

## MINUTES

### Eugene City Council Virtual Work Session Eugene, Oregon 97401

March 9, 2022  
12:00 p.m.

**Councilors Present:** Claire Syrett, Randy Groves, Emily Semple, Jennifer Yeh, Alan Zelenka, Greg Evans, Mike Clark

Councilors Absent: Matt Keating

Mayor Vinis opened the March 9, 2022, work session of the Eugene City Council in virtual format.

#### 1. **WORK SESSION: Riverfront MUPTE Applications – Lots 3BC, 7, and 9**

Community Development Director Will Dowdy and staff presented to Council on the requests for Multi-Unit Property Tax Exemptions (MUPTE) for three of the Downtown Riverfront redevelopment parcels – Parcels 3BC, 7, and 9. Council previously discussed the applications at the February 22 work session.

##### Council Discussion

- Councilor Syrett – thanked staff for the presentation; expressed appreciation for the independent review, noting it provides much reassurance and a deeper understanding of the dynamics; asked about housing contributions for this project being directed to the moderate income housing as opposed to the City’s affordable housing fund.
- Councilor Semple – thanked staff for the presentation; noted she has changed her mind on MUPTE in recent years, having formerly been against it due to its misuse in other projects, but is now excited to see the funding it has generated; stated support for these MUPTE requests; expressed appreciation for the commitment to using local resources and green building standards; noted independent review is critical, as is the assurance that these projects are not being used for more student housing; discussed possible future adjustments to MUPTE program timelines; stated her preference to see the entire riverfront remain as public land, but housing is needed and she believes this will be a good neighborhood.
- Councilor Clark – thanked staff and all involved for their long-term efforts; asked to confirm this particular project will pay prevailing wages, and whether that is determined at the state level and not a MUPTE requirement; asked for an approximation of the percent differential and total dollar if labor for this was paid at market rate vs prevailing wage; estimated that developers hiring locally at prevailing wage will be almost as much as the MUPTE benefit, making this a clear benefit to the community.
- Councilor Zelenka – discussed previous work completed to ensure tangible, public benefits would be received by granting MUPTE to developers; noted the additional benefit from use of green building standards; discussed possible future reforms to

the MUPTE program; stated the requirement for using 50 percent local labor and targeting Minority-owned, Woman-owned, or Emerging Small Business (MWESB) contractors is a good start, but more could be done; discussed decisions which led to the independent review requirement; noted he has not voted for a MUPTE since reforms, but is satisfied there is public benefit here; asked about setback requirements and bike parking in the right-of-way instead of project site.

- Councilor Evans – asked how the City will hold developers accountable to working with MWESB; asked if developers can submit a history of tangible projects in the past in which they were inclusive of MWESB contractors; expressed hope that as much money as possible will stay in the local economy.
- Councilor Yeh – noted she understands the limitations in requiring vs recommending use of certain contractors but would also like to see data which supports developers’ use of MWESB contractors.
- Councilor Groves – stated he is satisfied with the process and appreciates Council’s questions and staff’s responses today; said he understands this project is unlikely to proceed without being granted MUPTE, and while this is an important tool for developers, it should never be a ‘rubber stamp’ as each case must be vetted in a detailed way.
- Councilor Zelenka – expressed support for this substantial investment in the downtown area; noted it is a relatively small investment by the City to create 381 new units; discussed the positive impacts of using prevailing wages and MWESB contractors; however, believes there should be clawback options if those goals are not met.
- Councilor Evans – stated the need to revisit a phasing approach to such tax exemptions versus having a full 10-year exemption period, such as 5-7 year exemption tiers; proposed a work session on phasing MUPTE with shorter exemption periods and built-in criteria that incentivize developers to use shorter terms.
- Councilor Zelenka – stated his support for a work session on reviewing MUPTE reforms, their efficacy and where adjustments or enhancements may be needed.
- Mayor Vinis – recognized the council’s collective desire to have another work session on MUPTE reforms.

**MOTION AND VOTE:** Councilor Syrett, seconded by Councilor Zelenka, moved to adopt a Resolution Approving a Multiple-Unit Property Tax Exemption For Residential Property Located on Lot 2 and Lot 3 of the Town Run Plat in Eugene, Oregon (Assessor’s Map 17-03-32-22, Tax Lots 1800 and 1900) (Applicant Eugene Riverfront District LLC) approving a multiple-unit property tax exemption for Parcel 3BC. **PASSED 7:0**

**MOTION AND VOTE:** Councilor Syrett, seconded by Councilor Zelenka, moved to adopt a Resolution Approving a Multiple-Unit Property Tax Exemption For Residential Property Located on Lot 9 of the Town Run Plat in Eugene, Oregon (Assessor’s Map 17-03-32-22, Tax Lot 2500) (Applicant Eugene Riverfront District LLC) approving a multiple-unit property tax exemption for Parcel 7. **PASSED 7:0**

**MOTION AND VOTE:** Councilor Syrett, seconded by Councilor Zelenka, moved to adopt a Resolution Approving a Multiple-Unit Property Tax Exemption For Residential Property Located on Lot 12 of the Town Run Plat in Eugene, Oregon (Assessor's Map 17-03-32-22, Tax Lot 02800) (Applicant Eugene Riverfront District LLC) approving a multiple-unit property tax exemption for Parcel 9.  
**PASSED 7:0**

## 2. **WORK SESSION: Middle Housing Code Update**

Principal Planner Terri Harding presented on Middle Housing Code Amendments that will be coming to the City Council for public hearing and action after the Council's spring break. The work session included an overview of the public outreach and Planning Commission review process, which resulted in a unanimous recommendation for Council to adopt a package of land use and plan amendments which both implement state law and respond to public outreach.

### Council Discussion

- Councilor Semple – thanked staff for the presentation and update; noted code updates have to be signed by end of May in order to make the June deadline, which is 10 weeks away; stated the code suggestions from the Planning Commission are based off of the model code and not the minimum code, and she would prefer to start with minimum code and have a chart referencing minimum code versus model code versus Planning Commission suggestions; asked if there has been any statistical analysis on public outreach performed to date, as she is hearing many are unaware of these recommendations and, if people are caught off guard by them, they may be shocked and push back enormously; asked for clarification on the update to allowable height of buildings; stated she believes the Planning Commission has gotten overzealous with recommendations; stated the state has given a broad set of changes to implement and it would be better to start there and revisit after a year with enhancements; stated these are good ideas but the City must first start at the base and see where Eugene wants to go from there.
- Councilor Groves – thanked staff and the Planning Commission for their presentation and hard work; stated this is not an easy issue and many are emotional on both sides of it, and there remains much misunderstanding; asked how House Bill 2003 interfaces/integrates with House Bill 2001; stated his preferred approach to first seek middle ground wherever possible, though he does like the idea of starting with the minimum code changes and adding enhancements to it over time; noted there is much concern over this issue and he would like to better understand the consequences for these decisions before proceeding fully.
- Councilor Zelenka – asked for additional information from staff, including 1) detail of incremental changes from existing codes and standards, 2) further information on the '¼ mile from transit quarter' incentives and 3) additional detail on the Willamette greenway issue; expressed concerns with misinformation around protections reportedly missing from new code, yet they are only absent because they already exist in current code.
- Councilor Yeh – expressed appreciation for the charts and information provided by staff; agreed potential code amendments will not solve middle housing crisis; noted many in the community seem confused with conflicting information streaming from

multiple sources; asked staff for a plan to get accurate, usable information to the community as to allow for more informed feedback; asked staff to consider additional outreach beyond online and social media platforms; asked for clarification of the primary differences between parent and child lots.

- Councilor Clark – asked if there is time to get staff responses to detailed questions before a decision is required; discussed goals of code recommendations and engagement and involvement and engaging public broadly; stated a better informed public generally leads to less conflict as it is difficult to pass along misinformation to the already informed; stated he would like to see further public engagement and an analysis from the Department of Land Conservation and Development.
- Councilor Syrett – thanked staff and the Planning Commission for the presentation and their work; stated she is satisfied with the recommendations of the Planning Commission as the City should strive for more than the minimum standard; discussed concerns with misinformation to the public; noted that Eugene’s community outreach is more robust than any other community in Oregon currently being required to make these changes; stated that more information is always good; however, some members of community are determined to be in conflict over this.
- Mayor Vinis – discussed complaints by some in the community that minimum code standards do not address affordable housing, therefore the Planning Commission has tailored its recommendations to do so; stated she understands the frustration of those who, despite robust coverage of this topic, have yet to receive no or bad information; discussed incremental development approaches.
- Councilor Semple – clarified additions to the height maximum allowances in parent lot versus child lot; expressed concerns over displacement of older housing in favor of newer multi-family housing; expressed concerned about state Measure 49 and waivers; stated it is great that outreach has been more expansive than other communities, but there will still be issues if not all who need the information receive it; asked for a detailed overview of the minimum code, model code from the state, recommendations from the Planning Commission, and external suggestions.
- Councilor Zelenka – clarified his previous request to staff for additional information; advocated for the City to have a more customized approach to code changes which consider specific circumstances and on-the-ground impact for individual neighborhoods.

The meeting was adjourned at 1:31 p.m.

Respectfully submitted,



Brooke Freed  
City Recorder AIC

*(Recorded by Jay Ferris)*

Webcast of meeting available [here](#).