

MINUTES

Eugene City Council
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401

May 22, 2013
12:00 p.m.

Councilors Present: George Brown, Betty Taylor, Alan Zelenka, George Poling, Mike Clark, Chris Pryor, Claire Syrett, Greg Evans

A. WORK SESSION: Multi-Unit Property Tax Exemption (MUPTE) Program Panel Discussion

Panel Members: Corey Dingman, Bill Morris, John Texter, Rob Bennett, Mia Nelson.

The panelists introduced themselves, stated their jobs and relationship to the topic, and gave some background about their work as it relates to MUPTE.

Discussion highlights:

- The University area is attractive to developers because projects there are viable and can be more easily financed.
- The degree of uncertainty in the current MUPTE process causes many developers to withdraw their applications.
- Project costs are tight and profits speculative – developers often break even or incur a loss.
- Downtown development is often more difficult and more expensive to undertake.
- Development in the Coburg Road area may be viable if the land is already owned.
- Student housing is/has been the primary driver for MUPTE projects.
- University student populations are becoming more dispersed around the community, causing rental rates to shift.
- Consider creating a small, independent advisory group to screen MUPTE applications prior to the council's sign-off.
- Put criteria in place so that developers will have some assurance that if they meet the criteria their project will receive the tax exemption.
- Acknowledge the local hiring: issue: there are not enough employees available to meet need.
- For some parts of a construction job, qualified companies outside of Eugene or even outside of Oregon must be used.
- A certified payroll program is fairly burdensome: the cost is high and it's difficult to monitor.
- Banks and finance agencies already track all the financial info the council is seeking.
- The shortage of multi-family housing and buildable land on which to build multi-family housing in Eugene is critical.
- Inclusion of affordable housing units in market-rate development is largely unfeasible.
- Affordable housing almost always involves families with children and requires a specific set of amenities.
- There is support among appraisers, developers, lending institutions, builders and community planners for continuing the MUPTE program in some form.

MOTION AND VOTE: Councilor Pryor, seconded by Councilor Poling moved to extend the meeting by 5 minutes. **PASSED:** 7:1, Taylor opposed.

Due to the length of the panel workshop, the council agreed to push back the timeline for implementing programmatic changes to MUPTE.

The meeting adjourned at 1:35 p.m.

Respectfully submitted,

/s/ Michelle Mortensen

Michelle Mortensen
Deputy City Recorder