, alignments, plantings and streetscape elements.

Envision Eugene

- Provide ample economic opportunities for all community members
- Provide affordable housing for all income levels
- Plan for climate change and energy uncertainty
- Promote compact urban development and efficient transportation options
- Protect, repair, and enhance neighborhood livability
- Protect, restore, and enhance natural resources
- Provide for adaptable, flexible, and collaborative implementation

Eugene Counts

Increased downtown development is one of the desired outcomes identified under the Council Goal of Sustainable Development.

COUNCIL OPTIONS

This work session is an opportunity to provide information and feedback on the proposed Capstone development. The council may choose to act at the work session (See Attachments C and D) or wait until May 9, the next scheduled work session on the proposed Capstone project.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approval of the MUPTE based on the demonstration of need and the MUPTE public benefit criteria adopted by the council and provided by the project.

SUGGESTED MOTION

If the council chooses to take action at this meeting, the following motion is suggested:

Move to adopt the resolution to approve the MUPTE in Attachment C.

ATTACHMENTS:

- A. Letter from Capstone to Olive Plaza
- B. Letter from Capstone to Look Me In The Eye
- C. Resolution Approving the Property Tax Exemption
- D. Resolution Denying the Property Tax Exemption

FOR MORE INFORMATION

Staff Contact: Nan Laurence

Telephone: 541-682-5340

E-mail: nan.laurence@ci.eugene.or.us

April 19, 2012

Mrs. Diane Chavez
Administrator
Olive Plaza
Olive Street
Eugene Oregon 97401

RE: Neighborly Commitments

Dear Diane,

On behalf of Capstone Collegiate Communities we are appreciative of the time spent together discussing the concerns you and other Olive Plaza residents have for the proposed student housing project.. We are excited to be a part of the downtown community and neighborhood. As discussed, we are committed to working with Olive Plaza management now and in the future.

1. Construction Noise:

Capstone's construction manager will work closely with our general contractor to minimize the construction period noise impacts on Olive Plaza. Per Eugene's land use code (Chapter 6, Section 6.750 (d)¹ Construction shall be limited to the hours between 7 a.m. to 7 p.m. Monday through Saturday with no construction on Federal or State holidays. Capstone will do all that it can to ensure the construction operations maintain this code policy. As part of the overall management of the construction site, the sensitivity of Olive Plaza to noise will be put on the daily monitoring check list to assure the construction management staff is fully aware of the impact and sensitivity of construction period noise.

2. Operations or Resident Noise:

The design of the buildings internalizes the outdoor gathering spaces to minimize noise. Large community gatherings within the common court yard areas will be controlled by management and noise levels will be maintained within reason and not allowed to become a problem to off – site neighbors.

During the operations of the community, management will provide as part of the student residents move in package information regarding the existence of Olive Plaza and the sensitivity this community has to loud noises, privacy, safety and well being of its elderly residents.

As part of the overall management of the community, the sensitivity of Olive Plaza to operations and resident noise will be put on the daily monitoring check list to assure the management staff is fully aware of the impact and sensitivity of noise to Olive Plaza.

3. Construction Air Quality:

During the project's construction, the contractor shall implement the following measures to reduce visible dust emissions (particulate matter of 10 microns [PM₁₀]):

- Apply soil stabilizers to all unpaved areas.
- Clean all paved roads on a regular basis within 50 feet of the site.
- Reduce vehicle speed on-site to a maximum of 5 miles per hour

As part of the overall management of the construction site, the sensitivity of Olive Plaza to dust, smoke and other forms of emissions will be put on the daily monitoring check list to assure the construction management staff is fully aware of the impact and sensitivity of construction period air quality to Olive Plaza.

4. Parking Spaces:

In the case onsite parking is deemed sufficient for the student housing operations and excess parking spaces become available then the owner at their discretion will offer to Olive Plaza on a first right of refusal basis a select number (minimum five) of the available parking spaces at an average downtown monthly market price for structured or surface parking. Today, an average rate as published by Diamond parking is \$50 per month for structured and \$40 per surface parking.

5. Preconstruction Communication:

Between now and the start of construction estimated to be June 15, 2012 Steve Master with Master Capital Management working with John Acken of Capstone will check in with the manager of Olive Plaza on a bimonthly basis to listen and address issues Olive Plaza residents may have in regards to the proposed student housing community. John Acken and Ingram Thornton with Capstone will be responsible to introduce the general contractor's point of contact at the point of transition to construction. Management of Olive Plaza can contact John Acken any time during reasonable business hours at 205-789-7452.

6. Construction Communication:

Between the start of construction to the turn over to the management team a lead person from the on site general contractor's team will be in contact with the manager of Olive Plaza on a monthly basis to assure the communication between the construction and Olive Plaza is maintained. The general construction team will be responsible for the monitoring of the construction noise and dust to assure these potential conditions are mitigated and do not pose a negative condition upon Olive Plaza. The general contractor contact person will provide notifications for any special work hour requests and or right of way closures per the city requirements to assure minimal impact to Olive Plaza. The general contractor is to introduce the operations contact at the time of construction turn over to operations. Olive Plaza management will be provided the number for the construction period on-site manager whom they can call during reasonable business hours.

7. Operational Communication:

During the operations of the project a lead member of the management team will be in contact with the Olive Plaza manager on a quarterly basis to assure positive communications. The communications will focus on known or potential noise or other nuisance issues with the operations of the student housing community upon Olive Plaza. Olive Plaza management will be provided the number for the on-site manager whom they can call during reasonable business hours and after business hours in the case of an after business hours issue.

8. Lane Transit Bus Location:

A designated bus stop is to be located just south of the 12th Street bike path to minimize the impact of the student community residents upon the existing Lane Transit Station and the Olive Plaza residents who use this location.

9. Access to Sidewalks

The existing side walks surrounding the edges of the site are to be improved to enable additional area for walking with in these public Rights of Way. A sign will be posted to assist in enforcing no skate boards or bikes on the side walks along the Olive Plaza property along Olive Street.

Once again, we appreciate your cooperation in working with Capstone Managers and look forward to our continued conversations and working with you in the future.

Sincerely,

John Vawter Sr.

Principal



CAPSTONE
COLLEGIATE
COMMUNITIES

431 Office Park Drive . Birmingham, Alabama 35223

March 22, 2012

Margaret Theisen- Full Access
Gretchen Dubie- Oregon Supported Living Program
1240 Charnelton Street,
Eugene Oregon 97401

RE: Acknowledgement of Support

Dear Margaret and Gretchen,

On behalf of Capstone Collegiate Communities, we are appreciative of your support for our proposed downtown student housing community. We look forward to the role the proposed project will play in the revitalization of the downtown. We are also excited to support your firm's social objectives in assisting and enhancing the quality of life of your clients.

Once our management team is in place and we begin operations, we will look for opportunities to employ your clients within our proposed community. Additionally, we look forward to being neighbors and working with you and the neighborhood associations to further improve Eugene's downtown. To help in this effort, a member of our management team will serve on the Downtown Neighborhood Association steering committee starting in September of this year.

Once again, we appreciate your support and look forward to working with you in the future.

Sincerely,

John Vawter Sr.

Principal

RESOLUTION NO. _____

A RESOLUTION APPROVING A MULTIPLE-UNIT PROPERTY TAX EXEMPTION FOR RESIDENTIAL PROPERTY LOCATED IN THE VICINITY OF OLIVE STREET AND 13TH AVENUE, EUGENE, OREGON. (Applicant: Capstone Collegiate Communities, Inc.)

The City Council of the City of Eugene finds that:

A. PeaceHealth, located at 123 International Way in Springfield, Oregon, is the owner of real property located between Olive and Willamette Streets from just north of 12th to 13th Avenues and between Charnelton and Olive Streets from 12th to 13th Avenues, Eugene, Oregon (Assessor’s Map 17-03-31-42; Tax Lots 700, 800, 1000, 1100, 1200, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, and 2400), and David R. Lyons Revocable Trust, located at 433 Spyglass Drive, Eugene, Oregon, is the owner of real property located at 1210 and 1212 Willamette Street, Eugene, Oregon (Assessor’s Map 17-03-31-42; Tax Lot 900) (“the property”).

B. Capstone Collegiate Communities, Inc., (“the applicant”) located at 431 Office Park Drive in Birmingham, Alabama, intends to purchase the property, and has submitted an application pursuant to the City’s Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to residential units and possible commercial space to be constructed on the property.

C. The project will be constructed in two phases and is proposed to consist of the development of between 350 and 375 residential units. In addition, the project will include structured and surface parking spaces, and may include commercial space. On-site resident management and courtesy officers will be provided as described in Section 1, paragraph 2 below.

D. As part of the redevelopment of the site, the applicant proposes to realign and improve the public bicycle and pedestrian connection through the site, between Olive and Willamette Streets. The new public path will be within a 20-foot wide right-of-way that the applicant proposes to dedicate just south of the existing West 12th Avenue right-of-way. The applicant proposes to vacate the existing West 12th Avenue right-of-way to facilitate redevelopment of the site and realignment of the bicycle and pedestrian connection. The new right-of-way will not be open to vehicular use. To ensure that the proposed realignment of the public bicycle and pedestrian connection maintains the public interest, the applicant has agreed to the following:

The proposed 20-foot wide right-of-way will be dedicated and the following public improvements will be constructed:

- (1) A 10-foot wide two-way bicycle facility that is clear of obstructions and separated from pedestrians, within the new 20-foot right-of-way;
- (2) A bicycle crossing island at the intersection of West 12th Avenue and Olive Street that prohibits left turns for automobiles; and
- (3) A replacement crosswalk within Willamette Street that aligns the proposed bicycle connection through the site with the existing bicycle way east of Willamette Street.

All improvements will be subject to a more detailed review for design elements during the Privately-Engineered Public Improvement (PEPI) permit process, for which the applicant will pay all associated engineering, construction, and inspection costs. The design will be subject to the City Engineer's approval. As part of the PEPI permit process, the improvement cost will need to be bonded prior to issuance of the complete structure building permit for the housing north of the right-of-way to be vacated.

E. The project is located within the boundaries of the downtown area as described in subsection (2) of Section 2.945 of the Eugene Code, 1971.

F. The project could not financially be built "but for" the tax exemption.

G. The applicant solicited comments from city-recognized the affected neighborhood association.

H. The requirements in the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order Nos. 53-09-01-F and 53-11-05 related to proximity to historic resources have been satisfied.

I. The applicant has complied with the provisions of the Standards and Guidelines as described in the Report and Recommendation attached as Exhibit A to this Resolution which was prepared by the Executive Director of the Planning and Development Department ("the Executive Director") as designee of the City Manager.

J. The project will be completed on or before January 1, 2022, and the owner has agreed to include in the construction one or more public benefits.

K. The proposed project will be in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS chapters 195, 196, 197, 215 and 227, that are applicable at the time the application is approved.

L. The project is not designed for, and will not be used as transient accommodations.

M. Granting the application is in the public interest. In making this determination, the City Council has considered the number of points awarded to the project based on the public benefit scoring system contained in the Standards and Guidelines.

N. The Report and Recommendation recommends that the application be approved and the exemption granted. In making that recommendation, the Executive Director found that the applicant submitted all required materials, documents and fees as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines, and the applicant is in compliance with the policies contained therein.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based upon the above findings which are adopted, and the City Council's review of the Executive Director of the Planning and Development Department's Report and Recommendation which is attached as Exhibit A, the City Council approves the application of Capstone Collegiate Communities, Inc. for an ad valorem property tax exemption under the City's Multiple-Unit Property Tax Exemption Program for the residential units to be constructed on real property located between Olive and Willamette Streets from just north of 12th to 13th Avenues and between Charnelton and Olive Streets from 12th to 13th Avenues, Eugene, Oregon (Assessor's Map 17-03-31-42; Tax Lots 700, 800, 900, 1000, 1100, 1200, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, and 2400), subject to the following conditions:

- 1.** Phase 1 of the project shall consist of development of approximately 232 units with a total of approximately 790 bedrooms, 603 structured parking spaces, and 48 surface parking spaces.

Phase 2 of the project shall consist of development of approximately 142 units with a total of approximately 514 bedrooms and 430 structured parking spaces. Phase 2 of the project must be completed within 36 months of the issuance of the Certificate of Occupancy for Phase 1 in order to be eligible for the multiple unit

property tax exemption granted by this Resolution. If Phase 2 is not completed within 36 months, the property owners may reapply for the tax exemption.

In no event will the total number of units for Phase 1 and Phase 2 exceed 375.

Ground floor commercial space may be included in either phase of the project. If such commercial space is included, it shall be eligible for the tax exemption up to 5,000 square feet.

2. On-site management is required. On-site management functions shall include:
 - 2.1 Maintaining leasing, property/resident management office on-site that is staffed during normal working hours;
 - 2.2 Have at least one employee residing on-site;
 - 2.3 Have on-site one or more courtesy managers making nightly property inspections; and
 - 2.4 Providing information to residents about the sensitivities of neighboring properties, including Olive Plaza, as part of the lease documents.

3. As part of Phase 1, a 20-foot wide right-of-way south of the existing West 12th Avenue right-of-way shall be dedicated and the following public improvements shall be constructed:
 - (1) A 10-foot wide two-way bicycle facility that is clear of obstructions and separated from pedestrians, within the new 20-foot right-of-way;
 - (2) A bicycle crossing island at the intersection of West 12th Avenue and Olive Street that prohibits left turns for automobiles; and
 - (3) A replacement crosswalk within Willamette Street that aligns the proposed bicycle connection through the site with the existing bicycle way east of Willamette Street.

4. Both phases of the project shall be completed on or before January 1, 2022.

5. The project shall be in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS Chapters 195, 196, 197, 215 and 227.

Section 2. Subject to the conditions in Section 1 of this Resolution, 100% of the residential units and commercial space (up to 5,000 square feet) described in Section 1 are declared exempt from local ad valorem property taxation beginning July 1 of the year following issuance of a Certificate of Occupancy for each phase and continuing for a continuous period of

ten years unless earlier terminated in accordance with the provisions of Section 2.947 of the Eugene Code, 1971.

Section 3. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicants within ten days, and to cause a copy of this Resolution to be filed with the Lane County Assessor on or before April 1, 2013.

Section 4. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted and effective the ____ day of _____, 2012.

AIC City Recorder

RESOLUTION NO. _____

A RESOLUTION DENYING A MULTIPLE-UNIT PROPERTY TAX EXEMPTION FOR RESIDENTIAL PROPERTY LOCATED IN THE VICINITY OF OLIVE STREET AND 13TH AVENUE, EUGENE, OREGON. (Applicant: Capstone Collegiate Communities, Inc.)

The City Council of the City of Eugene finds that:

A. PeaceHealth, located at 123 International Way in Springfield, Oregon, is the owner of real property located between Olive and Willamette Streets from just north of 12th to 13th Avenues and between Charnelton and Olive Streets from 12th to 13th Avenues, Eugene, Oregon (Assessor’s Map 17-03-31-42; Tax Lots 700, 800, 1000, 1100, 1200, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, and 2400), and David R. Lyons Revocable Trust, located at 433 Spyglass Drive, Eugene, Oregon, is the owner of real property located at 1210 and 1212 Willamette Street, Eugene, Oregon (Assessor’s Map 17-03-31-42; Tax Lot 900) (“the property”).

B. Capstone Collegiate Communities, Inc., (“the applicant”) located at 431 Office Park Drive in Birmingham, Alabama, intends to purchase the property, and has submitted an application pursuant to the City’s Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to residential units and possible commercial space to be constructed on the property.

C. The proposed project would be constructed in two phases and is proposed to consist of the development of between 350 and 375 residential units. In addition, the project would include structured and surface parking spaces, and might include commercial space. On-site resident management and courtesy officers would be provided.

D. The project is located within the boundaries of the downtown area as described in subsection (2) of Section 2.945 of the Eugene Code, 1971.

E. The Report and Recommendation of the Executive Director of the Planning and Development Department (“the Executive Director”) as designee of the City Manager attached as Exhibit A to this Resolution recommends that the application be approved and the exemption granted. In making that recommendation, the Executive Director found that the applicant submitted all required materials, documents and fees as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines, and the applicant is in compliance with the policies contained therein.

F. Notwithstanding the recommendation to approve the application, the City Council has determined that granting the application is not in the public interest.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Having considered the above findings and the Report and Recommendation of the Executive Director attached as Exhibit A, the City Council finds that it would not be in the public interest to grant the application of Capstone Collegiate Communities, Inc., for an ad valorem property tax exemption under the City's Multiple-Unit Property Tax Exemption Program for the residential units and commercial space to be constructed on the property (Assessor's Map 17-03-31-42; Tax Lots 700, 800, 900, 1000, 1100, 1200, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, and 2400). Therefore, the application is denied.

Section 2. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicant within ten days.

Section 3. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted and effective the ____ day of _____, 2012.

AIC City Recorder