



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

July 30, 2014

12:00 PM CITY COUNCIL WORK SESSION

Harris Hall

125 East 8th Avenue

Eugene, Oregon 97401

Meeting of July 30, 2014;
Her Honor Mayor Kitty Piercy Presiding

Councilors

George Brown, President

Pat Farr, Vice President

Mike Clark

George Poling

Chris Pryor

Claire Syrett

Betty Taylor

Alan Zelenka

CITY COUNCIL WORK SESSION

Harris Hall

**12:00 p.m. A. WORK SESSION:
Multi-Unit Property Tax Exemption (MUPTE) Program Revisions**

**time approximate*

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EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Multi-Unit Property Tax Exemption (MUPTE) Program Revisions

Meeting Date: July 30, 2014
 Department: Planning & Development
www.eugene-or.gov

Agenda Item: A
 Staff Contact: Denny Braud
 Contact Telephone Number: 541-682-5536

ISSUE STATEMENT

This work session is a continuation of the discussion on potential Multi-Unit Property Tax Exemption (MUPTE) program reforms. The council will review and discuss stakeholder feedback and staff recommendations with an opportunity to provide direction for next steps. (Updated MUPTE criteria for council consideration is provided in Attachment A.)

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 2013, the council met to discuss the MUPTE program on April 22, May 13, June 24, July 24, and November 18. The council received input from key stakeholders at a workshop on May 22, 2013. In July 2013, the council highlighted the importance of:

- Aligning the MUPTE tool and availability of the tool with the goals of Envision Eugene.
- Consideration of affordable housing needs and the role that MUPTE can play in advancing this goal.
- Local hiring and the need to support local businesses and talent.
- Identifying community benefits and the need for MUPTE projects to advance community goals.
- Thoughtful and timely reforms that can be implemented to support redevelopment opportunities.

On November 18, 2013, the council added the West 11th area to the potential boundary and identified the following areas for further discussion: local hiring practices, financial gain cap, affordable housing (fee vs. providing units within the project), energy-efficient buildings, application scoring system, and percentage-of-median-income housing qualification. The council also expressed support for seeking stakeholder and community input opportunities.

At the April 14, 2014, work session, staff presented revised criteria based on input from these several stakeholder groups:

- Housing Policy Board committee for feedback specifically related to Affordable Housing criteria;
- Development related fields including three developers, an appraiser, and a banker;
- Construction industry including general contractors, specialized trades, and union representatives;
- Human Rights Commission subcommittee; and
- Technical Resource Group (TRG) comprised of community members with expertise in real estate, land use, and business. This group provided independent review and a technical analysis that informed the March 2012 Envision Eugene Recommendations.

The council provided direction to reach out to the neighborhood organizations for input on the various program revisions under consideration. In May, staff held two meetings to collect feedback from neighborhood leaders on the changes council reviewed in April. Based on those discussions, staff had several individual meetings with neighborhood leaders and then held a meeting on June 25 to collect feedback on a further revised concept. Neighborhood leaders were also able to complete two online surveys. (Flip chart notes from the three meetings and survey responses are included in Attachment B.)

Following the April work session, the TRG invited councilors to learn more about the technical analysis and met with Mayor Piercy, Councilor Brown, Councilor Clark, Councilor Evans, and Councilor Syrett.

Based on the stakeholder feedback received to date, updated MUPTE criteria for council consideration is provided in Attachment A, which includes a summary memo of the differences between the April 14 draft and the revised draft. The potential MUPTE boundary is in Attachment C. At the April work session, the council expressed interest in voting on individual aspects of the revisions as a process for moving forward. A decision table to use for this purpose is in Attachment D.

RELATED CITY POLICIES

Utilization of the MUPTE program to stimulate new multi-unit housing development 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.
- Provide housing affordable to all income levels.
- Plan for Climate Change and Energy Resiliency.

- Make energy efficiency in buildings and vehicles the first line of action in reducing energy dependence and greenhouse gas emissions.
- Align incentives, costs and city processes to promote resource efficient buildings, smaller homes and development towards the city core.

Regional Prosperity Economic Development Plan

- o 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.

City Council Goal of Sustainable Development

- o Increased downtown development

Eugene Downtown Plan

- o Stimulate multi-unit housing in the downtown core and on the edges of downtown for a variety of income levels and ownership opportunities.
- o Downtown development shall support the urban qualities of density, vitality, livability and diversity to create a downtown, urban environment.
- o Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.
- o Use downtown development tools and incentives to encourage development that provides character and density downtown.
- o Facilitate dense development in the courthouse area and other sites between the core of the downtown and the river.

Climate and Energy Action Plan

- o Buildings & Energy Section:
 - Objective 2: Reduce GHG emissions from new construction by 50 percent by 2030.
 - Action 2.2: Increase incentives for highly energy-efficient new buildings aiming toward net zero energy and carbon neutral buildings.

COUNCIL OPTIONS

1. Direct the City Manager to schedule a public hearing on an ordinance modifying the MUPTE program consistent with the criteria included in Attachment A.
2. Amend the criteria included in Attachment A, and direct the City Manager to schedule a public hearing on an ordinance modifying the MUPTE program as amended.
3. Take no action and continue the discussion on MUPTE program reform at another work session.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends scheduling a public hearing on an ordinance modifying the MUPTE program consistent with the criteria included in Attachment A.

SUGGESTED MOTION

Move to direct the City Manager to schedule a public hearing on an ordinance to adopt MUPTE program revisions consistent with the criteria included in Attachment A.

ATTACHMENTS

- A. Revised Draft – MUPTE Program Criteria
- B. Neighborhood Leaders – Feedback Materials
- C. Potential MUPTE Boundaries
- D. Decision Table

FOR MORE INFORMATION

Staff Contact: Denny Braud
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Staff E-Mail: denny.braud@ci.eugene.or.us



ATTACHMENT A

Memorandum

Date: July 30, 2014
To: Mayor & City Council
From: Denny Braud, Division Manager AIC
Subject: Revised Draft Criteria Cover Memo

Below is a summary of the differences between the April 14 draft and the revised draft (July 30, 2014) all based on stakeholder feedback and additional staff research, as further described in the Agenda Item Summary. The revised draft immediately follows the summary.

REQUIRED PUBLIC BENEFIT CRITERIA – All MUPTE projects must provide these benefits.

1. **Eligible Project Types** (*no material change*)
2. **Boundary**
 - Added the following boundary areas so that all six Envision Eugene corridors and primary core commercial areas are included in the MUPTE boundary to support consistency with Envision Eugene implementation:
 - River Road
 - North Franklin
 - Coburg
 - Valley River Center commercial area
 - A MUPTE boundary area would not become active (eligible for MUPTE project applications) until one of the following two actions occur:
 - 1) Area planning is completed with the neighborhoods. The South Willamette area planning pilot project is an example that will result in code provisions for that specific area that address transitions and compatibility.
 - 2) City-wide code amendments that address the transition between commercial and multi-family zoned properties with single-family zoned properties. If neighborhood organizations are satisfied that city-wide code amendments address their concerns regarding design and transitions, they can request MUPTE activation.
 - A specific site within an inactive boundary could be eligible for consideration if brought forward by a partnership of property owner / developer / neighborhood as an “Opportunity Site.”
 - The Downtown area would be activated as soon as City Council lifts the MUPTE program suspension. This area would be subject to the new MUPTE criteria to be approved by City Council.

3. Compact Urban Development (*formerly “Density”*)

For boundary areas other than Downtown, the area plan or other neighborhood process would set the requirement.

4. Project Design / Compatibility

Clarified that the basic design principals are those included in the *Community Design Handbook*, which will be finalized later this year.

5. Green Building

- Requirement applies to all boundary areas. Removed exemption for boundary areas C & D (6th/7th Trainsong Highway 99 Corridor and West 11th).
- Modified requirement to focus primarily on building energy performance as prioritized in Envision Eugene and the Climate and Energy Action Plan. Specifically, all MUPTE projects would perform at least 10-15% more efficiently than the performance established in the Oregon Energy Efficiency Specialty Code through one of the following pathways:

Pathway	Building Size	
	1-3 Stories	>3 Stories
<i>LEED v4 for Homes</i>	Low-Rise: Certified + modeled at 10% above Oregon code	Mid-Rise: Certified + modeled at 10% above Oregon code
<i>Earth Advantage</i>	Multifamily: Certified + commissioning report	N/A
<i>EWEB</i>	NW Energy Star + commissioning report	N/A
<i>City of Eugene BPS</i>	N/A	Model at 10% above Oregon code + commissioning report + annual energy use report

6. Neighborhood Engagement

- Added specificity on type and amount of outreach:
 - A. One or more of the applicant principals must participate
 - B. One meeting prior to MUPTE application submission
 - C. One meeting during the design process and before the final design drawings are completed
 - D. Opportunity to review and comment on the final design before the project is submitted for permits.
- Project specific neighborhood representatives seated on the MUPTE Review Panel (see Other Program Requirements #13 below).

7. Affordable Housing (*no change*)

8. Local Economic Impact Plan (*no change*)

9. Project Need (*no change*)

ADDITIONAL PUBLIC BENEFIT CRITERIA – In the event that a project is not eligible for a 10-year exemption (due to Required Public Benefit #9 “Project Need”), the Additional Public Benefit Criteria shall be used to determine eligibility for qualifying for an exemption up to, but no longer than, 10 years. The MUPTE Review Panel would consider the proposed Additional Public Benefit Criteria features and make a recommendation to the City Manager. The Additional Public Benefit Criteria would not be scored with the intent of providing a flexible menu of options to maximize public benefit based on individual location and neighborhood factors.

10. Documented Local Economic Impact *(no change)*

11. Location *(no change)*

12. Project Features

- Modified green building feature due to changes to Required Public Benefit Criteria.
- Added other features identified by neighborhood through the engagement process.

OTHER PROGRAM REQUIREMENTS

13. Financial Reporting *(no change)*

14. Program Volume Cap

Decreased the number of units to 1,500 (from 1,600) based on updated information regarding the 20-year projection for multi-family homes and land capacity.

15. MUPTE Review Panel

Added specificity to panel composition:

- Eight members
- Equal representation from neighborhoods and technical interests:
 - 2 at-large neighborhood representatives; appointed by the Mayor
 - 2 neighborhood representatives from the specific neighborhood in which a proposed MUPTE project is located
 - 4 technical interests (such as, architect/green building, lender, labor, and developer)

Revised MUPTE Criteria

REQUIRED PUBLIC BENEFIT CRITERIA

To be considered for MUPTE approval, projects must provide the following public benefits.

1. Eligible Project Types

Multi-unit redevelopment housing projects (excluding “student housing”) that are newly constructed, additions to existing multi-unit housing, or structures converted in whole or in part from other use to dwelling units. The commercial portion of a project is eligible for an exemption if deemed a public benefit by council.

“Student housing” is housing specifically built for living space for undergraduate and graduate students where the leasing unit is by room or bed (not an entire residential unit), and unit configurations take the form of several bedrooms with individual bathrooms and sparse common space. Project amenities and location are selected to appeal only to students and offer limited viability as potential housing for the general population, particularly families.

2. Boundary

A MUPTE boundary to include sections along the six Envision Eugene Corridors and primary core commercial areas:

- A. Downtown (current boundary plus one property on 11th & Lincoln that was in the 2004 to 2011 boundary and EWEB property north of 4th Avenue),
- B. Mid-town,
- C. South Willamette,
- D. West 11th,
- E. 6th/7th Trainsong Highway 99 Corridor,
- F. Valley River Center commercial area,
- G. North Franklin,
- H. South River Road,
- I. Mid-River Road,
- J. North River Road,
- K. South Coburg Road,
- L. Mid-Coburg Road, and
- M. North Coburg Road.

A MUPTE boundary area would not become active (eligible for MUPTE project applications) until one of the following two actions occur:

- 1) Area planning is completed with the neighborhoods. (For example, the South Willamette area planning pilot project that will result in code provisions for that specific area that address transitions and compatibility.)
- 2) City-wide code amendments that address the transition between commercial and multi-family zoned properties with single-family zoned properties. If neighborhood organizations are satisfied that city-wide code amendments address their concerns regarding design and transitions, they can request MUPTE activation.

A specific site within an inactive boundary could be eligible for consideration if brought forward by a partnership of property owner / developer / neighborhood as an “Opportunity Site.”

The Downtown area would be activated as soon as City Council lifts the MUPTE program suspension. This area would be subject to the new MUPTE criteria to be approved by City Council.

3. Compact Urban Development

For the Downtown boundary area:

- Residential zones: 175% of minimum density for the zone with five units minimum¹
- Form-based zones with height limit of three or four stories: 30 units per acre with five units minimum
- Mixed-use development: five units minimum²
- All other areas, including residential-only development in commercial or mixed use zones: 50 units/acre with five units minimum

For all other boundary areas, the requirement would be based on the area plan or other neighborhood process.

4. Project Design/Compatibility

Application must include a detailed description of the proposed project and graphic information including site plans and elevations containing sufficient detail to demonstrate that the project addresses a set of basic design principals in the context of the project location. Design Principles include the scale, form, and quality of the building; the mix of project elements; and the relationship to the street and surrounding uses. The draft *Community Design Handbook* describes and illustrates a complete summary of design principles for Eugene. Although not all principles will apply to a given project, the *Community Design Handbook* will serve as the primary resource for achieving design outcomes. As a condition of MUPTE approval, the project will be required to adhere to the project design elements that were reviewed at the time of Council approval, unless the City Manager determines in writing that proposed deviations from the approved design provide the same or greater degree of adherence to the Design Principals.

5. Green Building

The green building criteria focus is on building energy performance, as prioritized within Envision Eugene and the Climate and Energy Action Plan. MUPTE projects must perform at least 10-15% more efficiently than the performance established in the Oregon Energy Efficiency Specialty Code.

Due to the complexity of building design, building code requirements, and certification programming, the MUPTE Green Building Required Public Benefit applies only to the residential occupancy and common areas associated with residential areas (e.g. hallways, stairwells, centralized HVAC or hot water heating, laundry facilities) and does not apply to the

¹ Projects on R1 property do not qualify for MUPTE as multi-unit projects are not allowed outright in the R1 zone.

² Mixed-Use Development incorporates both commercial and residential use in the same building.

commercial areas or ancillary amenities (e.g. parking garage, swimming pools, recreation centers). Detailed requirements are provided below and in Table 1.

1-3 Story Multifamily Buildings: Pathways for complying with the 10-15% above code requirement include:

- A. Obtain LEED v4 for Homes Low-rise Multifamily basic certification and modeled at least 10% above current OEESC or;
- B. Obtain Earth Advantage Multi-Family-Silver level certification and provide a commissioning report or;
- C. Obtain NW ENERGY STAR certification through the Eugene Water and Electric Board (EWEB) program and provide a commissioning report.

4 Stories and above Multifamily Buildings: Pathways for complying with the 10% above code requirement include:

- A. Obtain LEED for Homes Midrise basic certification and modeled at 10% above current OEESC or;
- B. City of Eugene Building and Permit Services review of project. Model building energy performance, utilizing the LEED for Homes Midrise energy modeling methodology, showing the building performs 10% above current OEESC performance, construct to modeled plans, provide a commissioning report (prior to issuance of Certificate of Occupancy), and work with the City to report multi-family occupancy energy use data to the City for the life of the MUPTE tax exemption.

Table 1: MUPTE Energy Performance Pathways

Pathway	Building Size	
	1-3 Stories	>3 Stories
<i>LEED v4 for Homes</i>	Low-Rise: Certified + modeled at 10% above Oregon code	Mid-Rise: Certified + modeled at 10% above Oregon code
<i>Earth Advantage</i>	Multifamily: Certified + commissioning report	N/A
<i>EWEB</i>	NW Energy Star + commissioning report	N/A
<i>City of Eugene BPS</i>	N/A	Model at 10% above Oregon code + commissioning report

6. Neighborhood Engagement

Although neighborhood association support is not required for MUPTE approval, the applicant must make an effort to contact the appropriate neighborhood association to share project information and to seek input. Specifically, one or more of the principals of the applicant entity must attend two neighborhood engagement opportunities (discussions/presentations):

- One of the opportunities must be prior to MUPTE application submission.
- The second opportunity must be during the design process and before the final design drawings are completed.
- Additionally, the neighborhood must have the opportunity to review and comment on the final design before the project is submitted for permits.

Evidence of such effort must be included in the application and shall include a copy of the comments received from the neighborhood association or documentation of the applicant's attempt to solicit comments. For projects in neighborhoods without an active neighborhood organization, the applicant must complete engagement activities consistent with the requirements stated above.

In addition to providing comments to the applicant, the neighborhood association will have two neighborhood representatives seated on the MUPTE Review Panel who can voice project specific neighborhood issues and concerns, including additional neighborhood specific public benefits, during the application review process. (See "MUPTE Review Panel" under Other Program Requirements below for more information.)

7. Affordable Housing

For rental projects, each owner will pay a fee to be dedicated to affordable housing/emergency shelter. The fee will be 5 – 10% of the total MUPTE benefit for the 10-year benefit. The owner can choose to pay the fee annually during years three through ten (to accommodate the project stabilization period each project experiences) or upfront with a discount. The fee is not paid in boundary area D (West 11th) and area E (6th/7th Trainsong Highway 99 Corridor), as an additional incentive for multi-unit housing.

8. Local Economic Impact Plan

To ensure that a substantial portion of the local tax benefit yields a benefit to the local community, applicants must provide a plan to meet the following goal:

- Provide for more than 50% of the dollar volume of the combined professional services and construction contracts include local firms. A local firm is one based in Lane County. Trades not available locally will be identified and exempted when appropriate.

Additionally, the applicant must ensure that qualified Minority and Women Business Enterprises (MWBE) have an equitable opportunity to compete for contracts and subcontracts. The City supports the utilization of Minority, Women, Emerging Small Businesses, local businesses, Disadvantaged Business Enterprises and Qualified Rehabilitation Facilities at both a prime and subcontracting level.³

The City encourages approved applicants to use the following practices to promote open competitive opportunities for MWBE businesses:

- Access lists of certified minority, women, emerging small business or disadvantaged business enterprises from the Oregon State Office of Minority, Women and Emerging Small Business (OMWESB) by visiting their website at: <http://www4.cbs.state.or.us/ex/dir/omwesb/>
- Visit the Oregon State Qualified Rehabilitation Facilities Program website at <http://dasapp.oregon.gov/qrf/index.aspx> to search for Qualified Rehabilitation Facilities from whom to procure products or services.
- Advertise in general circulation, trade association, and minority focused media about prime and subcontracting opportunities.

³ Admin Order No. 44-08-06-F, Exhibit A, Article 6, section 6.2.4

Awarded MUPTE projects must follow wage and tax laws.

- As a condition of receiving MUPTE, the owner must ensure or exercise due diligence in ensuring that all the contractors performing work are licensed and in compliance with Oregon Revised Statutes Chapter 701 (Construction Contractors and Contracts). The owner must compile a list of all contractors performing work on the project before the contractor performs any work on the project. The owner must confirm the proper licensing, insurance, bonding and workers comp coverage for each contractor.
- The contractor must provide an affidavit to the owner that the contractor, owner or responsible managing individual of the contractor does not have any unpaid judgments for construction debt, including unpaid wages. The contractor affidavit should also attest that the contractor is in compliance with Oregon tax laws described in ORS 305.620 (local taxes) and ORS Chapters 316, 317, and 318 (state income taxes).

The City's existing Rights Assistance Program is an available resource for the community at large and MUPTE project related parties. Awarded MUPTE projects must post information on the Rights Assistance Program in English and Spanish.

9. Project Need

Analysis of the project pro forma must establish that the project would not be built but for the benefit of the tax exemption. The applicant must submit documentation, including a pro forma and an analysis of the projected rate of return (as measured by the Cash on Cash return) for the proposed project demonstrating that the anticipated overall rate of return for the project (with MUPTE) for the maximum period of exemption (10 years) will not exceed 10 percent. The pro forma and assumptions will be analyzed by the MUPTE review panel.

If the projected overall rate of return for the maximum exemption period is:

- Less than 10 percent and the Required Public Benefits are met, then the project would be eligible to receive the maximum 10-year exemption.
- Greater than 10 percent, then:
 - o The term of the exemption will be decreased by the number of years necessary to bring the rate of return down to 10 percent, or
 - o The applicant can propose adding project elements from the Additional Public Benefit Criteria to increase the term of the exemption up to 10 years. The MUPTE Review Panel would consider any proposed Additional Public Benefit Criteria features and make a recommendation to the City Manager.

ADDITIONAL PUBLIC BENEFIT CRITERIA

In the event that a project is not eligible for a 10-year exemption (see Required Public Benefit #9 "Project Need" above), the Additional Public Benefit Criteria shall be used to determine eligibility for qualifying for an exemption up to, but no longer than, 10 years. The MUPTE Review Panel would consider any proposed Additional Public Benefit Criteria features and make a recommendation to the City Manager. The Additional Public Benefit Criteria would not be scored with the intent of providing a flexible menu of options to maximize public benefit based on individual location and neighborhood factors.

10. Documented Local Economic Impact

The extent to which the project meets the goal established in the Local Economic Impact Plan (Required Public Benefit #8 above), demonstrates solicitation of bids from WMBE, and commits to completing certified payroll.

11. Location

Projects located within the Downtown Plan Area or within a HUD Low-Mod Income Area, on a brownfield site, or projects that include the redevelopment of a valuable historic resource.

12. Project Features

The extent to which the project incorporates the following features:

- A. Payment of an increased affordable housing fee,
- B. Exceed the Green Building Required Public Benefit Criteria,
- C. Provision of Americans with Disabilities Act (ADA) *accessible* dwelling units. [This is beyond the code requirements. The building code requires that projects include a minimum number of Americans with Disabilities Act (ADA) *adaptable* dwelling units (Type A and/or Type B; the number depends on specific project details). ADA *accessible* units have already been adapted and include specific features in accordance with ICC/ANSI A117.1, 2003 edition, for example, maneuvering clearances, grab bars, and hallway width.],
- D. Provision of dwelling units available for home ownership,
- E. Inclusion of open space, community gardens, or gathering space that is accessible to the surrounding community,
- F. Inclusion of ground floor commercial/retail that addresses a neighborhood need,
- G. Design excellence and neighborhood compatibility,
- H. Provision of embedded or structured parking,
- I. Encourage alternative transportation options, including bus passes, car share, bike share, bus shelter, pedestrian connections, and minimum parking where appropriate, and
- J. Other features identified by neighborhood through the engagement process.

OTHER PROGRAM REQUIREMENTS

Financial Reporting

During the exemption period, the project's owner must submit annual accountant-prepared financial information (audited financial statements, tax returns, and 10-year operating cash flow with to-date rate of return) to evaluate a to-date cash-on-cash rate of return for the project. The financial information will be used by the City Manager to analyze the overall effectiveness of the MUPTE program and may be used in the aggregate as part of the Annual Report. Information submitted by owners would be kept confidential to the extent state public records law allows.

Program Volume Cap

The MUPTE program goal is to assist in the creation of 1,500 new, multi-family housing units after adoption of the 2014 ordinance. The MUPTE Review Panel will review the cap as part of the Annual Report. At such time that the MUPTE-assisted number of dwelling units constructed

reaches the cap, council shall conduct a comprehensive review to determine if continuation of the program is desired.

MUPTE Review Panel

A newly formed MUPTE review panel to provide a third-party review of the MUPTE program for the City Manager including:

- Review of project applications, with emphasis on analyzing the project's financial projections.
- Review applicant's conformance with the Required Public Benefits and any proposed Additional Public Benefit Criteria and make recommendations regarding approval/denial of the tax exemption to the City Manager.
- Assist the City Manager in preparing an Annual Report on the MUPTE program that will also cover the program volume cap.
- The Panel will be comprised of eight members with equal representation from technical interests and neighborhoods:
 - o 2 at-large neighborhood representatives; appointed by the Mayor
 - o 2 neighborhood representatives from the specific neighborhood in which a proposed MUPTE project is located
 - o 4 technical interests (such as, architect/green building, lender, labor, and developer)

Review Panel members would sign a confidentiality agreement.

Neighborhood Leaders – Feedback Materials

Flip Chart Notes from Neighborhood Leaders MUPTE Outreach June 25, 2014

Outreach Meeting (Part 3):

June 25, 2014 from 7:00 – 8:30pm; Library – 100 W. 10th Ave., Tyekson Room

Community members present; Andrew Fisher (FAN), Jon Belcher (RRCO), John Jaworski (NEN), Jan Wostmann (LHVC), Tom Happy (JWN), Joanne Gross (ABC), David Saul (SEN), & David Mandelblatt (DNA)

Staff Present: Denny Braud, Carolyn Burke, Laura Hammond, Robin Hostick, & Nancy Young

Flip Chart Notes *(responding to revised concept contained in July 30 AIS)*

- Density on the corridors is critical. Needs incentive – MUPTE.
- MUPTE is tool that can be used or misused. Needs to be fixed.
- Annual competition – only best move forward – might not be enough applications?
- Equal representation from neighborhoods is great idea – good balance – neighborhoods need to select the representatives
- Turning on MUPTE zones when ready and specifically designed
- Proposed criteria are better than was and closer to what we need
- Like balance in review panel but need specifics on what panel actually does:
 - o What decision making power does it have?
 - o What happens if there is a tie vote?
 - o Can it go to Council without recommendation?
 - o Needs to be in writing
 - o Can't go to Council without panel approval
- Extra planning is good concept but what is that? Refinement Plan? Need description of process.
- Public benefit doesn't include affordable housing?
- Glad to see investment out 99/Trainsong. Needs the help.
- Concerned that this would result in low-income housing across from factories
- Neighborhood supportive of using MUPTE to reclaim brownfields
- Apply LEED or energy efficiency to Bethel
- Details matter – 1.c. Review panel integrity. Stacking neighborhood association board could happen to game system.
- Neighbors understand rhythm, are an important voice. Balanced board important, neighbors need to be listened to.
- Neighborhood refinement plans updates
- Be careful when activating new areas. Must be very well thought through and inclusive.
- With exception of density, what is benefit to immediate neighbors? Need to mitigate impacts, particularly if it's a wholesale change.
- How much is MUPTE needed? Is the tool necessary?
- What can we do differently from Capstone?
 - o Community benefits have teeth
 - o Follow through on what is promised
 - o Local workers

Item A.

- Can affordable housing in project be required past 10 years?
 - o Up percentage to 15 – 20 to apply to affordable housing program
 - o Beware of gentrification of corridors
 - o Prioritize areas with adequate infrastructure
- No one at Friendly Association thought MUPTE should go away
- Current code allows too tall on south Willamette. New code needed before MUPTE.
- Cap on number of projects in neighborhood during certain time period. Too much too fast = bad.
- Involve neighborhoods from get go
- Compatible with historic character
- Parking requirements will be an issue. Right balance between need and alternative modes.
- Parallel nearby streets are affected by corridor planning. Be comprehensive in approach.
- Transitions are critical
- Don't have/need all answers now, but if neighborhoods have voice, we can work through issues
- Look at historic properties carefully for contributions to neighborhood character
- Affordable housing important to neighborhood board. Friendly Neighborhood is close to schools, good for families.
- Like emphasis on neighborhood participation but they need a say in actual decision
 - o Require approval of panel, or
 - o 2/3 majority of Council if not approved by panel
- Not sure neighborhood association represents whole neighborhood
- Tax exemption crosses boarder to encourage development – don't agree with it
- Need to be more descriptive of planning process
- Support review panel – Need majority to go to Council – address criteria or try again
- Not worried about neighborhood board being stacked – community will have more influence
- South Willamette might not be best area plan example because of cost and time
- Need refinement plan with meaning
- What's the connotation of an "opportunity site"
- North of the Willamette River on Coburg (area M): what would be purpose of MUPTE there? Or in Cal Young areas?
- Further north areas – already developed and no use for MUPTE; already built
- Wouldn't benefit NE neighbors
- Support idea that emphasis or weighted criteria are available for affordable housing
- Need to take historic homes or character into consideration to protect them
- MUPTE helped create downtown neighborhood
- Lots of process for Capstone
- Need a clawback to get what they promised

Survey #2 Feedback Neighborhood Leaders MUPTE Criteria June 25 – July 20, 2014

Survey Questions:

1. Do you have feedback on the draft concepts? (Draft concepts available via web link)
2. Do you have any questions or concerns about the draft concepts?
3. Any additional feedback on the proposed revisions to the MUPTE program?
4. What neighborhood do you represent?

Responses *(to revised concept contained in July 30 AIS)*

6/27/2014

1. Mostly positive. Definitely headed in a good direction. Still... I think that a strong partnership between neighborhood and developer would accommodate most of the concerns and be a whole lot more simple in the long run.
2. Suppose... that one of the permanent members of the review committee is from a given neighborhood, for example. And then a proposal comes from that neighborhood. Would the applying neighborhood then have three representatives on the committee? How will committee members be vetted and chosen?
3. Sadly, a lot of the proposals, as I learned the other night, are responses based on disinformation, misinformation, and no information about MUPTE or how it really works or what it really does. Staff has done an excellent job of working through that toward a reasonable, informed set of proposals. This experience sure does highlight the need for a major public information campaign prior to implementation of any new MUPTE guidelines.
4. Downtown Neighborhood Association

6/27/2014

1. The MUPTE review committee should be more than advisory. It should be a screening committee of potential applications. If a majority of the members do not feel a project meets the requirements they should be able to decline that application. This would require no further action by the city. Gives the committee some teeth and saves time and money for the City..
2. The expansion of the MUPTE boundary along Coburg Road has no impact as that area is mostly commercial and recently built multi-family. It would not be redeveloped in the immediate future. The boundary expansion of this area would most likely not be supported by the affected neighborhoods.
3. They proposed revisions did not address the ability of an application, that would not meet the criteria, to be approved by providing additional benefits. These cited additional benefits should already be part of the requirements to be eligible for MUPTE. A MUPTE project should not be approved if the affected neighborhood and City Councilor does not support the project. Affordable Housing projects or projects with a high percentage of an affordable housing component should receive more consideration in the project review. To support the policy of

Item A.

increase density a minimum height/ story requirement for MUPTE should be required. Five stories should be the minimum. If you don't want to expand the UGB than you must go up.

4. Northeast Neighbors

Flip Chart Notes from Neighborhood Leaders MUPTE Outreach May 8 & 13, 2014

Outreach Meetings:

Part 1: May 8, 2014 from 7:00 – 8:30pm; Library – 100 W. 10th Ave., Tyekson Room
Approximately 15 community members present; 11 individuals completed the sign-in sheet: Andrew Fisher (FAN), Kristina Lang (FAN), Deborah Healey (WUN), Duncan Rhodes (Whiteaker), Tom Happy (WJN), David Saul (Southeast), Sam Hahn (Whiteaker), David Nickles (Whiteaker), JF Quilter (Cal Young), Ed McMahon (TRG), Rene Kane (Neighborhood Services Staff)

Staff Present: Denny Braud, Carolyn Burke, Laura Hammond, Amanda Nobel, & Rene Kane

Part 2: May 13, 2014 from 7:00 – 8:30pm; Peterson Barn Community Center, 870 Berntzen Rd.
Community members present: Deb Jones (FAN), Bill Aspegren (SUNA), and Nancy Ellen Locke (FAN)

Staff Present: Denny Braud, Carolyn Burke, Laura Hammond, & Nancy Young

Flip Chart Notes:

05-08-2014 (*Responding to April 14 draft criteria*)

- Panel appointed by City Manager is not desirable.
- Important to give neighborhood real opportunity for input. All suggestions mentioned by Denny during the meeting seem good [neighborhood representative on panel and another one based on location of project; specifying the type of contact required by the applicant with the neighborhood e.g. meeting with membership.]. Want more also.
- Density not a public benefit.
- People who benefit are people living in units and meeting the growth needs.
- Lots of cities use this tool.
- Extensive process for road repaving. Why can't that be applied to MUPTE applications? That seems reasonable.
- Could SDCs be used more to incentivize and could SDCs go to the neighborhood?
- What about claw-back when projects do better than projected?
- Surprised no mention of where the rents go. Why not looking at localness of who owns the development?
- Neighborhood contact meetings with developer (not just the architect) should mean that head of developer be there and staff from City and public works. Should require more than 1 meeting and one after the final plans are done.
- A second required meeting between the developer and the neighborhood is good because the neighborhood needs to have time to take in the info and get feedback together. 2 meetings minimum.
- Neighborhood input needs to be at beginning of process not after MUPTE approval.
- Some benefits to talking with neighborhood at initial design and close to final. Minimum of 2 meetings. 2nd meeting before MUPTE voted on by Council.
- Don't understand why exemption should apply to commercial part of project.
- Specific boundary feedback: go rectilinearly near 14th and Charnelton, west of Olive continue with rectilinear edge. Don't go along the canal.

05/13/2014 *(Responding to April 14 draft criteria)*

- Some have exemptions (some value) but seems to defeat purpose.
- Support LEED criteria – pays for itself helps upgrade for everyone.
- Jury may be out on LEED – mixed reviews.
- Energy efficiency (really important) over LEED.
- Areas near Willard school and Cascade manor look like good places for multi-family.
- Concern about multi-story buildings on Willamette – shade, views, impacts
- Concern about MUPTE in place before South Willamette Plan / Code. Get plan done first, then designate for MUPTE.
- Lucia Townhouse project came to Friendly Association – presented and expected - know what's coming, let them know about changes, more than one meeting.
- Current proposal doesn't really have neighborhood involvement.
- Need neighbors on panel and heavily weigh their input – need big voice.
- Should be with Council and staff to present both sides – too important to let go.
- Bicycle and pedestrians not represented on proposed review panel.
- All need Traffic Impact Analysis – threshold for public improvements.
- Concerned with additional criteria – might et games, have to be careful.
- Length of MUPTE should be up to panel – subjective no point system.
- Area C (6th/7th Trainsong Highway 99 Corridor) looks very big.
- What's the percentage of City of the proposed boundary?
- Might need to narrow down to get action.

Survey #1 Feedback Neighborhood Leaders MUPTE Criteria May 10 – 25, 2014

Survey Questions:

1. What input or feedback do you have about the proposed boundaries? (Map available)
2. How would you change any of the proposed criteria? (Criteria available)
3. Are there any missing criteria?
4. Any additional feedback on the proposed revisions to the MUPTE program?
5. What neighborhood do you represent?

Responses *(to April 14 draft criteria)*

05/10/2014

1. Stay out of Whiteaker and we won't have any problems... In truth, there could be a handful of properties in Whiteaker that would be of some benefit to redevelop, but we are already facing a parking/transportation crisis with the haphazard new commercial/industrial developments. Wish we had been included earlier in the process with more time for specific inputs. It seems like the neighborhoods are always last on the list.
2. The 'additional public benefit' criteria is a joke. The criteria are vague and largely irrelevant. The neighborhoods themselves should be allowed to determine any additional public benefits, as these will likely vary by neighborhood. In Whiteaker we have a shortage of affordable retail/commercial space due to the land rush from the 'Fermentation District' bullshit and small independent local businesses have nowhere to open up shop. Whiteaker has always supported entrepreneurship due to the lower entry cost for opening businesses but those days are tragically over. If there is new commercial/retail space built along the 6th/7th corridor we would like local businesses and entrepreneurs to get the first shot at it. We would like to be able to negotiate with developers to ensure that the chain stores and restaurants stay the hell out of our neighborhood.
3. skipped
4. The neighborhoods need to be involved sooner. If this goes to Council without a vastly expanded role for neighborhood groups we will be forced to mobilize in opposition to it. It seems like the public is only consulted as a mere formality in the planning and development process, and that needs to change promptly. When you conduct a poll of developers, construction firms, and construction unions, is it any surprise that they will enthusiastically support tax breaks for development? The neighborhoods actually have to live with the consequences and it should be the PUBLIC that determines the PUBLIC benefit criteria, not a cartel of moneyed interests. Just my two cents. Second, there was not an adequate explanation of what would happen if we were to fail to meet the OR state criteria for housing based on projections of 20-year need. What would the real consequences be? Is it that drastic that we have to make a gift of millions in tax breaks to developers to build things that we may or may not actually need or want? Without a detailed and accurate answer to this question and a

suitable explanation I have to question the validity of rushing this MUPTE plan through with such limited time for public input. This is the message I will be bringing to my neighborhood council general membership. Additionally we would like to see targeted use of SDCs to alleviate any impacts caused by large new developments in the areas affected. I was not satisfied with the response of city staff to the SDC questions posed last night and would like to see this specifically addressed in the public forums and program plans.

5. Whiteaker

05/10/2014

1. skipped
2. Neighborhood Association involvement & approval is a must on MUPTE projects. There must be multiple public meetings hosted by the City, & involving the developers, architects & engineers, & the potentially affected citizens before any MUPTE project approval. Effects on sight lines, motor vehicle traffic, pedestrian & bike traffic must be explained & remediated.
3. Relevant City Councilor involvement & approval is a must on MUPTE projects.
4. skipped
5. skipped

05/11/2014

1. Eliminate any intensification of land use resulting from MUPTE on the South Willamette Street corridor unless you intend to eminent domain additional street right of way for the entire four block distance to provide better bicycle, pedestrian and vehicle travel on this vital arterial street.
2. Please see separate e mail to Amanda Nobel Flannery
3. Please see separate e mail to Amanda Nobel Flannery
4. Please see separate e mail to Amanda Nobel Flannery
5. Resident of Cal Young neighborhood

05/11/2014

1. The idea that you need MUPTE to spur development anywhere in the Downtown corridor is absurd. You are giving away the shop, selling Prime real estate down the river, and failing to protect our most valuable assets - vis a vis, the heart of our city. As per the Capstone development, we have an ugly building that - even before completion, has already generated resentment and indignation amongst residents.
2. "neighborhood association support is not required for MUPTE approval". WHY NOT? Why should neighborhoods such as SUNA and WUN have to put up with poorly-managed development such as has occurred along 19th Avenue between downtown and the university? Why shouldn't NAs be given the right of refusal in their neighborhoods when an outside developer wants to capitalize on the unrealized potential in our midst? Do you want to continue the process of costly and lengthy appeals to LUBA? If so, you are pointed in the right direction, but if NOT, your impacts need to be thought out in a more deliberative manner.

3. You do not seem to provide an annual cap on MUPTE grants for the City, as per Portland model. You are missing the point of offering development, and depriving Eugeniens of tax-based revenue! It's foolish practices such as this which has led to our current Budget debacle, and which must not be allowed to recur.
4. Guidelines that the City Manager "may provide further clarification of" are completely worthless. Put them in your proposal, or remove the wishy-washy, non-committal language. No one trusts the City Manager in Eugene to do the right thing when it comes to implementing development with sound design and economic principles.
5. JWN

05/12/2014

1. The south side of W. 7th Ave. is designated in the 1987 Westside Neighborhood Plan as the "West 7th Avenue Commercial Area" and zoned C-2 and S-C/C-2. Before MUPTE is allowed for this area, there should be a _neighborhood-community-based_ refinement plan amendment process to update the plan policies. See the description in the WNP for how the Planning Team was appointed and developed recommendations. Similarly, MUPTE should NOT be allowed until the area has an updated refinement plan. Please educate yourselves about State Planning Goal 1 and the essential roles of refinement plans and neighborhood organizations in local planning.
2. If you actually have any intention of making the substantial changes that are necessary, please carefully read the document at:
<https://www.dropbox.com/s/tziysid11560r7y/MUPTE%20Ordinance%20Recommendations%20June%206.pdf> Before approving any MUPTE it must be found to conform with the policies of the applicable and updated neighborhood refinement plan. (See response to Q1.)
3. Seriously? There are too many to enumerate here.
 See: <https://www.dropbox.com/s/tziysid11560r7y/MUPTE%20Ordinance%20Recommendations%20June%206.pdf>
4. This is really disingenuous that you would put up such a slapped-together, flimsy survey, so late in the game; do so little to help people become adequately informed before responding; and then expect people to believe their participation will actually make any significant difference.
5. I'm a JWN member (resident & home owner)

05/12/2014

1. Boundaries OK but irrelevant
2. MUPTE should only be given for low income housing
3. skipped
4. I personally believe it should be abolished. It has been so perverted and misused in the past I no longer have faith in Eugene's ability to manage such a program. If we must have it, it should only be used for low income housing
5. Fairmount

05/12/2014

1. skipped
2. Mandatory minimum of two meetings with the affected neighborhood. The meetings should be attended by the decision makers within the ownership / development team. This should not be a symbolic gesture. It should be viewed as a good neighbor policy.
3. There are no performance penalties no reduction in benefits, no termination of benefits should material quality, and or construction promises not be met.
4. The panel review board should not be hand picked by the City Manager it should be applied for. One member of the affected neighborhood should be on the panel. The chair or a board member would be an appropriate pick. The panel oversight review information, and recommendations should go directly to the City Council not filtered thru the City Managers Office
5. North East Neighborhood Association

05/12/2014

1. skipped
2. skipped
3. skipped
4. "Before we get started with suggestions for changes to MUPTE, the WCC would just like to say that we ARE supportive of MUPTE as a concept but if put into practice with the current set of guidelines, the program will be met with some resistance from the WCC. In the past, the WCC has taken a fairly combative stance on growth and development in general. We are looking to turn over a new leaf. As a neighborhood, we are starting to except the realities of growth but of course our primary goals are to protect our neighborhood and all that we love about it. With our brand new board, it is our wish to start a new relationship with the city. We would like to be more involved and we realize that in many ways, this just means more cooks in the kitchen for you guys. It is not our intention to make your efforts more difficult. We simply want to expand the depth of your work and research so that programs like MUPTE can include the desires of the citizens it will actually affect. I believe you will find us completely reasonable and even fun to work with. If we feel our voices are heard and effective, we may even be of some use in gaining citywide support for this program and others like it in the future. -The Biggest hole we see in the new proposal is the definition, or lack there of, of "public benefit". This should be defined at least in part by the neighborhood of the site in question. Every neighborhood has its own set of needs and to make a blanket list of benefits for the whole city lacks understanding of just how large and diverse our city really is. As it relates specifically to the whiteaker, in many cases, there is only so much public benefit to be gained on the properties in question. Would there be a way that neighborhood could apply fees that would go towards things like parking lots and quiet train crossings? We realize SDC fees are "spoken for" but some portion of the money that the city collects should be allocated to the neighborhood in question. -It would be our preference that developers need to present plans to neighborhoods EARLY in the process. At a minimum, plans should be presented to neighborhoods LONG before permits are issued and

ideally before they are even applied for. We would like to see a scenario where developers hear from the neighborhoods so that ideas can be incorporated into initial plans rather than it being an after thought. It is essential that this step is NOT just ornamental. A 2nd presentation should be made to neighborhoods with revised plans based on needs from the neighborhoods, city, and developers themselves. It would be our preference that the developers themselves, their architects as well as representatives of applicable departments from the city i.e. public works and planning and development are present at said presentations. It is important that developers know that they need to do more than just appease the neighborhoods in one presentation. They need to know that accountability is not just enforced by the city. - Members of the neighborhoods, or at least representatives appointed BY neighborhoods should occupy 30%-40% of the MUPTTE application board. The neighborhood representation on the board shall be determined by the neighborhood in question for EACH INDIVIDUAL application. Many neighborhoods won't have the ability to find 3 or 4 folks to represent and thus we suggest creating a list of potential representatives for the various neighborhoods to choose from who represent the interests of the neighbors. This list should be generated by the neighborhoods, NOT the city manager. -We do not feel it is necessary to lower the standards of building quality on any of the prospective MUPTTE zones. In the Whiteaker, the "green" standards in particular should be a requirement, not an option. We realize that the 6th and 7th corridor isn't the most desirable area to develop now, but it would be a shame to watch Eugene expand the way it is projected and have a row of ugly buildings in an area that we all hope becomes "desirable". - While we appreciate that the length of time for the exemption is determined by the board, we would advocate that the percentage of the exemption is also a negotiable variable. For instance, you could either have a 5 year 100% exemption or a 10 year 50% exemption. We believe this would provide a smoother transition for investors when they have to start paying property taxes when the exemption period has expired. In some cases, we would even advocate for the exemptions to be prolonged beyond ten years in the interest of the original investors keeping their properties instead of bailing as soon as the exemption is over, or perhaps developers should be obligated to keep their properties for a certain period of time after their exemption period has expired. This will weed out people who plan to use to exemption as a profit margin for a "flip"."

5. Whiteaker

05/12/2014

1. It's good to see some development investment being put into west Eugene. I hope it will help invigorate the W11th and 99/Trainsong corridors as well as redevelop brownfields.
2. skipped
3. skipped
4. skipped
5. Active Bethel Citizens

05/13/2014

1. The South Willamette area should not be included until the South Willamette Concept Plan has been finalized and the dust has settled.
2. Include neighborhood leaders and immediate neighbors in the review board. Increase green building standard to at least LEED gold.
3. skipped
4. skipped
5. FAN board member, not a chair.

05/14/2014

1. Do NOT implement MUPTE in the South Willamette St area until the South Willamette St Concept Plan zoning is implemented. At that time, restrict the boundaries further to encourage development in key areas first (eg south of 24th and only along willamette rather than in the established College Hill and FAN residential neighborhood)
2. Prioritize MUPTE areas. Eg the downtown should have first priority for increased density. Tailor criteria for each area.
3. Provide clear requirement to protect existing adjacent single family neighborhoods - demonstrate compatible design and traffic calming etc to direct traffic to the corridor/arterial, not the residential streets.
4. Provide more opportunity for neighborhood AND neighbors feedback. If those involved in neighborhood organizations have just become aware of the proposed changes, then it is clear that affected residents do not know yet.
5. FAN

05/14/2014

1. Extending the boundaries to include the 6th/7th Corridor makes good sense-- it is reasonable, incremental growth based on the current concept. Expanding to the south makes less than no sense. The other proposed expansions are premature and best saved for another time. Especially given recent experience, it is better to go slowly.
2. Some vague words, such as "encourage" should be defined more clearly. Green space accessible to the "nearby community"-- does that mean residents and owners, or does it mean the neighborhood? There is no need to limit building height in most of Downtown, especially if increased density in the urban core is a goal.
3. Requirement for an on-site property manager, at least for the duration of the MUPTE. This would reduce the possibility of a quick property flip turning into an ill-kept problem for the city and the neighborhood. 2. Definition of the make-up of the MUPTE committee, which should represent all stakeholders, including the neighborhood and applicable labor unions.
4. I wish it were clear about the type of retail that would be acceptable: is this an arts and entertainment district? Can residents get daily needs met-- grocery, hardware, etc.? How does a proposal fit with the goals of Envision Eugene? Doesn't it seem redundant to require that the

law be followed? What are the consequences for failure to adhere to the law-- or other explicit or implicit promises?

5. Downtown Neighborhood Association

05/25/2014

1. The program should not be expanded to include areas A & B
2. Only affordable housing should be eligible - affordability should be a minimum requirement. The criteria for neighborhood involvement should be strengthened so that the tax exemption can only be granted when the neighborhood association approves the project.
3. skipped
4. skipped
5. Southeast Eugene

NOBEL FLANNERY Amanda

From: John Quilter <jquilter@peoplepc.com>
Sent: Saturday, May 10, 2014 8:33 PM
To: NOBEL FLANNERY Amanda
Cc: CLARK Mike
Subject: RE: Neighborhood Leaders MUPTTE Feedback

Amanda,

I have looked over the survey form but the questions posed assume I am in agreement with the principal that underlies MUPTTE. That is not the case. I am philosophically in disagreement with MUPTTE. Such a program ultimately forces those not taking advantage of MUPTTE to shoulder the taxes that are collectively deemed necessary to support agreed upon city services. I do not believe in such unfairness or the government picking and choosing winners and losers in taxation.

Furthermore, I see MUPTTE only as a mechanism to counteract high land values resulting from the impacts of a restrictive land use scheme in the form of the artificial urban growth boundary. By limiting the land that can be developed you drive up the cost of the developable land thus requiring MUPTTE to subsidize the economics of new development. The inflexibility of the urban growth boundary is a self-imposed land development restriction that drives the price of residential, commercial, retail, and industrial land higher than necessary.

As one attendee in our workshop so accurately stated "densification is NOT a community benefit". I do not know if the new building at 1162 Willamette Street is a MUPTTE creation or not, but in any case it is a sad example of what we can look forward to. Consider the pleasant open space and wide sidewalk provided by the Chase Bank facility only a block away, versus the right on the sidewalk construction of 1162. This is the Manhattanization of Eugene and it is most unwelcome.

As an additional note, I see that the South Willamette corridor is slated for inclusion in MUPTTE. That, given the existing controversy over the inadequacy of the street, is sheer lunacy. If anything, the density and intensity of use of the land in this corridor should be reduced, not increased as MUPTTE would do.

My solution: If you must build for population growth, relax the urban growth boundary, and zone for individual self-contained, stand-alone new neighborhoods that reduce the need for frequent cross town travel by residents, thus reducing congestion.

Feel free to include my comments in the record.

John F. Quilter
1450 Russet Drive
Eugene, OR 97401

-----Original Message-----

From: NOBEL FLANNERY Amanda [mailto:Amanda.NobelFlannery@ci.eugene.or.us]
Sent: Friday, May 9, 2014 4:22 PM
To: 'abcdonella@aol.com'; 'joannegross@ymail.com'; PRINCE Randy (SMTP); 'davidmandelblatt@gmail.com'; 'ajf541@yahoo.com'; CLARKE Robert (SMTP); 'chair@jwneugene.org'; 'dkjones3388@gmail.com'; 'prknox@gmail.com'; 'kevin@dkreedinvestments.com'; BELCHER Jon (SMTP); 'michael@dreamteammedia.com'; FINIGAN Jerry (SMTP);

'sielicki@gmail.com'; MUSSELWHITE Tom (SMTP); 'prknox@gmail.com'; 'hmpwr@yahoo.com';
'jenniferyeh@ymail.com'; KOLB David (SMTP); 'calyoung2014@gmail.com'; BUCK Alan (SMTP);
'rachael.anne.young@gmail.com'; 'steven@asburydesign.net'; 'betty9758@comcast.net'; 'gunnars@clearwire.net';
ASPEGREN Bill (SMTP); JACOBS Carolyn (SMTP); SONNICHSEN David (SMTP); 'info@ajfisherdesign.com';
'kristinalang@hotmail.com'; HEALEY Deborah (UO); 'duncan.rhodes@cerrillas.net'; 'tomhappy@aol.com';
'davidmsaul@gmail.com'; 'sam@redbananaproductions.com'; 'nickles.david@gmail.com'; 'jqulter@peoplepc.com';
BROWN George R
Cc: HAMMOND Laura A; YOUNG Nancy A; KANE Rene C; KINNISON Michael J; BURKE Carolyn J; BRAUD Denny
Subject: Neighborhood Leaders MUPTE Feedback

Hello,

Thank you to everyone who was able to attend last night's meeting regarding potential changes to the MUPTE program. We appreciate your time and thoughtfulness on this topic.

Materials presented at the meeting are now available on the City's website at www.eugene-or.gov/MUPTeneighborhoods<<http://www.eugene-or.gov/MUPTeneighborhoods>>, including the handout of the proposed criteria, slides from the presentation, and the proposed boundary maps. A compilation of past MUPTE projects was requested at last night's meeting and that has also been posted. The video of the Envision Eugene Technical Resource Group presentation will be posted soon.

We have also posted a link to a short survey to help collect your feedback at <https://www.surveymonkey.com/s/MUPTecriteria>. The survey includes three general questions:

- * What input or feedback do you have about the proposed boundaries?
- * How would you change any of the proposed criteria?
- * Are there any missing criteria?

There is also a place to provide additional comments or feedback. Again, please feel free to contact us if you have questions or need additional information. If you were not able to attend the meetings or would just like more information, we would be happy to schedule a time to meet with you - please contact us at:

Nancy Young,
nancy.a.young@ci.eugene.or.us<<mailto:nancy.a.young@ci.eugene.or.us>>,
541-682-6849

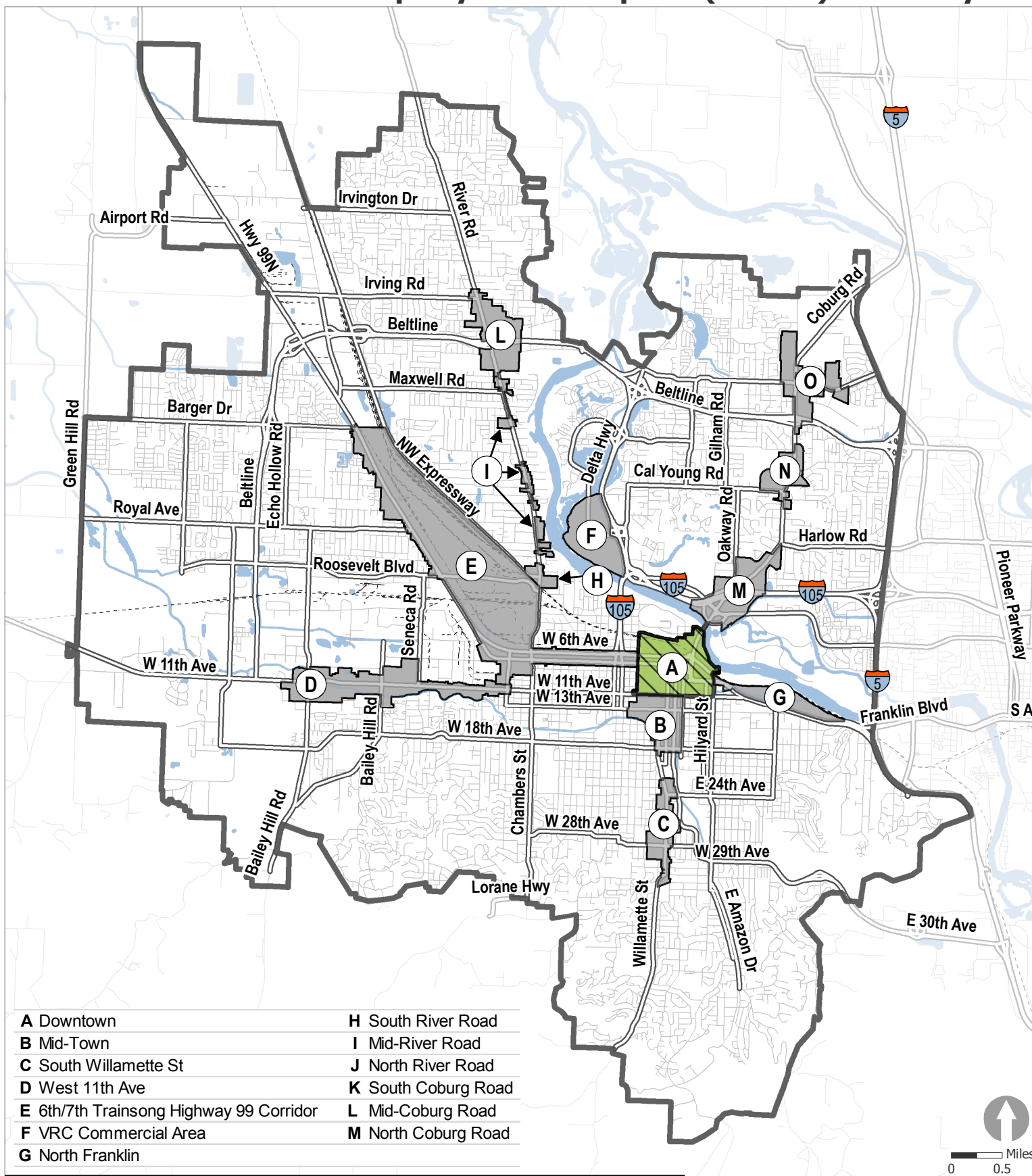
The City Council's next work session on MUPTE is scheduled for June 9. There will also be a public hearing scheduled to collect input as the revision process moves forward.

Thank you again and we look forward to getting your feedback.

Amanda

Amanda Nobel Flannery
Loan Analyst
Community Development Division
City of Eugene
(541) 682-5535
I am in the office on Mondays, Wednesdays, and Fridays.

Potential Multi-Unit Property Tax Exemption (MUPTE) Boundary



Area A active immediately to accept MUPTE applications
Area B – M active upon completion of area planning focused on transition zones and compatability. Opportunity sites could apply, if brought forward with support of neighborhood, property owners, and developers.

Caution: This map is based on imprecise source data, subject to change, and is for general reference only.



ATTACHMENT D

Decision Table

REQUIRED PUBLIC BENEFIT	RECOMMENDATION	OPTIONS
1. Eligible Project Type Should projects with “student housing” characteristics be ineligible?	Yes, ineligible	Yes or No
2. Boundary <ul style="list-style-type: none"> - Should the boundary include sections along the six Envision Eugene Corridors and core commercial areas with Downtown activated immediately? <ul style="list-style-type: none"> A. Downtown (current boundary plus one property on 11th & Lincoln that was in the 2004 to 2011 boundary and EWEB property north of 4th Avenue) B. Mid-town C. South Willamette D. West 11th E. 6th/7th Trainsong Highway 99 Corridor F. Valley River Center commercial area G. North Franklin H. South River Road I. Mid-River Road J. North River Road K. South Coburg Road L. Mid-Coburg Road M. North Coburg Road - Should areas outside of downtown only be activated after one of the following two actions occur? <ul style="list-style-type: none"> 1) Area planning that addresses design and transitions such as in the South Willamette Pilot Project 2) City-wide code amendments that address transitions (also requires neighborhood request for activation) - Should individual sites in inactive boundary areas be eligible if brought forward by a partnership of property owner / neighborhood as an “opportunity site”? 	<ul style="list-style-type: none"> - Yes - Yes - Yes 	<ul style="list-style-type: none"> - Yes or No - If No, include which areas A through M? - Yes or No - Yes or No
3. Compact Urban Development Should requirement be: <ul style="list-style-type: none"> A. Same as required by code B. Exceed minimum code for downtown; per area planning or other process for all other areas C. Other 	Yes, B	Pick A, B, or C

REQUIRED PUBLIC BENEFIT	RECOMMENDATION	OPTIONS
<p>4. Project Design / Compatibility</p> <ul style="list-style-type: none"> - Should there be basic design principles (<i>Community Design Handbook</i>)? - Should site plan and rendering be included with approval resolution? 	<ul style="list-style-type: none"> - Yes, design principles - Yes, include with resolution 	<ul style="list-style-type: none"> - Yes or No - Yes or No
<p>5. Green Building</p> <p>Should requirement be:</p> <ul style="list-style-type: none"> A. LEED v4 Certified B. 10-15% above Oregon Energy Code through specific pathways based on building size selected by applicant C. Other 	<p>Yes, B</p>	<p>Pick A, B, or C</p>
<p>6. Neighborhood Engagement</p> <p>Should contact requirement:</p> <ul style="list-style-type: none"> A. Stay the same B. Expand to specify principal of applicant entity participate in outreach and increase amount of outreach: <ul style="list-style-type: none"> o Pre-mupte application submission, o During design before drawings final, and o Before project submitted for permits C. Other 	<p>Yes, B</p>	<p>Pick A, B, or C</p>
<p>7. Affordable Housing</p> <ul style="list-style-type: none"> - Should a fee be charged to each project that goes to a dedicated affordable housing/emergency shelter fund? - What % of the total MUPTE benefit for the 10-year benefit 5-10%? 	<ul style="list-style-type: none"> - Yes, fee - 10% 	<ul style="list-style-type: none"> - Yes or No - ___% or sliding scale reviewed by Panel
<p>8. Local Economic Impact Plan</p> <ul style="list-style-type: none"> - Should the goal be about % dollar volume of the combined professional services and construction contracts to local firms? - Is 50% minimum ok? - Is local Lane County? - Should the MUPTE requirement for MWBE match what City requires of itself and of contractors it hires? - Awarded projects must follow wage and tax laws? 	<ul style="list-style-type: none"> - Yes, \$ volume of contracts - Yes, 50% - Yes, Lane Co. - Yes, match City's standard - Yes, follow the laws 	<ul style="list-style-type: none"> - Yes or No - ___% - Yes or No - Yes or No - Yes or No

REQUIRED PUBLIC BENEFIT	RECOMMENDATION	OPTIONS
9. Project Need Should the max cash-on-cash return be 10%?	Yes, 10%	Yes or No, higher/ No, lower

ADDITIONAL PUBLIC BENEFIT CRITERIA	RECOMMENDATION	OPTIONS
Additional Public Benefit Criteria Concept: In the event that a project is not eligible for a 10-year exemption due to Required Public Benefit #9 “Project Need,” do you want to have a way for an applicant to qualify for additional exemption years?	Yes	Yes or No (If no, then voting on items 10 – 12 is not needed.)
10. Documented Local Economic Impact <ul style="list-style-type: none"> – Should demonstration of WMBE effort be included? – Should completing certified payroll be included? 	<ul style="list-style-type: none"> – Yes – Yes 	<ul style="list-style-type: none"> – Yes or No – Yes or No
11. Location Should redevelopment on certain locations or sites (e.g. downtown or brownfield) be considered to provide enhanced public benefit?	Yes	Yes or No
12. Project Features Should project features be included as possible additional public benefit for projects to incorporate? <ul style="list-style-type: none"> a. Payment of an increased affordable housing fee, b. Exceed the Green Building Required Public Benefit, c. Provision of Americans with Disabilities Act (ADA) <i>accessible</i> dwelling units (which is in excess of code required <i>adaptable</i> dwelling units), d. Provision of units available for home ownership, e. Inclusion of open space, community gardens, or gathering space that is accessible to the surrounding community, f. Inclusion of ground floor commercial/retail that addresses a neighborhood need, g. Design excellence and neighborhood compatibility, h. Provision of embedded or structured parking, i. Encourage alternative transportation options, including bus passes, car share, bike share, bus shelter, pedestrian connections, and minimum parking where appropriate, and j. Other features identified by neighborhoods through the engagement process. 	Yes, use those listed	Yes or No

OTHER PROGRAM REQUIREMENTS	RECOMMENDATION	OPTIONS
<p>Financial Reporting Should the project owners submit annual accountant-prepared financial information to evaluate cash-on-cash return?</p>	<p>Yes, collect financial information</p>	<p>Yes or No</p>
<p>Program Volume Cap</p> <ul style="list-style-type: none"> - Should the program have a volume cap that is annual or cumulative? - Cap number of applications, units, dollar volume? What level? 	<ul style="list-style-type: none"> - Cumulative - Units; 1,500 to match Envision Eugene analysis 	<ul style="list-style-type: none"> - Annual or Cumulative - Applications, Units, or Dollar Volume; _____ Amount
<p>MUPTE Review Panel</p> <ul style="list-style-type: none"> - Should a Review Panel replace the current Loan Advisory Committee review to advise the City Manager? - If Additional Public Benefit Criteria was approved above, should the Panel make recommendation related to Additional Public Benefit Criteria, when applicable? - Should the Panel assist with an annual report that also covers the program volume cap? - Should the Panel include members from the following sectors: <ul style="list-style-type: none"> o 4 with technical expertise, such as financial, development, architects / green building, labor / construction o 4 neighborhood leaders <ul style="list-style-type: none"> ~ 2 at-large, standing representatives ~ 2 project specific representatives - Should the Mayor appoint the neighborhood leaders? 	<ul style="list-style-type: none"> - Yes, replace LAC - Yes - Yes, annual report - Yes, that composition - Yes, Mayor appointed 	<ul style="list-style-type: none"> - Yes or No - Yes or No - Yes or No - Yes or No - Yes or No

Multi-Unit Property Tax Exemption (MUPTE)

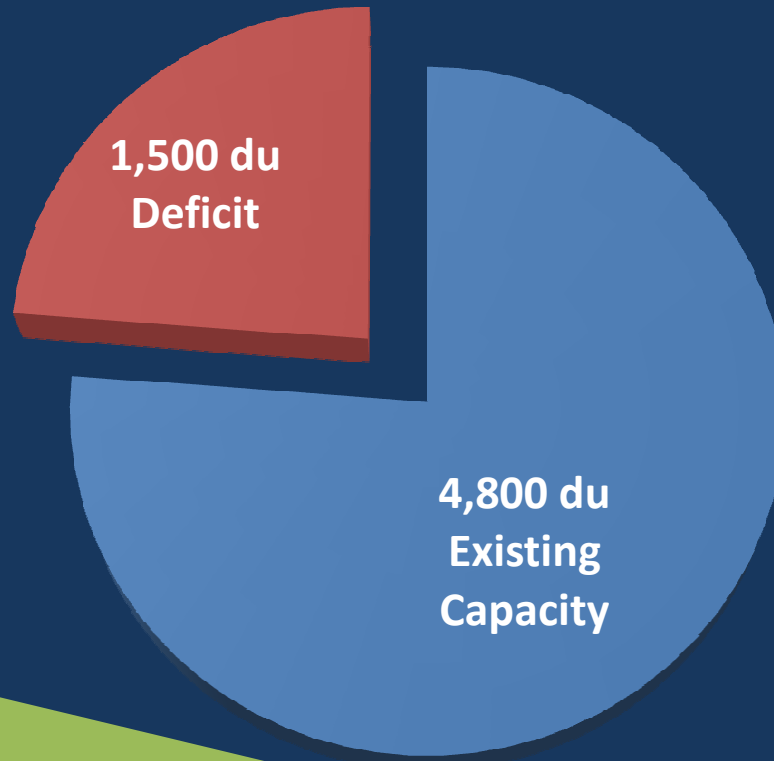


City of Eugene
July 30, 2014



Envision Eugene

Multi-Family Housing Need = 6,300 dwelling units





Today

- Update on Stakeholder Feedback
- Summary of Revised Concept
- Review of Other Criteria Changes
- Criteria Decision Table

Goal – Reach general agreement on concepts to bring back ordinance for public comment

Stakeholder Input

- Envision Eugene Technical Resource Group (TRG)
- Housing Policy Board committee
- Multi-unit housing development stakeholders
- Construction trades
- Human Rights Commission sub-committee
- Green building
- Neighborhood leaders

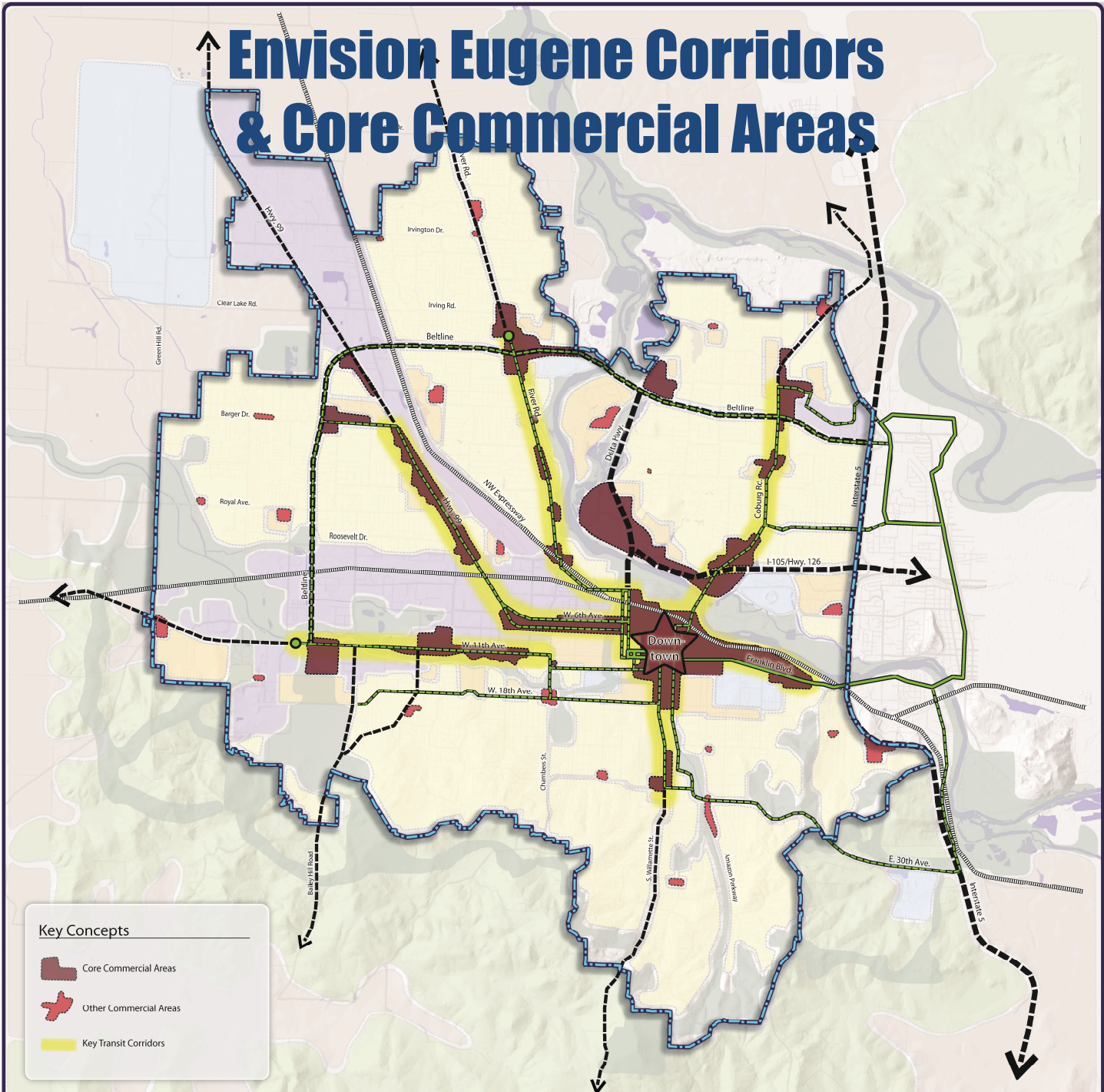




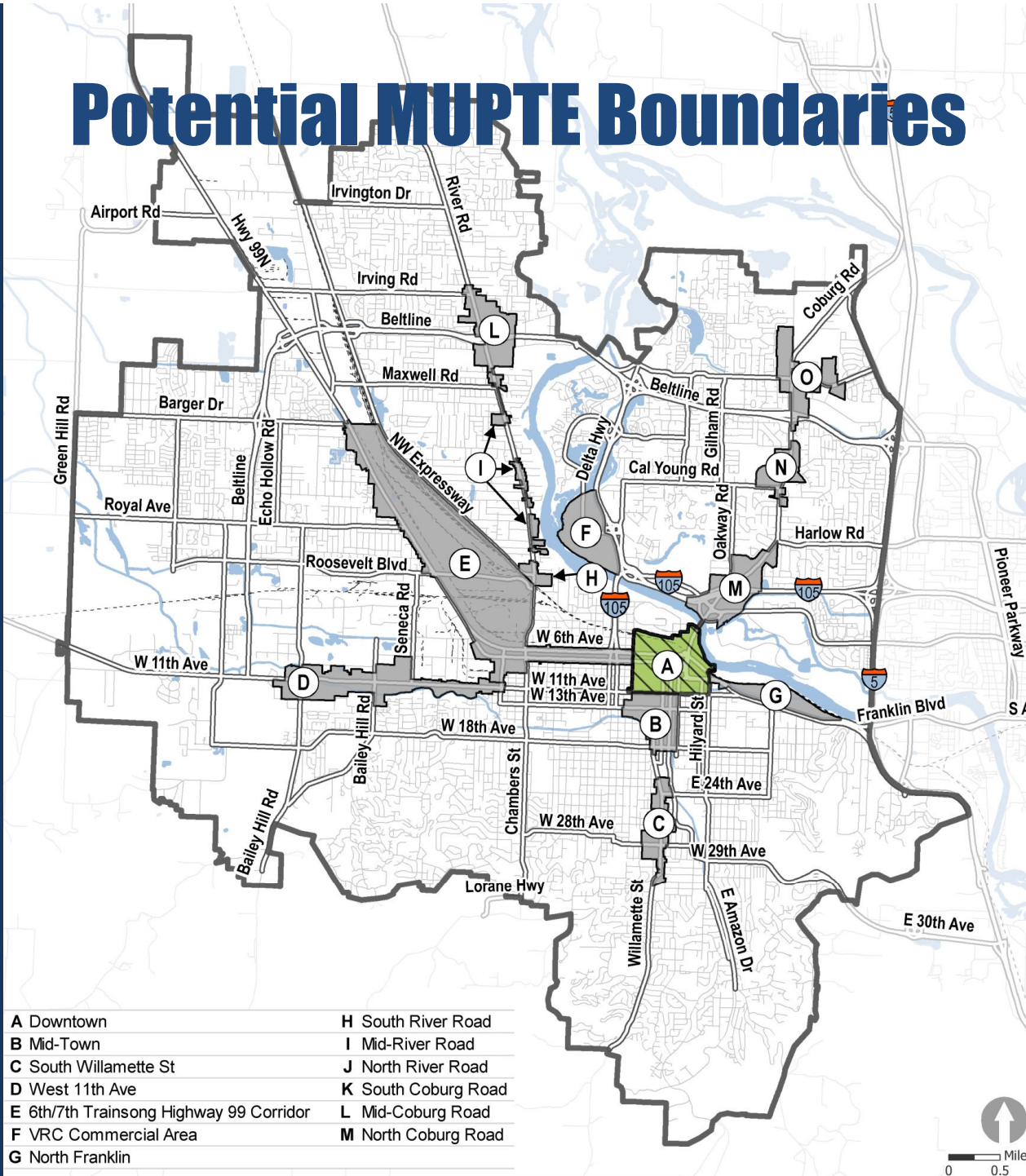
Neighborhood Input

- Enhanced neighborhood engagement
- Balanced Review Panel
- Area planning
- Opportunity Siting option
- Project impact mitigation

Envision Eugene Corridors & Core Commercial Areas



Potential MUPTE Boundaries





MUPTE Criteria - Revisions

- Boundary
- Design
- Green Building
- Neighborhood Engagement
- Project Features *(in Additional Public Benefits)*
- Volume Cap
- Review Panel



Recommendation

- Align boundary with Envision Eugene target areas
- Start with Downtown & Opportunity Siting
- Develop planning strategy for non-activated areas:
 - Completion of area plans
 - City-wide code amendments
- Adopt criteria revisions

