

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: Adoption of Resolution 4990 Denying a Multiple-Unit Property Tax Exemption for Residential Property Located at 1367 High Street (Pearl on Campus LLC)

Meeting Date: November 9, 2009
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Richie Weinman
Contact Telephone Number: 682-5533

ISSUE STATEMENT

The City Council is asked to approve or deny a Multiple-Unit Property Tax Exemption (MUPTE) for The Sequoia at 1367 High Street.

BACKGROUND

In 1975, the Oregon legislature adopted the enabling statutes for the MUPTE and Transit Oriented District Tax Exemption program. Since that time, both the state statutes and Eugene's implementation ordinance has been amended. The City Council amended Eugene's code provisions and boundary in November 2008. To assist both staff and the City Council in evaluating a MUPTE application, those code amendments included: (a) adoption of approval criteria, and (b) a direction to the City Manager to adopt a public benefit scoring system (discussed below).

This proposed eight-unit project is at 1367 High Street, which is zoned R-3, high-density residential. There is currently one house on this .2224 acre site. This house is not a city landmark nor on the National Historic Register. The applicant has entered into a sales contract with a purchaser who plans to move the house, in December, to 920 Cheshire in the Whiteaker Neighborhood. It will be used as a residence.

Public Comments

A display advertisement was published in the *Register-Guard* on August 23, 2009, soliciting comments for 30 days. The comment period was extended one week because the applicant submitted an amended application. The period ended September 29. No written comments were received.

Public Benefits

As noted above, the City Council adopted criteria for review of MUPTE applications, including a requirement to consider the public benefits to be provided by the development. The council directed the City Manager to adopt a public benefit scoring system, which the City Manager did as part of the Standards and Guidelines. As part of that administrative process, the City Manager determined that unless a proposed development received at least one hundred points, the City Manager would recommend that the council deny a MUPTE application.

After reviewing this MUPTE application against the public benefit scoring criteria in the Standards

and Guidelines, staff determined that the proposed development earned only 65 points. Points were awarded through the following benefits:

Density – Exceeding the minimum (40 points earned for four units over the minimum density - ten points for each unit in excess of minimum, with 50 maximum points)

Green Building- “Earth Advantage” construction (25 points earned for “Earth Advantage Silver”)

The proposed development also would provide six parking spaces in excess of what is currently required. If the property were part of the Residential Parking Program, the application would have earned an additional 60 points. However, the property is not part of that program and the applicant failed in his attempt to join the program by obtaining the necessary signatures of support from adjacent property owners and tenants.

An attached letter from the West University Neighborhood Association (Attachment D) addresses their support for consideration of this issue.

Impact and Need for Tax Exemptions to Encourage Housing:

The City and other local taxing districts forgo revenue when property is exempted from taxes. This project proposes new construction on a property that is underdeveloped based on the zoning. The three-bedroom single-family home currently on the site will be replaced by eight apartments with 24 total bedrooms. In December, the house on the site will be moved to the Whiteaker neighborhood where it will continue to be a taxable asset. After ten years, The Sequoia will generate new tax revenue, starting at approximately \$25,000.

The annual total property taxes on the property are currently \$2,602. The portion of the tax attributed to the land is estimated at \$989. The land will continue to be taxed during the exemption period. Therefore, \$1,613 that is currently being paid in taxes on the existing improvement will come off the tax rolls (at that site) for ten years. This is a total cumulative value of \$19,625, assuming a 2% annual increase in taxes. After the ten year exemption ends, over \$25,000 will then be paid annually in property taxes. Therefore, all exempted revenue will be recovered in the first year after the exemption ends. This is illustrated in Attachment G.

Timing

This application was originally submitted on August 11, 2009, and amended on August 25, 2009. The City Manager has 90 days to make a recommendation on the application to the council. If the council hasn't acted in 180 days, the application is deemed approved. The 90-day recommendation period expires on November 9, 2009.

RELATED CITY POLICIES

MUPTE is enabled by state statute. The City of Eugene has participated in the MUPTE program since 1978. Encouraging housing in the core area is consistent with numerous adopted planning and policy documents. Examples include:

Growth Management Policies

- Policy 1 Support the existing Eugene Urban Growth Boundary by taking actions to increase density and use on existing vacant land and under-used land within the boundary more efficiently.
- Policy 2 Encourage in-fill, mixed-use, redevelopment, and higher density development.
- Policy 3 Encourage a mix of business and residential uses downtown using incentives and zoning.

West University Refinement Plan

- V.9 The City will encourage residential uses in all parts of the plan area.
- V.11 The City and the neighborhood shall study ways to encourage a variety or mix of structure types providing both owner and rental opportunities and appealing to a diverse population.

COUNCIL OPTIONS

The council may approve the exemption, deny the exemption, or may delay approval in order to request additional information from the developer.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends denying the exemption because the applicant did not score 100 public benefit points.

SUGGESTED MOTION

Move to adopt Resolution 4990 denying a multiple-unit property tax exemption for residential property located at 1367 High Street, Eugene, Oregon (Pearl on Campus LLC/applicant).

ATTACHMENTS

- A. Resolution Denying a Property Tax Exemption for The Sequoia
- B. Resolution Approving Property Tax Exemption for The Sequoia
- C. Report from the Planning and Development Director
- D. Comments Submitted by West University Neighborhood Association
- E. Letter from Applicant
- F. Images of Current Property
- G. Table Illustrating Tax Projections for Property through Year 11

Note: A copy of the MUPTE application for The Sequoia will be placed in the Council Office for review.

FOR MORE INFORMATION

Staff Contact: Richie Weinman
Telephone: 682-5533

Staff E-Mail: richie.d.weinman@ci.eugene.or.us

RESOLUTION NO. _____

A RESOLUTION DENYING A MULTIPLE-UNIT PROPERTY TAX EXEMPTION FOR RESIDENTIAL PROPERTY LOCATED AT 1367 HIGH STREET, EUGENE, OREGON (PEARL ON CAMPUS LLC/APPLICANT).

The City Council of the City of Eugene finds that:

A. Pearl on Campus LLC is the owner of real property located at 1367 High Street, Eugene, Oregon, more particularly described in Exhibit A attached to this Resolution. Pearl on Campus LLC has submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to residential units to be constructed on the property.

B. The project consists of the development of two two-bedroom units, four three-bedroom units, and two four-bedroom units, for a total of eight residential units, which are not designed for, nor will be used as, transient accommodations.

C. The project is located within the boundaries of the core area as described in subsection (2) of Section 2.945 of the Eugene Code, 1971.

D. The Report and Recommendation attached as Exhibit B recommends that the application be denied. In making that recommendation, the Director found that the project did not receive an adequate number of public benefit points to earn a positive recommendation.

E. Based on the above findings and the Report and Recommendation of Executive Director of the Planning and Development Department attached as Exhibit B, granting the application is not in the public interest. In making this determination, the City Council has considered the number of points awarded based on the public benefit scoring system contained in the Standards and Guidelines.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based on the above findings which are adopted, the City Council denies the application of Pearl on Campus LLC for an ad valorem property tax exemption under the City's Multiple-Unit Property Tax Exemption Program for the residential units to be constructed at 1367 High Street, Eugene, Oregon, and more particularly described in Exhibit A.

Section 2. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicant within ten days.

Section 3. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted and effective the ____ day of _____, 2009.

Deputy City Recorder

Attachment A, Exhibit A
Legal Property Description

PROPERTY DESCRIPTION

A Tract of Land located in the Southeast $\frac{1}{4}$ of Section 31, Township 17 South, Range 3 West of the Willamette Meridian being more particularly described as follows: Beginning at the Northeast corner of Lot 4, Block 5, ELLSWORTH'S ADDITION TO EUGENE CITY, as platted and recorded in Book "T", Page 257, Lane County Oregon Deed Records, in Lane County, Oregon, said Northeast corner being referenced by a 5/8" iron rebar; thence along the East boundary of said Lot 4, South 0° 03' 06" West, 44.33 feet to a point referenced by a 5/8" iron rebar; thence leaving the East boundary of said Lot 4, South 89° 49' 44" West, 40.00 feet to a point referenced by a 5/8" iron rebar; thence South 0° 03' 06" West, 22.40 feet to a point on the South boundary of said Lot 4, said point being referenced by a 5/8" iron rebar; thence along the South boundary of said Lot 4, South 89° 49' 44" West, 120.03 feet to a point marking the Southwest corner of said Lot 4, said point being referenced by a 5/8" iron rebar; thence along the West boundary of said Lot 4, North, 66.75 feet to a point marking the Northwest corner of said Lot 4, said point being referenced by a 5/8" iron rebar; thence along the North boundary of said Lot 4, North 89° 50' 16" East, 160.09 feet to the point of beginning, all in Lane County, Oregon.

RESOLUTION NO. _____

A RESOLUTION APPROVING A MULTIPLE-UNIT PROPERTY TAX EXEMPTION FOR RESIDENTIAL PROPERTY LOCATED AT 1367 HIGH STREET, EUGENE, OREGON (PEARL ON CAMPUS LLC/APPLICANT).

The City Council of the City of Eugene finds that:

A. Pearl on Campus LLC is the owner of real property located at 1367 High Street, Eugene, Oregon, more particularly described in Exhibit A attached to this Resolution. Pearl on Campus LLC has submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to residential units to be constructed on the property.

B. The project consists of the development of two two-bedroom units, four three-bedroom units, and two four-bedroom units, for a total of eight residential units, which are not designed for, nor will be used as, transient accommodations.

C. The project is located within the boundaries of the core area as described in subsection (2) of Section 2.945 of the Eugene Code, 1971.

D. The project could not financially be built "but for" the tax exemption.

E. The applicant solicited comments from city-recognized affected neighborhood associations.

F. The requirements in the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order No. 53-09-01-F related to proximity to historic resources have been satisfied.

G. The applicant has complied with the provisions of the Standards and Guidelines as described in the Report and Recommendation attached as Exhibit B to this Resolution prepared by the Executive Director of the Planning and Development Department ("the Director") as designee of the City Manager.

H. The project will be completed on or before January 1, 2012, and the owner has agreed to include in the construction one or more public benefits.

I. The proposed project is, or will be at the time of completion, in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS chapters 195, 196, 197, 215 and 227, that are applicable at the time the application is approved.

J. The project is not designed for, and will not be used as transient accommodations.

K. The Report and Recommendation attached as Exhibit B recommends that the application be denied. In making that recommendation, the Director found that the applicant submitted all required materials, documents and fees as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines, and the applicant is in compliance with the policies contained therein but did not score 100 public benefit points based on the adopted criteria.

L. Notwithstanding the recommendation of the Director to deny the application, the City Council has determined that granting the application is in the public interest. In making this determination, the City Council has considered the number of points awarded based on the public benefit scoring system contained in the Standards and Guidelines.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based upon the above findings which are adopted, and the City Council's review of the Report and Recommendation of the Executive Director of the Planning and Development Department attached as Exhibit B, the City Council approves the application of Pearl on Campus LLC for an ad valorem property tax exemption under the City's Multiple-Unit Property Tax Exemption Program for the residential units to be constructed at 1367 High Street, Eugene, Oregon, and more particularly described in Exhibit A, subject to the following conditions:

1. The project shall consist of development of two two-bedroom units, four three-bedroom units, and two four-bedroom units, for a total of eight residential units, which are not designed for, nor will be used as, transient accommodations.
2. The project shall be completed on or before January 1, 2012.
3. The project shall include all of the public benefit design elements as required in the Standards and Guidelines and described in Section 2.5 and 2.6 of the Report and Recommendation attached as Exhibit B.
4. No later than 18 months after receiving Certificate of Occupancy, the applicant shall submit to the City's Planning and Development Department documentation of Earth Advantage Silver certification.
5. The project shall be in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS Chapters 195, 196, 197, 215 and 227.
6. The project shall not be used as transient accommodations.

Section 2. The residential units to be constructed upon the property described in Section 1 above are declared exempt from local ad valorem property taxation beginning July 1 of the year following certification of completion and continuing for a continuous period of ten years unless earlier terminated in accordance with the provisions of Section 2.947 of the Eugene Code, 1971.

Section 3. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicants, and to the other affected taxing districts, within ten days, and to

cause a copy of this Resolution to be filed with the Lane County Assessor on or before April 1, 2010.

Section 4. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted and effective the ____ day of _____, 2009.

Deputy City Recorder

REPORT AND RECOMMENDATION
of the
Executive Director of the Planning & Development Department

Pearl on Campus LLC Application for Multiple-Unit Property Tax Exemption

The Executive Director of the Planning & Development Department of the City of Eugene Finds that:

1. Pearl on Campus LLC is the owner of real property located at 1367 High Street, Eugene, Oregon, more particularly described in Exhibit A attached to this Resolution. Pearl on Campus LLC has submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to residential units to be constructed on the property.

2. As the City Manager's designee, I have reviewed the application and find that:

2.1 The project (named "The Sequoia") consists of the development of two two-bedroom units, four three-bedroom units, and two four-bedroom units, for a total of eight residential units.

2.2 Construction is expected to be complete on or before January 1, 2012.

2.3 The project is located in the core area described in subsection (2) of Section 2.945 of the Eugene Code, 1971.

2.4 The applicant has submitted all materials, documents and fees required by the City as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order No. 53-09-01-F.

2.5 The applicant has responded to the public benefit criteria as follows:

2.1.1 Public Benefits:

·Density. The Sequoia is in the R-3 zone on a 9,786 square foot site. The Code limits this site to a minimum density of four units and a maximum density of 13 units. Therefore, the project, which consists of eight units, is more than the minimum and less than the maximum density.

·Green Building Features. Applicant plans to attain Earth Advantage Silver Certification for the project. (Applicant must submit to the Planning &

Development Department documentation of Earth Advantage certification no more than 18 months after receiving a Certificate of Occupancy.)

·Mixed Income. No housing units are dedicated to controlled income and affordable rental housing.

·Homeownership. No units are designated for home ownership.

·Accessibility. No units will be ADA accessible.

·Historic Sensitivity. There are no adjacent historic structures.

·Location. Project is not located in the downtown core area.

·Parking. Twelve parking spaces will be provided for the project. The minimum number of parking spaces required by the Eugene Code for this project as of the date of this Report and Recommendation is six.

·Points Awarded. Based upon the public benefit criteria scoring system in the Standards & Guidelines, the applicant has been awarded 65 public benefit points.

2.6 E.C. 2.945(6)(h)2. lists certain public benefits, in addition to those specified in the Standards and Guidelines, that the City may consider in evaluating MUPTE applications. That list of benefits includes open space. The applicant has made the choice to include fewer apartment units in the project than the maximum number allowed by Code in order to preserve open space on the site.

2.7 No historic structure or potential historic structure has been demolished or removed from the property with the two years immediately preceding the date of the application for this project. The vacant rental house currently on the site will be sold and moved to another location.

2.8 Of the public benefits included in this project, the density of the project, green features including the use of quality materials, and the number of parking spaces are the public benefits that will extend beyond the period of the tax exemption.

2.8 The applicant has demonstrated that the project as proposed could not be built but for the benefit of the tax exemption.

2.9 The applicant has solicited comments from the West University Neighbors. By letter dated July 7, 2009, the neighborhood association advised that it unanimously supported The Sequoia project.

2.10 The project will not be used as transient accommodations.

3. A display ad soliciting recommendations or comments from the public regarding this project was published in the Register-Guard on August 23, 2009. The period for comment expired on September 30, 2009. No comments were received in response to the ad.

Therefore, based upon the above findings, I recommend that the application be denied. The application does not achieve 100 public benefit points, which I believe is the minimum amount of public benefit that should be provided in order to receive this tax exemption. The project is, or will be at the time of completion, in conformance with all other applicable local plans and provisions of the Eugene Code, 1971, planning regulations, the Metropolitan Area General Plan, and the criteria set forth in the City's adopted Standards and Guidelines.

Dated this _____ day of _____, 2009.

**Executive Director,
Planning & Development Department**

West University Neighbors
The Eugene Neighborhood Association for West University
360 E. 15th Avenue, Eugene OR 97401

Richie Weinman
Planning and Development Department
City of Eugene
99 W. 10th Avenue
Eugene, OR 97401

July 7, 2009

Dear Mr. Weinman:

The Board of West University Neighbors, a City of Eugene neighborhood association, in a Board meeting on June 29, 2009 voted unanimously to support the request by Dean Hansen and Gordon Anselow for a multiple unit property tax exemption (MUPTE) for The Sequoia at 1367 High Street.

Mr. Hansen and Mr. Anselow mentioned the ways that they had worked to respond to neighborhood concerns:

Parking: There are 8 units, with 24 bedrooms total. The proposal includes 12 parking spaces. 12 spaces are required under current emergency MiCAP requirements; nine would be required under the plan proposed by West University Neighbors. The development fully meets the parking requirements, and exceeds WUN expectations. Parking is mostly under the building.

Trees: They will try to preserve a 24" diameter Norwegian maple by creating greater space between the building and the tree and using pervious pavers and wood deck to minimize impact on the root zone. The two other existing maples will be preserved, as will the existing sequoia on the south side. A number of new trees are also proposed on site.

Open space: Unlike other MUPTE requests that we have seen and most welcome to the neighborhood is that open space requirements are not being waived. While the development could have been designed to be sufficiently dense to waive open space requirements, this has not been done. This development will exceed the requirement for outdoor living area and meets the requirement with the restrictive elements currently in code, not by counting setback space as in the proposed code changes.

Design: The Patterson Street side of the building presents a lower elevation than the alley-facing side. Many of the parking spaces are shaded by the overhanging 2nd floor.

Siting and scale: The north side of the proposed development is on an alley, with a medical clinic and commercial development to the north of the alley. Just to the south of the development is a two-story apartment building. There is one tiny house that faces 14th Street; otherwise, the surrounding area is made up of two-story buildings.

WUN comments:

Parking: Having two bedrooms per parking space is a good decision. This exceeds the WUN proposal and thus is quite appropriate to the neighborhood. The parking spaces are covered, which is a benefit to tenants in the summer and in the winter.

Trees: We are pleased to see that efforts will be made to preserve the existing large maple and that more trees will be planted. Trees are a strong feature of West University, and we want to see as many trees as possible in a development.

Open space: We are delighted to see a developer finally incorporating open space. This development is on High Street, a major thoroughfare. Where developments do not include open space, the normal spillover of tenants (mostly students) in the evenings during parties is into the street or the alleys. Holding a party in the street or the alley is guaranteed to disturb neighbors, resulting in police calls about noise or worse. When the party can be within the development, the noise is also somewhat contained. The need for open space cannot be overstated, given also that most of the residents of the neighborhood are between 18 and 25 years old. We would love to see a chin-up bar or other non-destructive way of releasing energy provided to tenants in the open space, as well.

Design: Having covered parking spaces is a good design choice. The peaked roof and porches are also quite popular with WUN residents. The mass of the building is broken up by gables. The takeoff point of the roof has been dropped down to reduce its apparent mass. Adding more space for people to gather on the porches would be good, if feasible.

Siting: Since this site is on High Street with its commercial and high-density residential development in the 13th to 14th Street block, it is a good location for increased density. The building will be taller than the apartments around it, but seems to be within reasonable limits. To build on this site to the 50 foot height that code allows would not be acceptable to the WUN.

Lighting: The neighborhood needs more street lighting. West University Neighbors would support a request by the developer to add building lights that extended to the sidewalk, making the neighborhood safer. We understand that light spillover is prohibited by City code, but feel that it would be much better if it were allowed in developments in West University.

Fire safety: The building is fully sprinkled and has a fire warning system that will dial the fire department in case there is a fire. The Board appreciated this strong safety element.

Other amenities: The Board also mentioned space for a bulletin board so that neighbors (and WUN) could post notices, and for a trash receptacle in the front for passers-by. Preserving the grape arbor in the back would be an excellent amenity, if feasible.

West University Neighbors would like to go on record as supporting this application, assuming the design features are retained, by a unanimous vote of the Board members present at the June 29th, 2009 meeting.

Yours,



Deborah Healey
Secretary, West University Neighbors

cc: Dean Hansen, Gordon Anselow

Gordon Anslow
4493 Paddock Drive
Eugene, Oregon 97405

8/11/09

Attn: Mayor Piercy & City Council
Re: The Sequoia Apartments
1367 High Street, Eugene

Dear Mayor Piercy and Members of the City Council.

We ask you to vote to grant the Multi Unit Property Tax Exemption for The Sequoia Apartments at 1367 High Street. I want to explain why MUPTE is needed. While we are aware of other projects in or near this neighborhood that have not used MUPTE, our fundamental approach to the design of this project (and our other MUPTE projects) places neighborhood concerns above our short term economics. As a result we cannot justify the added investment without this tax-exemption benefit. A different building could be constructed on this site without MUPTE. The result would be a much more box-like appearance, more site coverage, fewer trees, less parking, more bedrooms, and cheaper materials.

We see our approach as a better and more sustainable long term strategy for the community. We have worked with the neighborhood association to come up with a win-win solution. (Something of a preview of how Opportunity Siting is meant to work, when it is up and running.) However, given lower rents at this distance from the University, and more expensive design and construction, it is not possible to justify without MUPTE.

We have held the unit and bedroom counts down to allow more open area on the site. We have maximized parking – which is a hot issue in West University and Mid-Town, and have designed the project to take into consideration most of WUN's concerns that are typically associated with apartment projects. While we do not presume we will obtain your approval, we have endeavored to make this a project that the neighborhood can point to and say "It is possible to both honor reasonable neighborhood concerns and build an economically viable project, with the help of the MUPTE program." If we were proposing a typical ram-it-to-the-limit project, with maximum unit counts and bedrooms, and minimum parking and open space, and a drab big box appearance with cheap building materials, we wouldn't be asking for this assistance.

I hope you will take the time to read the letter from Deborah Healey, Secretary for West University Neighborhood, dated July 7, 2009, regarding their reasons for their unanimous vote of support for this project.

Regards,

Gordon Anslow
For Pearl on Campus LLC (Anslow, DeGeneault, and Hansen families)

If you are interested in more detail, the following pages summarize our approach to the development of this property and the building design in more detail.

Existing Site Features

The existing house is rated "historically contributing". We are in contract with a buyer who will move the house for reuse as a home on another site in south Eugene. The garage is in bad shape and will be removed.

There is a large, healthy Norway maple tree located near the southwest corner of the property, near High Street. The building and site improvements are designed to retain and protect this tree. The grapes now growing on the arbor in the rear yard will be replanted on site. Three street trees will be protected, and the existing driveway curb cut and apron on High Street will be removed and the area returned to grass or ground cover.

Existing chain link fences on north and south property line will remain.

Zoning Ordinance Compliance

The property is zoned R3, allowing between 20 and 56 units per acre. The site contains 9786 sq. ft., or .22 acre. We propose an eight unit apartment, with 24 bedrooms. A range of between 4 and 13 units is allowed. If we had chosen to build 10 units (for which there was sufficient area), the development would have been exempt from provision of outdoor living area. Instead, we propose 8 units, about in the middle of what is allowed. Thus, we will comply with requirements for outdoor area.

Regarding parking - an important consideration in WUN - under the Emergency Micap Parking requirements, with 8 units and 24 bedrooms, we were required to provide 12 vehicle parking spaces; our proposed design still meets that standard. Note that under the "WUN Compromise" standard (original WUN Micap proposal), 9 spaces would be required, and under current (LUCU, pre-Micap) standards, 6 are required. We provide twice the currently required parking.

Safety and Security

Entrances to all units are located at grade level, clearly visible. There are no common interior entries or stairs. Tenants value not having to worry about who might be in a common lobby, or behind a door. Two units are accessed directly from the sidewalk along High Street. All other entries are gathered along the pedestrian circulation walk along the south and east of the building. There are no dead ends or blind alleys to get caught in.

The parking area is as open as possible, and will be well lighted at night. There are second floor balconies located on the West (looking over High Street), to the north (looking over part of the parking area between the wings of the building), and to the east, looking to the rear of the site. Front porches are located on the west, south and east sides of the building. Between foot traffic and people using porches and balconies, there will be more "eyes on the street", as well as looking to the alley and over other properties. This increased visibility discourages illegal activity in the surrounding area. We have eliminated places for hiding or surprising tenants as much as possible. There are no ground floor bedrooms, so tenants can leave windows open at night and sleep securely.

The Urban Canopy

I am a strong advocate for the value of the urban tree canopy. In addition to preserving the tree at the southwest corner and the three in the park strip, we have "designed for trees"; a large triangular space at south east corner is set aside for a canopy tree, the wide recess at the center of the north side of the building allows planting a tree to fill that space, and other trees will be planted wherever they will be viable. I support the effect of "Landmark Trees" in this neighborhood, so we will plant a Sequoia tree in the rear area of the site, near the south property line, and away from the building and power lines, as a location where a landmark tree can flourish.

Design Compatibility

Neighborhoods ringing the downtown area are logically identified as ideal for higher density housing. However, they also contain existing housing stock, much of it in old single family houses, some of which are architecturally valuable, reflecting historic design and living styles. With The Sequoia, we have tried to maintain some backward compatibility with the original neighborhood character, as well as recognizing that this building will be part of the neighborhood 150 years from now, and should continue to make sense in that more urbanized setting. Other nearby buildings, such as the Midtown Terrace Apartments, Thompsons University Center on East 13th, the Sacred Heart buildings, and other recent neighborhood multifamily projects, presage the height and bulk of buildings which will come over time. The Sequoia has been designed to reflect the architectural character of the neighborhood, and to make a positive contribution to the streetscape for the benefit and enjoyment of the people of the City and our tenants.

We designed this building to limit the impact of its mass on surrounding properties. On the north side, the building wings occupy less than half of the length of the site. The rear 44' of the site is left open. The building is set back 10' on the south side (5' allowable), and 12' or more on the High Street frontage. (10' allowable.) We have used dropped plate heights (ie, third floor rooms have less than normal ceiling heights at outside walls), hipped roofs, clipped gables and other methods to reduce mass and apparent height. Allowable height in this zone with our design is 57', our building is about 41' high, with 3 stories; this is similar to other large houses in the immediate vicinity.

This building is a "sister property" to one now under construction at E 16th & Hilyard; designs are similar, but not identical. However, we are using the same palate of design features to create a visually interesting building that calls upon common elements used in other neighborhood houses. We tried to make the building interesting and attractive from all sides, rather than concentrate on the street frontage while ignoring other elevations. Massing is broken up into smaller, gabled forms, similar in scale to houses in the neighborhood, as opposed to long, unbroken expanses of walls and roofs. Materials will be primarily painted lap and shingle siding, and composition roofing, similar to other residential properties in the area. We like cementitious siding for its durability, paint holding properties, and fire resistance.

Much of the parking area is enclosed within the building, so the appearance of the site as a parking lot with incidental building is minimized. Window patterns and trim details will echo those of other nearby residences.

Sustainability Features

We believe that nothing makes more of a contribution than locating housing near where people want to live, work, shop and go to school. Densifying the urban core reduces demand for housing and more land at the urban fringe, and results in greater efficiency in using existing City urban infrastructure. Beyond that, multiple family structures are shown to consume about 1/3 of the energy for heating like areas than detached, single family homes. Multifamily makes more efficient use of materials for construction. We expect this building to have a useful service life of 150 years, or more.

Almost all of the parking area is covered and/or shaded, minimizing runoff and the "heat island" effect of heated paving. We are using concrete, not petroleum-based asphalt, for paving materials. Pervious pavers and open decking will be used in the vicinity of the tree at SW to preserve access to air for the root system.

We expect to achieve an Earth Advantage Silver rating for the building. Roof framing uses extra heel depth trusses for more insulation, and other construction details limit under-insulated areas, for more heating efficiency. Fluorescent and/or LED lighting will be used where appropriate to reduce electrical demand. Windows and overhangs are placed to limit heat gain, and to maximize use of breezes for cross ventilation. Over 1/3 of the site is devoted to landscaping, and paths (not building, porches and parking).

MUPTE Objective Criteria – Points Score

Per the revisions to the Multi Unit Property Tax Exemption program of last year, a points system is now in use for evaluating public benefit of these projects. Our calculation of the Sequoia's score per those criteria is 125 points. From the application form: "A MUPTE is recommended for approval with achievement of 100 points."

Conclusion

We hope the City Council will look favorably on our project, and approve the MUPTE. Our approach to redevelopment of this site is not driven by how many units or bedrooms can we cram on it, or how cheaply can we build it, or how few parking spaces can we get away with. While the building obviously has to make economic sense, our way of doing things is clearly more expensive, and without the aid of the initial period of tax exemption, we would need to take a different, less expensive approach. The units are a mix of 2, 3 & 4 bedrooms, averaging 3 bedrooms per unit. Unlike some developers, we try to keep the bedroom count reasonable, despite the temptation to build all 4 and 5 bedroom units, and thus maximize rents.

I and my fellow investors and their families are interested in making a contribution to the neighborhood, not just exploiting every opportunity. We are all long time residents of Eugene, and we cherish and value the architectural and historical and silvicultural heritage of the West University Neighborhood. We hope this building will take its place as a contributing member of the community, in addition to providing much-needed living units. Thank you for considering our project for your approval.

ATTACHMENT F
Recent Photo of 1367 High Street
(Site of The Sequoia)



ATTACHMENT G

EXEMP- TION YEAR	VALUE OF TAXES ON LAND, PAID DURING MUPTE EXEMPTION PERIOD	VALUE OF CUMULATIVE TAXES ON LAND. COLLECTED DURING EXEMPTION PERIOD	VALUE OF TAXES ON CURRENT IMPROVEMENT IF SEQUOIA IS NOT CONSTRUCTED	VALUE OF CUMULATIVE TAX LOSS BY REMOVAL OF THE EXISTING IMPROVEMENT AT THIS LOCATION	ESTIMATED TAXES PAID BY THE SEQUOIA AFTER 10 YEAR EXEMPTION EXPIRES
1	989	989	1613	1613	
2	1009	1998	1645	3258	
3	1029	3027	1678	4936	
4	1050	4077	1711	6647	
5	1071	5148	1745	8392	
6	1092	6240	1780	10172	
7	1114	7354	1816	11988	
8	1136	8490	1853	13841	
9	1158	9648	1890	15731	
10	1182	10830	1928	17659	
11(post- exemption)	1206	12036	1966	19625	25,000