

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



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

Meeting Date: June 25, 2014
Department: Planning & Development
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Agenda Item Number: A
Staff Contact: Denny Braud
Phone: 541-682-5536

ISSUE STATEMENT

The council is asked to consider an ordinance extending the suspension of the Multi-Unit Property Tax Exemption (MUPTE) program. The suspension 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 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 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 MUPTTE 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. A public hearing on the proposed ordinance was held on July 22, 2013.

COUNCIL OPTIONS

The council can: a) approve the suspension extension ordinance included in Attachment A; b) approve the suspension extension ordinance with modifications, or c) take no action, which would make the suspended program go back into effect on August 1, 2014.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approving the suspension extension ordinance included in Attachment A.

SUGGESTED MOTION

Move to adopt Council Bill 5122, an ordinance included in Attachment A to extend the program suspension to November 30, 2014.

ATTACHMENTS

A. Ordinance

FOR MORE INFORMATION

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