

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Adoption of Pearl Multiple-Unit Property Tax Exemption (MUPTE) Resolution Amendment

Meeting Date: September 8, 2014
Department: Planning & Development
www.eugene-or.gov

Agenda Item: 3E
Staff Contact: Amanda Nobel Flannery
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ISSUE STATEMENT

The council is asked to approve an amendment to the Multi-Unit Property Tax Exemption (MUPTE) resolution for The Pearl (formerly, The Paradigm on Pearl) at 17th Avenue and Pearl Street to correct a minor discrepancy in bedrooms between what was stated in the MUPTE resolution and what was actually constructed.

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. The MUPTE program is currently suspended through November 30, 2014.

In 2011, the council approved a MUPTE resolution for the Pearl, a certified LEED Gold, mixed-use housing project with 100 traditional apartments occupied by a mix of professionals and students, ground floor commercial, and underground parking. Resolution 5032 contains a minor discrepancy in bedrooms from what was actually constructed. Although the complex has the same number of apartment units originally approved in the resolution, the mix of studios, one-bedroom and two-bedroom units, is slightly different. Specifically, the project has two more studios, six fewer one-bedroom units and four more two-bedroom units for an overall difference of four bedrooms, within the 100-unit complex.

While our legal position maintains the difference is immaterial, staff recommends approving an amendment to solidify for the County Assessor that the completed project meets council approval for the MUPTE. The amended resolution in Attachment A reflects the original total number of 100 units, the reduction of six two-bedroom units, and the increase of two studios and four two-bedrooms.

RELATED CITY POLICIES

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

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.

- Protect, repair and enhance neighborhood livability.
 - Implement the Opportunity Siting (OS) goal to facilitate higher density residential development on sites that are compatible with and have the support of nearby residents. Implement a toolbox of incentives that support the achievement of OS outcomes.

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.

COUNCIL OPTIONS

Council may approve or deny the resolution amendment.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approving the resolution amendment.

SUGGESTED MOTION

Move to adopt Resolution 5114, clarifying the discrepancy in bedrooms between Resolution 5032 and the completed Pearl development project.

ATTACHMENTS

A. Proposed Resolution

FOR MORE INFORMATION

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