

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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Action: Adoption of an Ordinance Suspending Multi-Unit Property Tax Exemption (MUPTE) Program

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Meeting Date: November 19, 2014  
Department: Planning & Development  
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Agenda Item: B  
Staff Contact: Amanda Nobel  
Contact Telephone Number: 541-682-5535

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### ISSUE STATEMENT

The council is asked to consider an ordinance extending the suspension of the Multi-Unit Property Tax Exemption (MUPTE) program. The extended suspension to February 28, 2015, would provide additional time for the council to take action to modify 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 MUPTE program to provide the time needed 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 for their input on the various program revisions under consideration. Staff met with neighborhood leaders in May and June. Based on the input received, it was evident that more time was needed to work with neighborhood leaders on issues related to MUPTE and Envision Eugene and for them to work with their memberships. On June 25, the council extended the MUPTE program suspension until November 30, 2014.

On October 15, the council directed the City Manager to schedule a public hearing on the draft program revisions. The public hearing on the program revisions was held on November 17,

2014. Extending the suspension to February 28, 2015, will allow for the council to discuss the public hearing results, provide direction for further revisions, and allow 30 days for the program revision ordinance to take effect. A public hearing on the suspension extension ordinance was held on November 17, 2014.

### **COUNCIL OPTIONS**

- A. Approve the suspension extension ordinance included in Attachment A.
- B. Approve the suspension extension ordinance with modifications.
- C. Take no action, which would make the suspended program go back into effect on December 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 5133, an ordinance included as Attachment A to extend the program suspension to February 28, 2014.

### **ATTACHMENTS**

- A. Ordinance

### **FOR MORE INFORMATION**

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