EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Multi-Unit Property Tax Exemption (MUPTE) Program

Meeting Date: June 17, 2013 Department: Planning & Development <u>www.eugene-or.gov</u> Agenda Item Number: C Staff Contacts: Mike Sullivan 541-682-5448

ISSUE STATEMENT

On February 27, 2013, council approved an ordinance suspending the Multi-Unit Property Tax Exemption (MUPTE) program to provide the time needed for council to conduct a detailed evaluation of the program and determine if modifications should be made. This work session is a continuation of the discussion related to potential modifications to the MUPTE program.

BACKGROUND

At the May 13 work session, staff received feedback from council on potential modifications to the MUPTE program. On May 22, a council workshop was conducted to receive input from key stakeholders. On May 29, council approved an ordinance extending the suspension of the MUPTE program to July 31, 2013. At this work session, staff will be presenting recommendations on MUPTE program modifications for council consideration. A public hearing on the ordinance required to adopt MUPTE program modifications has been tentatively scheduled for July 15. Action on the ordinance adopting MUPTE program modifications is tentatively scheduled for July 22.

RELATED CITY POLICIES

Utilization of the MUPTE program to stimulate new multi-unit housing development addresses many goals for Eugene and downtown, including:

Eugene Downtown Plan

- Stimulate multi-unit housing in the downtown core and on the edges of downtown for a variety of income levels and ownership opportunities.
- 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.
- Facilitate dense development in the courthouse area and other sites between the core of the downtown and the river.

Envision Eugene Pillars

- Promote compact urban development and efficient transportation options.
 - Integrate new development and redevelopment in the downtown, in key transit corridors and in core commercial areas.
 - Meet the 20-year multi-family housing need within the existing Urban Growth Boundary.
 - Make compact urban development easier in the downtown, on key transit corridors, and in core commercial areas.
- Provide housing affordable to all income levels.

Regional Prosperity Economic Development Plan

- Strategy 5: Identify as a Place to Thrive Priority Next Step Urban Vitality
 - As we foster a creative economy, dynamic urban centers are an important asset. Eugene, Springfield and many of the smaller communities in the region recognize the importance of supporting and enhancing vitality in their city centers. Building downtowns as places to live, work and play will support the retention and expansion of the existing business community and be a significant asset to attract new investment. The Cities of Eugene and Springfield will continue to enhance their efforts to promote downtown vitality through development and redevelopment.

City Council Goal of Sustainable Development

• Increased downtown development

COUNCIL OPTIONS

- 1. Direct the City Manager to prepare and schedule a public hearing on an ordinance modifying the MUPTE program consistent with the criteria included in Attachment A.
- 2. Amend the criteria included in Attachment A, and direct the City Manager to prepare and schedule a public hearing on an ordinance modifying the MUPTE program as amended.
- 3. Take no action and extend the suspension of the MUPTE program to allow for additional discussion on MUPTE program modifications.
- 4. Take no action and continue the discussion on MUPTE program modifications.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends preparing and scheduling of a public hearing on an ordinance modifying the MUPTE program consistent with the criteria included in Attachment A.

SUGGESTED MOTION

Move to direct the City Manager to prepare and schedule a public hearing on an ordinance modifying the MUPTE program consistent with the criteria included in Attachment A.

ATTACHMENTS

- A. Recommendation MUPTE Program Criteria
- B. Alternative MUPTE Criteria
- C. Example MUPTE Project Scorecard

FOR MORE INFORMATION

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