# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Agenda Item Number: 4

Staff Contact: Denny Braud Staff Telephone: 541-682-5536

Public Hearing: An Ordinance Amending Ordinance No. 20508 to Extend the Temporary Suspension of Multiple Unit Property Tax Exemptions under Sections 2.945 and 2.947 of the Eugene Code, 1971, through November 30, 2014

Meeting Date: June 23, 2014

Department: Planning & Development

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## **ISSUE STATEMENT**

This public hearing is an opportunity to hear from the community about the proposal to extend the suspension of the Multi-Unit Property Tax Exemption (MUPTE) program. The extended suspension to November 30, 2014, would provide additional time for the council to consider options for modifying the MUPTE program criteria.

### **BACKGROUND**

The MUPTE program is enabled by state legislation and designed to encourage higher density housing and redevelopment in the core area and along transit corridors. The program provides a tax exemption for up to 10 years on qualified, new multi-unit housing investments that occur within a targeted area, meet program requirements, and are reviewed and approved by the council. MUPTE works by lowering the operating cost enough to make a project financially feasible.

On February 27, 2013, the council approved an ordinance suspending the Multi-Unit Property Tax Exemption (MUPTE) program to provide the time needed for the council to conduct a detailed evaluation of the program and determine if modifications should be made. On July 24, 2013, the council approved an ordinance extending the sunset date for the MUPTE program suspension to July 31, 2014, to provide an opportunity to engage stakeholders in the process.

The City Council provided direction to reach out to the neighborhood organizations to secure their input on the various program revisions that are being considered. In May, two meetings were held to collect feedback from neighborhood leaders on proposed changes. Revisions to the program are still underway, and an additional meeting with neighborhood leaders is scheduled for June 25 from 7:00 – 8:30 p.m. at the Downtown Public Library's Tykeson Room.

Based on the input received so far, it is evident that more time is needed to work with neighborhood leaders on issues related to MUPTE and Envision Eugene and for them to work with their memberships. Therefore, an extension of the MUPTE program suspension is needed. In order to extend the suspension while the revision process continues, the council will hold a public hearing on extending the suspension until November 30, 2014. At its June 25 work session, the City Council is scheduled to take action on extending the suspension.

# **COUNCIL OPTIONS**

No formal action is required at this public hearing. Council action is scheduled for June 25, 2014.

### CITY MANAGER'S RECOMMENDATION

This item is scheduled for public hearing only. No recommendation is being made at this time.

## SUGGESTED MOTION

No motion proposed for the public hearing.

### **ATTACHMENTS**

A. Draft Ordinance

### FOR MORE INFORMATION

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