



**Eugene City Council**

125 E. 8th Ave., 2nd Floor  
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541-682-5010 • 541-682-5414 Fax  
[www.eugene-or.gov](http://www.eugene-or.gov)

# ***AMENDED AGENDA***

## **EUGENE CITY COUNCIL**

**May 26, 2020**

**7:30 p.m. CITY COUNCIL MEETING**

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, this meeting will be held remotely using virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

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**Meeting of May 26, 2020;  
Her Honor Mayor Lucy Vinis Presiding**

**Councilors**

Emily Semple, President  
Mike Clark  
Chris Pryor  
Betty Taylor

Jennifer Yeh, Vice President  
Greg Evans  
Claire Syrett  
Alan Zelenka

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*Note: This amended agenda reflects an updated title for Item 8.*

**7:30 p.m. CITY COUNCIL MEETING**

- 1. PLEDGE OF ALLEGIANCE TO THE FLAG**
- 2. COMMITTEE REPORTS AND ITEMS OF INTEREST**
- 3. CONSENT CALENDAR I**
  - A. Approval of City Council Minutes**
    - April 29, 2020, Work Session
    - May 11, 2020, Work Session
    - May 11, 2020, Meeting
  - B. Approval of City Council Tentative Agenda**
- 4. PUBLIC FORUM**
- 5. ACTION: Resolution Authorizing Financing of Projects Described in the Riverfront Urban Renewal District Plan**

- 6. ACTION: Ordinance Concerning Multiple-Unit Property Tax Exemptions and Amending Sections 2.946 and 2.947 of the Eugene Code, 1971 (Ordinance to Incorporate State Updates to MUPTE's Green Building and Construction Deadline Provisions)**
- 7. ACTION: Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971; and Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028.**
- 8. ACTION: A Resolution Opposing All Forms of Anti-Asian Sentiment as Related to COVID-19 and Declaring May as Asian and Pacific Islander American Heritage Month**

***Adjourn.***

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The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

For more information, contact the Council Coordinator at 541-682-5010,  
or visit us online at [www.eugene-or.gov](http://www.eugene-or.gov).

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Approval of City Council Minutes

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Meeting Date: May 26, 2020  
Department: Central Services  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 3A  
Staff Contact: Beth Forrest  
Contact Telephone Number: 541-682-5882

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### ISSUE STATEMENT

This is a routine item to approve City Council minutes.

### SUGGESTED MOTION

Move to approve the minutes for the work sessions on April 29, and May 11; and the meeting on May 11.

### ATTACHMENTS

- A. April 29, 2020, Work Session Minutes
- B. May 11, 2020, Work Session Minutes
- C. May 11, 2020, Meeting Minutes

### FOR MORE INFORMATION

Staff Contact: Beth Forrest  
Telephone: 541-682-5882  
Staff E-Mail: [bforrest@eugene-or.gov](mailto:bforrest@eugene-or.gov)

## MINUTES

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

April 29, 2020  
12:00 p.m.

**Councilors Present:** Betty Taylor, Emily Semple, Alan Zelenka, Jennifer Yeh, Claire Syrett, Chris Pryor, Greg Evans

**Councilors Absent:** Mike Clark

Mayor Vinis opened the April 29, 2020, work session of the Eugene City Council.

#### 1. **WORK SESSION: COVID-19 Update**

Karen Gaffney, Lane County Incident Commander, and Dr. Patrick Luedtke, Lane County Public Health Officer, spoke about flattening the curve, contact tracing, testing capacity, isolation and quarantine, and data gathering.

##### Council Discussion:

- Councilor Zelenka – asked questions about Sweden’s test and herd immunity.
- Councilor Syrett – thanked the presenters; inquired about Lane County’s role in expanding testing; asked if Dr. Luedtke could share his response to the California emergency room doctors’ interview/video.

#### 2. **Applicant Statement for Budget Committee and Planning Commission**

The applicant was not able to join the meeting to give her statements.

#### 3. **WORK SESSION: State Update – Governor’s Framework**

**Sarah Means, Regional Solutions Coordinator in Governor Brown’s office, presented the Governor’s public health framework for reopening Oregon.**

##### Council Discussion:

- Councilor Syrett – thanked Ms. Means for the thorough presentation; inquired what is meant by the term “at-risk health care workers”; asked where the Governor’s team will be setting up sentinel surveillance sites and who within the community the team will be engaging with to determine those sites; inquired how a county goes about formally requesting to begin to reopen; asked when personal services businesses might reopen; stated she hopes the Governor is considering the interplay between reopening an industry and understanding those in the industry will have safety concerns; stated she is very supportive of coordinating with other states for reopening.
- Mayor Vinis – shared that she meets with groups of business owners (restaurants, breweries and downtown retailers) in Eugene; asked if businesses had a way they could review and give feedback on the Governor’s reopening plan.
- Councilor Zelenka – expressed thanks to Ms. Means for the presentation; asked if Lane County had made it to “day 1” of declining symptomatic cases.

Councilor Syrett suggested Boards and Commissions applicant could record her statements for the Budget Committee and Planning Commission and submit them to Council; staff responded they would follow-up with the applicant to arrange this.

The meeting adjourned at 1:10 p.m.

Respectfully submitted,

Beth Forrest  
City Recorder

*(Recorded by Jessica Gebb)*

Link to the webcast of this City Council meeting [here](#).

## MINUTES

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

May 11, 2020  
5:30 p.m.

**Councilors Present:** Betty Taylor, Emily Semple, Alan Zelenka, Jennifer Yeh, Mike Clark, Claire Syrett, Chris Pryor, Greg Evans

Mayor Vinis opened the May 11, 2020, work session of the Eugene City Council.

#### 1. WORK SESSION: COVID-19 Update - Recovery

City Manager Pro Tem Sarah Medary, Planning and Development Director Denny Braud, and Planning and Development staff Allison Camp and Amy Bradbury provided an update on the COVID-19 recovery situation, including longer-term community recovery roles, responsibilities, and planning process.

##### Council Discussion:

- Mayor Vinis – thanked staff; spoke about the positive impacts of keeping the permitting office running for the benefit of construction.
- Councilor Clark – expressed appreciation to staff; asked about concerns about a second wave of infections; spoke about flattening the curve, the health care system, long-term consequences of the shutdown on the economy and other long-lasting impacts.
- Councilor Syrett – talked about the goals of the City prior to the pandemic and moving forward with those goals; spoke of creative permitting to accommodate business reopening; asked about mask wearing requirements and the authority of the City to require them.
- Councilor Clark – expressed appreciation to staff for their recovery efforts; talked about creating a framework to reopen businesses quickly in order to mitigate the long-term consequences; spoke about reopening based on facts and data rather than on fear of the unknown in order to lessen the impacts to the economy; talked about the lower risk of infection locally in comparison to other locations.
- Mayor Vinis – spoke about the anxiety and concerns of constituents.
- Councilor Zelenka- expressed concerns about a possible second round of COVID-19 and about people not abiding by social distancing rules after reopening; discussed the reopening phases; asked about face masks how enforcement could occur.
- Councilor Pryor – spoke about the issues associated with the enforcement of face mask regulations.
- Councilor Syrett – encouraged mask wearing in indoor locations but not mandating them; talked about untested, unreported, and asymptomatic cases of COVID19 in the area.
- Councilor Clark – spoke about the number of people tested and not tested; opposed extension of the emergency declaration and encouraged more testing capability.

**MOTION AND VOTE:** Councilor Semple, seconded by Councilor Yeh, moved to support the City Manager Pro Tem in extending the City's Emergency Declaration by an additional two weeks. **PASSED: 7:1, Councilor Clark opposed.**

## **2. WORK SESSION: Review of 2019 Implementation of Bond Measure to Fix Streets and 2020 Pavement Management Report**

Principle Civil Engineer Katie Marwitz presented the 2019 Implementation of Bond Measure to Fix Streets and 2020 Pavement Management Report, including information about 2019 projects, and projected 2020 construction projects.

### Council Discussion:

- Councilor Clark – thanked staff; asked hypothetically about the rate at which local streets deteriorate compared to other city's streets; talked about the downgrading of the street congestion classification and the impacts of that decision.
- Councilor Pryor – discussed the backlog and yearly maintenance issues; spoke about the use of bond monies.
- Councilor Zelenka – talked about the road bond fund and the transparency of its use; thanked the committee and staff for the work being done; spoke about impacts of heavy truck usage on residential streets; desired more projects being completed on an accelerated schedule.
- Councilor Semple – expressed thanks about the use of warm mix asphalt for sustainability; asked about bicycle projects.
- Councilor Clark – discussed the need to fund road construction and yearly maintenance; asked how Eugene's usage of roads and funds needed for maintenance compares to other cities.
- Councilor Zelenka – spoke about capital and maintenance funds used for addressing backlog issues; asked about the use of concrete versus asphalt on projects
- Councilor Pryor – talked about other local cities with the same backlog issues.

The meeting adjourned at 7:04 p.m.

Respectfully submitted,

Beth Forrest  
City Recorder

*(Recorded by Carolyn Dimick-Kronberger)*

Link to the webcast of this City Council meeting [here](#).

## MINUTES

### Eugene City Council Virtual Meeting Eugene, Oregon 97401

May 11, 2020  
7:30 p.m.

**Councilors Present:** Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett, Chris Pryor

Mayor Vinis opened the May 11, 2020, meeting of the Eugene City Council in a virtual format.

#### 1. COMMITTEE REPORTS AND ITEMS OF INTEREST

##### Council Discussion

- Councilor Evans – informed council that action on the proposed resolution declaring May as Asian Pacific American Month would be postponed until May 26 so that additional edits to the resolution language could be incorporated.
- Councilor Semple – expressed concern about the pace and availability of Covid-19 testing; asked about the City’s exit strategy for homeless camps.
- Mayor Vinis – read aloud the “May 2020 is Still Bike Month” Proclamation.

#### 2. CONSENT CALENDAR 1

- A. Approval of City Council Minutes
  - April 22, 2020, Work Session
  - April 27, 2020, Work Session
  - April 27, 2020, Meeting
- B. Approval of City Council Tentative Agenda
- C. Ratification of FY21 Metropolitan Wastewater Management Commission (MWMC) Regional Wastewater Program Budget and Capital Improvements Program

**MOTION AND VOTE:** Councilor Semple, seconded by Councilor Yeh, moved to approve the items on the Consent Calendar 1. **PASSED 8:0.**

#### 3. PUBLIC FORUM

- 1. Joshua Korn – requested a moratorium on all new 5G-related infrastructure.
- 2. JoJo Jensen – supported immediate implementation of sensible short-term rental regulations.
- 3. Dan Bryant – encouraged extension of the Low-Income Rental Housing Property Tax Exemption.
- 4. Thomas Hiura – spoke about censorship of political candidates.
- 5. Tim Kovash – voiced concern about the lack of collaboration on the STR ad hoc committee.
- 6. Bruce Sisson – asked council to consider the results of a public survey on STRs showing support.
- 7. Lin Woodrich – outlined projects and other initiatives currently underway in the Bethel area.
- 8. Kathryn Dunn – requested a pause on activity and reconfiguration of the STR committee.
- 9. Valerie Harris – said the outcome of the STR committee process is disappointing; no consensus.
- 10. Chelsea Swift – spoke about the effects of re-opening local commerce and shelter issues.
- 11. Kris McAlister – thanked all involved in shelter-in-place coordination; requested more facilities.
- 12. Kristina Lang – opposed any new regulations on short-term rentals.
- 13. John Barofsky – expressed appreciation for staff and volunteers associated with the Street Bond.



### Council Discussion

- Councilor Clark – supported those who advocated a reconstitution of the STR Ad Hoc Committee; agreed with the testimony of Dan Bryant.
- Councilor Evans – acknowledged the many good things and positive momentum happening in the Bethel area.
- Councilor Taylor – voiced support for immediate council action on STR regulations.

City Manager Pro Tem Medary briefed council on the status of and plans for the short-term rental issue.

The meeting adjourned at 8:25 p.m.

Respectfully submitted,

Beth Forrest  
City Recorder

Link to the webcast of this City Council meeting [here](#).

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Approval of Tentative Working Agenda

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Meeting Date: May 26, 2020  
Department: City Manager's Office  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 3B  
Staff Contact: Beth Forrest  
Contact Telephone Number: 541-682-5882

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### ISSUE STATEMENT

This is a routine item to approve the City Council Tentative Working Agenda.

### BACKGROUND

On July 31, 2000, the City Council held a process session and discussed the Operating Agreements. Section 2 notes, in part, that "The City Manager shall recommend monthly to the council which items should be placed on the council agenda. This recommendation shall be placed on the consent calendar at the regular City Council meetings (regular meetings are those meetings held on the second and fourth Monday of each month in the Council Chamber). If the recommendation contained in the consent calendar is approved, the items shall be brought before the council on a future agenda. If there are concerns about an item, the item may be pulled from the consent calendar at the request of any councilor or the Mayor. A vote shall occur to determine if the item should be included as future council business." Scheduling of this item is in accordance with the Council Operating Agreements.

### RELATED CITY POLICIES

There are no policy issues related to this item.

### COUNCIL OPTIONS

The council may choose to approve, amend or not approve the tentative agenda.

### CITY MANAGER'S RECOMMENDATION

The City Manager has no recommendation on this item.

### SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

**ATTACHMENTS**

A. Tentative Working Agenda

**FOR MORE INFORMATION**

Staff Contact: Beth Forrest

Telephone: 541-682-5882

Staff E-Mail: [bforrest@eugene-or.gov](mailto:bforrest@eugene-or.gov)















# City Council Tentative Agenda

Updated May 19, 2020

**\*\* SPECIAL NOTICE \*\***

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, all City Council meetings will be held remotely, using virtual meeting technology. Information about how to access these meetings will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>.

May 2020						
Date	Day	Time	Title		Length	Dept. Contact
20-May	Wednesday	12 pm		Resolution Adopting Supplemental Budget 2 (Action)	60 mins	Elizabeth Butterfield, CS
				URA-Resolution Adopting Supplemental Budget 2 (Action)		Elizabeth Butterfield, CS
				Short-Term Rentals (Work Session)		Lydia Kaye, PDD
				CAP 2.0 Update (Work Session)		30 mins
Expected absences for 5/20: none						
20-May	Wednesday	5:30 pm		Budget Committee (Meeting)		Elizabeth Butterfield, CS
Expected absences for 5/20: none						
		5:30 p.m.		URA- Downtown Riverfront Development WDA Terms (Work Session and Action)	45 mins	Michael Kinnison, PDD
				TBD (Work Session)	45 mins	
26-May	Tuesday	7:30 pm		Pledge of Allegiance to the Flag		Twylla Miller, CS
				Committee Reports and Items of Interest		
				Public Forum		
				Res. Authorizing City Borrowing for Riverfront Development Proj. (Action)		
				Ord. to Incorporate State Updates to MUPTE's Green Building and Construction Deadline Provisions (Action)		



Work Session



Action



Public Hearing



Public Forum



Consent Calendar



Committee Reports/Items of Interest






CC Agenda Page 10


























Capital Matters



















Pledge of Allegiance

			 Ord. on Low-Income Rental Housing Property Tax Exemption and Res. Adopting Amended Standards and Guidelines for Processing LIRHPTE Applications (Action)		Ellen Meyi-Galloway, PDD
			 Resolution Declaring May as Asian Pacific American Month (Action)		
Expected absences for 5/26: none					
27-May	Wednesday	12 pm	 Town Square Update (Work Session)	45 mins	Will Dowdy, PDD
			 TBD Work Session)	45 mins	
Expected absences for 5/27: none					
27-May	Wednesday	5:30 pm	 Budget Committee (Meeting)		Elizabeth Butterfield, CS
Expected absences for 5/27: none				** BUDGET COMMITTEE MEETING **	

June 2020						
Date	Day	Time	Title		Length	Dept. Contact
8-Jun	Monday	5:30 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
		7:30 pm	 Pledge of Allegiance to the Flag			
 Committee Reports and Items of Interest						
 Public Forum						
 Appointment to Boards and Commissions (Action)						
Expected absences for 6/08: none						
10-Jun	Wednesday	12 pm	 STAR Voting (Work Session)	45 mins	Brooke Freed, CS	
			 TBD (Work Session)	45 mins		
Expected absences for 6/10: none						
15-Jun	Monday	5:30 pm <i>(schedule as needed)</i>	 TBD (Work Session)	45 mins		
			 TBD (Work Session)			
		7:30 pm	 E-Scooters/Micromobility Ordinances (Public Hearing)		Rob Inerfeld, PW	


















			 Ordinance Lowering Speeds on Residential Streets (Public Hearing)		Chris Henry, PW
<i>Expected absences for 6/15: none</i>					
17-Jun	Wednesday	12 pm	 CAP 2.0 Update (Work Session)	30 mins	Chelsea Clinton, CS
			 TBD (Work Session)	60 mins	
<i>Expected absences for 6/17: none</i>					
22-Jun	Monday	5:30 p.m.	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
		7:30 pm	 Committee Reports and Items of Interest		
			 Public Forum		
			 FY20 Supplemental Budget (Public Hearing and Action)		Vicki Silvers, CS
			 FY21 Budget Adoption (Public Hearing and Action)		Vicki Silvers, CS
			 FY21 URA Budget Adoption (Public Hearing and Action)		Vicki Silvers, CS
<i>Expected absences for 6/22: none</i>					
24-Jun	Wednesday	12 pm	 Wild Turkey Population Management (Work Session)	45 mins	Rachell Nicholas, PDD
			 Natural Hazards Mitigation Plan (Work Session and Action)	45 mins	Kevin Holman, CS
<i>Expected absences for 6/24: none</i>					

July 2020					
Date	Day	Time	Title	Length	Dept. Contact
8-Jul	Wednesday	12 pm	 CAP 2.0 Update (Work Session)	90 mins	Chelsea Clinton, CS
<i>Expected absences for 7-8: none</i>					
13-Jul	Monday	5:30 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
		7:30 pm	 Pledge of Allegiance to the Flag		
			 Committee Reports and Items of Interest		

			 Public Forum		
<i>Expected absences for 7/13: none</i>					
15-Jul	Wednesday	12 pm	 CAP 2.0 Update (Work Session)	30 mins	Chelsea Clinton, CS
			 Public Forum Changes – Check -In (Work Session)	60 mins	Beth Forrest, CS
<i>Expected absences for 7/15: none</i>					
20-Jul	Monday	5:30 pm ( <i>schedule as needed</i> )	 TBD (Work Session)	45 mins	
			 TBD (Work Session)		
		7:30 pm	 TBD (Public Hearing)		
<i>Expected absences for 7/20: none</i>					
22-Jul	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
<i>Expected absences for 7/22: none</i>					
27-Jul	Monday	5:30 p.m.	 CAP 2.0 Update (Work Session)	45 mins	Chelsea Clinton, CS
			 TBD (Work Session)	45 mins	
		7:30 pm	 Committee Reports and Items of Interest		
			 Public Forum		
<i>Expected absences for 7/27: none</i>					
29-Jul	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
<i>Expected absences for 7/29: none</i>					

### Council Break: July 30 – September 9

September 2020					
Date	Day	Time	Title	Length	Dept. Contact
9-Sep	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
<i>Expected absences for 9-9: none</i>					

14-Sep	Monday	5:30 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
		7:30 pm	 Committee Reports and Items of Interest   Public Forum		
Expected absences for 9-14: none					
16-Sep	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
Expected absences for 9-16: none					
21-Sep	Monday	5:30 pm <i>(schedule as needed)</i>	 TBD (Work Session)	45 mins	
			 TBD (Work Session)		
		7:30 pm	 Ordinance on Digital Sign Code (Public Hearing)		
Expected absences for 9-21: none					
23-Sep	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
Expected absences for 9-23: none					
28-Sep	Monday	5:30 p.m.	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
		7:30 pm	 Committee Reports and Items of Interest   Public Forum		
Expected absences for 9-28: none					
30-Sep	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
Expected absences for 9-30: none					





Work Session



Action



Public Hearing



Public Forum



Consent Calendar



Committee Reports/Items of Interest



Ceremonial Matters



Pledge of Allegiance

Approved Work Session Polls to be Scheduled	Councilor	Date Approved
Update Sign Code for Digital Display Technology – <i>follow-up TBD</i>	Pryor	2/14/19
5G/Small Cell – include experience of other cities – <i>follow-up TBD</i>	Clark	5/20/19
Strategies for managing the wild turkey population – <i>scheduled 6/24/20</i>	Pryor	10/17/19
E-Scooters – <i>public hearing scheduled 6/15/20</i>	Evans	11/14/19
Extension of Downtown Urban Renewal District	Evans	12/19/19
STAR Voting – <i>scheduled 6/10/20</i>	Evans	12/26/19
“Housing Status” as a Protected Class	Semple	03/12/20
Flexible Emergency Loan Fund for Small Businesses	Evans	04/23/20
Follow-Up Work Sessions to be Scheduled		
TAC Implementation		
Commercial Setbacks		
Naming Policy		

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Public Forum

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Meeting Date: May 26, 2020  
Department: Central Services  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 4  
Staff Contact: Beth Forrest  
Contact Telephone Number: 541-682-5882

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### ISSUE STATEMENT

This segment allows citizens the opportunity to express opinions and provide information to the council. Testimony presented during the Public Forum should be on city-related issues and should not address items which have already been heard by a Hearings Official or are on the present agenda as a public hearing item.

### SUGGESTED MOTION

No action is required; this is an informational item only.

### FOR MORE INFORMATION

Staff Contact: Beth Forrest  
Telephone: 541-682-5882  
Staff E-Mail: [bforrest@eugene-or.gov](mailto:bforrest@eugene-or.gov)

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Action: Resolution Authorizing Financing of Projects Described In the Riverfront Urban Renewal District Plan

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Meeting Date: May 26, 2020  
Department: Central Services  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 5  
Staff Contact: Twylla Miler  
Contact Telephone Number: 541-682-8417

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### ISSUE STATEMENT

Council is asked to approve a resolution authorizing borrowing for Phase 1 of the Downtown Riverfront infrastructure project.

### BACKGROUND

The City Council and Urban Renewal Agency Board have been working on the Downtown Riverfront redevelopment project for several years. On May 18, Council approved a supplemental budget that will allow Phase 1 of the infrastructure portion of the redevelopment project to move forward this coming spring and summer. The infrastructure is needed to provide connection for the public to use the new Riverfront Park. The Urban Renewal Agency Board approved a companion supplemental budget for the Urban Renewal Agency that also included appropriations for that project.

The total project is estimated to cost \$13.5 million, based on construction bids that were received on April 9. The funding plan for the Downtown Riverfront infrastructure project includes several pieces, one of which is the issuance of \$12 million of bonds that will be repaid from future tax increment revenues in the Riverfront Urban Renewal District.

The City Manager Pro Tem and Agency Director Pro Tem will sign an Intergovernmental Agreement ("IGA") that sets out the terms of the construction and financing of the Phase 1 infrastructure. In the IGA, the Agency will agree to provide the City with tax increment revenues, as available, to pay the principal, interest and other costs of the City borrowing. If tax increment revenues are insufficient, the Agency will use proceeds from the sale of one or more of the lots in the redevelopment site to provide the City with the funds to repay the borrowing.

The attached resolution will allow the City Manager to set the terms and conditions of the borrowing. Staff is currently working with a financial advisor and bond counsel to structure the lowest cost financing. It might be necessary to use some of the \$12 million authorization to pay for a portion of the park, rather than for some of the infrastructure project costs, in order to access tax-exempt financing for the whole borrowing. If this occurs, the park and infrastructure projects

May 26, 2020 Meeting – Item 5

would essentially swap a portion of cash funding and bond funding. The resolution delegates this decision to the City Manager.

Additionally, in consultation with the City's financial advisor and bond counsel, staff will structure the borrowing in a way that will help mitigate the risks from any future shortfall in tax increment revenues by lengthening the repayment term. This will allow more time for property sales to be completed, if needed, to help repay the borrowing.

### **PREVIOUS COUNCIL/AGENCY BOARD DIRECTION**

#### [April 27, 2020, City Council and Agency Board Meetings](#)

The City Council and Agency Board held public hearings on a supplemental budget for moving the infrastructure project forward. That supplemental budget included issuance of \$12 million of City of Eugene full faith and credit bonds.

#### [May 13, 2020, City Council Work Session](#)

Council received additional information about the supplemental budget and had the opportunity to ask questions.

#### [May 18, 2020, City Council and Agency Board Work Sessions](#)

Council and Agency Board approved supplemental budgets that would allow for construction of Phase 1 of the Downtown Riverfront infrastructure project to begin. One of the items included in the City's supplemental budget was the issuance of \$12 million of City of Eugene full faith and credit bonds.

### **COUNCIL OPTIONS**

Council can adopt or not adopt the borrowing resolution. If the borrowing resolution is not approved, Council will need to approve another mechanism for ensuring sufficient cash is available for the Urban Renewal Agency to proceed with the Downtown Riverfront Phase 1 infrastructure project that was approved through supplemental budget on May 18, 2020.

### **CITY MANAGER'S RECOMMENDATION**

The City Manager Pro Tem recommends adopting the resolution.

### **RECOMMENDED MOTION**

Move to adopt a Resolution Authorizing Financing of Projects Described in the Riverfront Urban Renewal District Plan.

### **ATTACHMENTS**

A. Resolution

**FOR MORE INFORMATION**

Staff Contact: Twylla Miller

Telephone: 541-682-8417

Staff E-Mail: [TMiller@eugene-or.gov](mailto:TMiller@eugene-or.gov)

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING FINANCING OF PROJECTS DESCRIBED IN THE RIVERFRONT URBAN RENEWAL DISTRICT PLAN.**

**The City Council of the City of Eugene finds as follows:**

**A.** City of Eugene (the “City”) is authorized by Oregon Revised Statutes Section 271.390 to enter into financing agreements to finance real or personal property which the City Council determines is needed so long as the estimated weighted average life of the financing agreements does not exceed the estimated dollar weighted average life of the projects financed by such financing agreements.

**B.** The City desires to enter into a borrowing to finance projects described in the Riverfront Urban Renewal District Plan, as amended March 10, 2004, by Ordinance No. 20313 (the “Projects”).

**C.** The Urban Renewal Agency of the City of Eugene (the “Agency”) is expected to enter into an intergovernmental agreement (the “IGA”) with the City to commit to use revenues of the Agency, to the extent available, to make debt service payments on the City’s borrowing.

**D.** The City or the Agency may incur expenditures (the “Expenditures”) to pay costs of the Projects prior to the issuance of the financing agreement and the City wishes to declare its official intent to reimburse itself or the Agency for any Expenditures the City or the Agency may make from its own funds on the Projects from the proceeds of the financing agreement, the interest on which may be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”).

**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.** **Determination of Need.** The City Council hereby determines that the Projects are needed.

**Section 2.** **Financing Agreement Authorized for Projects.** The City is hereby authorized to enter into to one or more financing agreements (the “Financing Agreements”) in an aggregate principal amount of not to exceed \$12,000,000 to finance the Projects and to pay costs related to issuing the Financing Agreements. The Financing Agreements shall be issued pursuant to ORS 271.390, the relevant provisions of ORS Chapter 287A and as provided in this resolution.

**Section 3.** **Delegation.** The City Manager or the designee of the City Manager (each of whom is referred to herein as a “City Official”) is hereby authorized, on behalf of the City and without further action by the City Council, to:

(a) Negotiate, execute and deliver one or more Financing Agreements. Subject to the limitations of this Resolution, the Financing Agreements may be in such form and contain such terms as the City Official may approve;

(b) Determine the final principal amount, interest rates, payment dates, prepayment rights and all other terms of the financings;

(c) Negotiate, execute and deliver one or more notes to evidence amounts due under the Financing Agreements;

(d) Select one or more commercial banks or other lenders with which to negotiate, execute and deliver the Financing Agreements;

(e) Enter into additional covenants for the benefit of the purchasers of the Financing Agreements that the City Official determines are desirable to obtain more favorable terms for the Financing Agreements, including pledging amounts the City receives under the IGA to pay the amounts due from the City under the Financing Agreements;

(f) Engage the services of municipal advisors, bond counsel, and any other professionals whose services are desirable for the financings;

(g) Issue the Financing Agreements with interest that is taxable or tax-exempt under the Internal Revenue Code of 1986, as amended; and

(h) Execute and deliver any other certificates or documents and take any other actions which the City Official determines are desirable to carry out this resolution.

**Section 4.**     **Security.** Pursuant to ORS 287A.315, the City Official may pledge the City's full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay the amounts due under the Financing Agreements. The City is not authorized to levy additional taxes to pay the amounts due under the Financing Agreements.

**Section 5.**     **Reimbursement Declaration.** The City hereby declares its official intent to reimburse its or the Agency's Expenditures with the proceeds of the Financing Agreements pursuant to United States Treasury Regulation 1.150-2.

**Section 6.**     **Effective Date.** This resolution is effective immediately upon adoption.

**The foregoing Resolution adopted the 26th day of May, 2020.**

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**City Recorder**

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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Action: An Ordinance Concerning Multiple-Unit Property Tax Exemptions and  
Amending Sections 2.946 and 2.947 of the Eugene Code, 1971  
(Ordinance to Incorporate State Updates to MUPTE's Green Building and  
Construction Deadline Provisions)

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Meeting Date: May 26, 2020  
Department: Planning & Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 6  
Staff Contact: Amanda D'Souza  
Contact Telephone Number: 541-682-5540

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## ISSUE STATEMENT

Council is asked to adopt an ordinance that updates the Multi-Unit Property Tax Exemption (MUPTE) program to incorporate changes made by the State of Oregon (see Attachment A for the ordinance). The proposed changes include a) extension of the construction deadline, b) update of the special energy code referenced in the green building requirements, and c) removal of an obsolete pathway for meeting the green building requirements.

## BACKGROUND

MUPTE is an incentive program to encourage high-quality, multi-unit downtown housing especially in areas well served by public transit. Both rental housing and multi-unit housing for home ownership are eligible; student housing is ineligible. Enabled by state law, the program provides a 10-year property tax exemption on qualified new multi-unit housing investments that occur within a specific, targeted area, that meet program requirements, and that are reviewed and approved by City Council. In 2015, after a two-and-a-half-year review, Council revised the MUPTE program criteria, process, and boundary (see Attachment B for a summary of program changes).

### *Construction Deadline*

The Eugene Code currently states that in order for a project to receive the 10-year tax exemption, construction must be completed by January 1, 2022, which was aligned with state statutes. Last year, the Oregon Senate passed Senate Bill 262 that extended the date by 10 years. The proposed ordinance extends the construction date from January 1, 2022, to January 1, 2032, to match last year's legislation.

### *Green Building Update*

As part of the 2015 revisions to the MUPTE program, projects must demonstrate several public benefits, including Green Building Features. To comply with this requirement, approved projects must perform at least 10% more efficiently than the energy code adopted by the State of Oregon. The MUPTE ordinance and administrative rules specifically reference the energy code that was in

May 26, 2020 Meeting – Item 6



place at the time (in 2015). The proposed ordinance updates the specialty energy code referenced to match the new standard energy code adopted by the State of Oregon (Oregon Zero Energy Ready Commercial Code, OZERCC) last year. This ensures that future MUPTE projects will need to perform 10% better than the current specialty energy code.

The MUPTE program outlines several pathways that projects can utilize to meet the Green Building Features public benefit. One of the pathways identified in the 2015 program update, obtaining NW Energy Star certification, is no longer offered by Eugene Water and Electric Board. The proposed ordinance removes this as one of the pathways available to projects.

Council held a public hearing on the ordinance on May 18. No public testimony was given.

#### *Next Steps*

If the ordinance is approved, staff will initiate an update of the program's administrative rules to reflect the changes.

### **PREVIOUS COUNCIL DIRECTION**

#### [July 13, 2015 Work Session](#)

Council approved the ordinance amending and reinstating the Multi-Unit Property Tax Exemption program.

#### [September 26, 2011 Meeting](#)

Council approved the ordinance extending the construction deadline for MUPTE projects from January 1, 2012 to January 1, 2022.

### **COUNCIL OPTIONS**

1. Adopt the proposed ordinance in Attachment A updating the Multi-Unit Property Tax Exemption program to incorporate changes made by the State of Oregon related to the program's construction deadline and green building provisions.
2. Request modifications to proposed ordinance in Attachment A updating the Multi-Unit Property Tax Exemption program to incorporate changes made by the State of Oregon related to the program's construction deadline and green building provisions.
3. Do not adopt the proposed ordinance in Attachment A.

### **CITY MANAGER'S RECOMMENDATION**

The City Manager recommends adoption of the proposed ordinance in Attachment A updating the Multi-Unit Property Tax Exemption program to incorporate changes made by the State of Oregon related to the program's construction deadline and green building provisions.

### **SUGGESTED MOTION**

Move to adopt an ordinance concerning Multiple-Unit Property Tax Exemptions and amending Sections 2.946 and 2.947 of the Eugene Code, 1971.

May 26, 2020 Meeting – Item 6

**ATTACHMENTS**

- A. Proposed Ordinance
- B. Summary of 2015 MUPTE Program Changes

**FOR MORE INFORMATION**

Staff Contact: Amanda D'Souza  
Telephone: 541-682-5540  
Staff E-Mail: [adsouza@eugene-or.gov](mailto:adsouza@eugene-or.gov)

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE CONCERNING MULTIPLE-UNIT PROPERTY TAX EXEMPTIONS AND AMENDING SECTIONS 2.946 AND 2.947 OF THE EUGENE CODE, 1971**

**THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:**

**Section 1.** Subsections (2)(f), (2)(i), and (2)(j) of Section 2.946 of the Eugene Code, 1971, are amended to provide as follows:

**2.946      Multiple-Unit Housing – Threshold Criteria and Public Benefits.**

**(2)** Criteria for Approval. No exemption may be approved under subsection (7) of section 2.945 of this code unless all of the following criteria are met:

**(f)      Green Building.**

1. Green building requirements apply only to the residential occupancy areas and common areas such as hallways, stairwells, centralized HVAC or hot water heating, and laundry facilities. The requirements do not apply to the commercial areas or ancillary amenities such as parking garage, swimming pools, and recreation centers.
2. The project will perform at least 10% more efficiently than the performance established in the [~~Oregon Energy Efficiency Specialty Code (OEESC)~~ or similar code adopted by the State of Oregon] **Oregon Zero Energy Ready Commercial Code (OZERCC).**
  - a. Green building requirements for one to three story multiple-family buildings are as follows:
    - (1) Obtain LEED v4 for homes low-rise multiple-family basic certification and modeled at least 10% above current [~~OEESC~~] **OZERCC**; **or**
    - (2) Obtain earth advantage multiple-family silver level certification and provide a commissioning report. [~~or~~
    - (3) ~~Obtain NW Energy Star certification through the Eugene Water and Electric Board program and provide a commissioning report.]~~
  - b. Green building requirements for four stories and above multiple-family buildings are as follows:
    - (1) Obtain LEED for homes midrise basic certification and modeled at 10% above current [~~OEESC~~] **OZERCC**; **or**
    - (2) City review of the project demonstrates that:
      - (A) Model building energy performance, utilizing the LEED for homes midrise energy modeling methodology, shows that the building will

- perform 10% above current [~~OEE~~SG] **OZERCC** performance;
  - (B) The building is constructed to modeled plans;
  - (C) Commissioning report has been provided prior to issuance of certificate of occupancy; and
  - (D) Applicant commits to working with city to report multiple-family occupancy energy use data to city for the tax exempt period.
3. Projects that will provide onsite parking are required to install conduit for future electric vehicle charging stations.
- .....
- (i) In the case of the construction of, or the addition or conversion to multiple-unit housing, the construction, addition or conversion will be completed on or before January 1, [~~2022~~] **2032**.
  - (j) In the case of multiple-unit housing subject to a low income housing assistance contract with an agency or subdivision of this state or the United States,
    - 1. The application for exemption was made on or before January 1, [~~2022~~] **2032**;
    - 2. It is important to the community to preserve the housing as low income housing and it is probable that the housing would not be produced as or remain low income housing without the exemption being granted.

**Section 2.** Subsections (1)(d), and (5) of Section 2.947 of the Eugene Code, 1971, are amended to provide as follows:

**2.947     Multiple-Unit Housing - Termination of Approval, Review.**

- (1) Except as provided in subsection (8) of this section, after a resolution approving an application has been filed, if the city manager finds that:
  - .....
  - (d) Construction of multiple-unit housing was not completed on or before January 1, [~~2022~~] **2032**, or
  - .....

the city manager shall notify the council; the owner of the property, at the owner's last known address; and any known lender, at the lender's last known address, of the manager's intention to recommend to the council that the exemption be terminated. The notice shall clearly state the reasons for the proposed termination, and shall require the owner to appear before the council, at a time specified in the notice, which shall not be less than 20 days from the date the notice was mailed, to show cause, if any exists, why the exemption should not be terminated.
- .....
- (5) If construction, addition, or conversion of multiple-unit housing is not completed by January 1, [~~2022~~] **2032**, upon receipt of a request from the property owner, the council may, by resolution, extend the deadline for completion of construction of multiple-unit housing for a period not to exceed 12 consecutive months, if it finds the failure to complete construction by the time specified in the resolution was due to circumstances beyond the control

of the owner, and that the owner had been and could reasonably be expected to act in good faith and with due diligence.

**Section 3.** The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein, or in other provisions of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

**Passed by the City Council this**

\_\_\_ day of \_\_\_\_\_, 2020

**Approved by the Mayor this**

\_\_\_ day of \_\_\_\_\_, 2020

\_\_\_\_\_  
**City Recorder**

\_\_\_\_\_  
**Mayor**

## Summary of MUPTE Program & Process Diagram

### *MUPTE Program*

MUPTE is an incentive program to encourage high quality, multi-unit downtown housing especially in areas well served by public transit. Both rental housing and multi-unit housing for home ownership are eligible; student housing is ineligible. Enabled by state law, the program provides a 10-year property tax exemption on qualified new multi-unit housing investments that occur within a specific, targeted area, that meet program requirements, and that are reviewed and approved by council. The objective strongly aligns with several of the pillars of Envision Eugene. Increasing the amount of multi-family housing in the downtown helps reduce pressure on urban growth boundary (UGB) expansion and protects existing neighborhoods, and takes advantage of existing infrastructure.

During the exemption period, property owners still pay taxes on the assessed value of the land and any existing improvements on the property. Council can deem commercial portions of a project to be a public benefit and include them as part of the exemption along with the residential portion.

In 2015, after a two-and-a-half year review, council revised the program criteria, process, and boundary. The program changes:

- Removed student housing as an eligible project type
- Increased the required energy efficiency
- Required higher quality design, with design at approval attached to the resolution
- Expanded neighborhood involvement
- Added a moderate-income housing contribution
- Added local economic impact plan
- Added demonstrated project need reviewed by an independent financial consultant
- Added a community member third-party review (MUPTE Review Panel described below)

See below for the process diagram and boundary map. The Required Public Benefit criteria are:

- Compact Urban Development
- Green Building Features (*ensuring building energy performance is 10% above code*)
- Local Economic Impact Plan (*including support for local businesses, minority and women business enterprises, and ensuring compliance with laws*)
- Moderate-Income Housing Contribution
- Project Design and Compatibility (*including scale, form, and quality of the building; mixture of project elements; relationship to the street and surrounding uses; and parking and circulation*)
- Historic and Existing Housing Sensitivity
- Project Need

### *MUPTE Review Panel*

The 2015 MUPTE update established a Review Panel, tasked with providing a third-party review of individual applications for the City Manager. The Review Panel:

- Reviews the project applications, including the consultant's review of the project's financial projections.

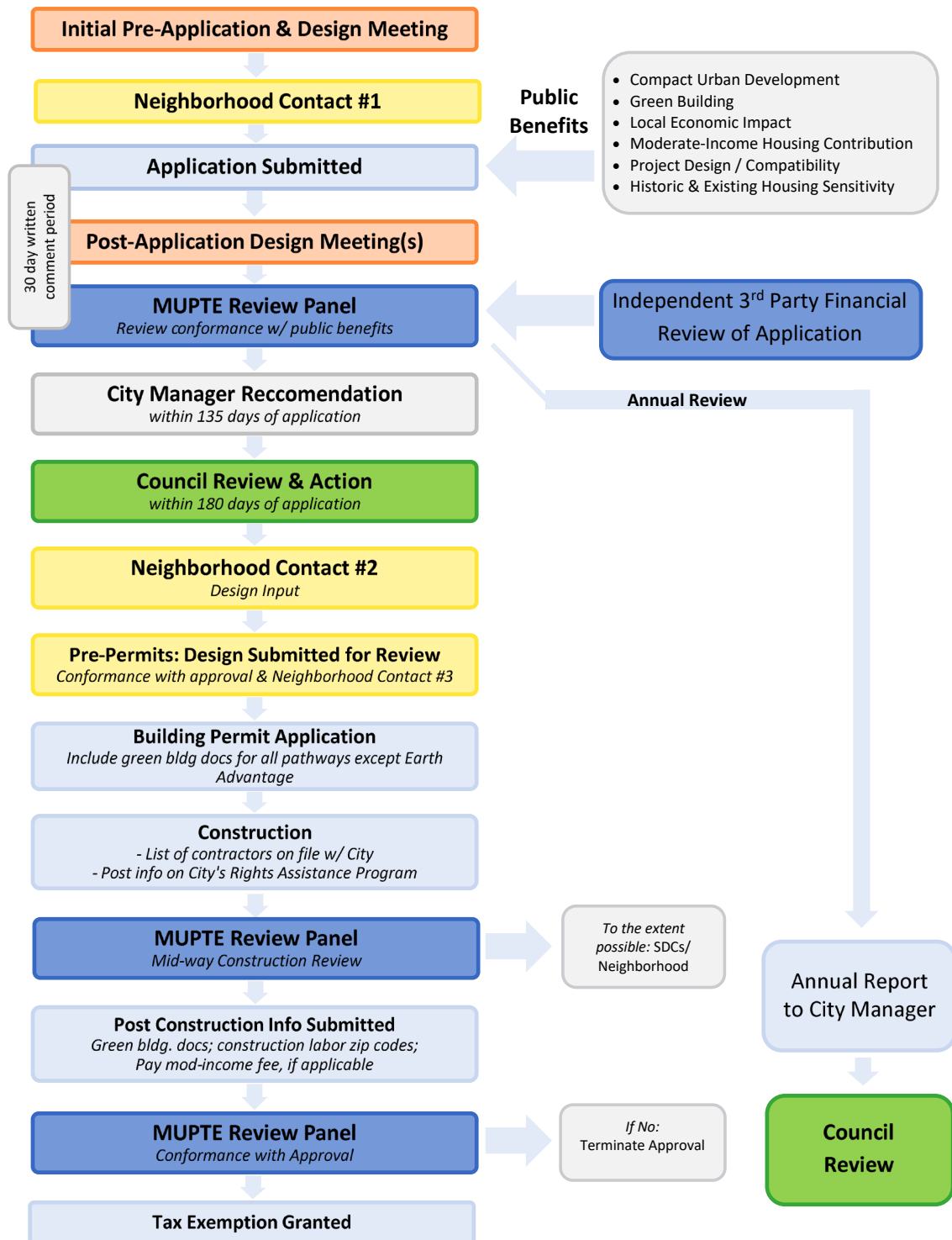
- Reviews the applicant's conformance with the Required Public Benefits and making recommendations regarding approval/denial of the tax exemption to the City Manager.
- Reviews the project's conformance with approval requirements midway through construction, at completion of construction, and during the exemption period.
- Assists the City Manager in preparing an Annual Report on progress of the approved projects, program volume cap, and reporting documentation.

The Review Panel consists of two at-large neighborhood representatives selected by neighborhood association boards, an additional two representatives selected by the board of the neighborhood association in which the proposed project is located, and six technical professionals selected by the City Manager from the following six groups: architects/green building specialists; building trades union; developers; environmental professionals; public health professionals; and human rights representatives. Prior Review Panel reports can be found at [www.eugene-or.gov/MUPTE](http://www.eugene-or.gov/MUPTE)

### *MUPTE Boundary*



## MUPTE Application & Review Process



### Annually:

- Moderate-income housing: Pay fee in years 3 – 10 or update lease rates on mod-income units & submit docs.
- BPS pathway energy usage, if applicable.



# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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Action: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971.

Action: A Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028.

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Meeting Date: May 26, 2020  
Department: Planning and Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 7  
Staff Contact: Ellen Meyi-Galloway  
Contact Telephone Number: 541-682-5532

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## ISSUE STATEMENT

The City Council is asked to take action on an ordinance amending the Eugene Code to extend the sunset date for the 20-year Low-Income Rental Housing Property Tax Exemption program (LIRHPTE). The proposed ordinance would extend the sunset date by 10 years, to July 1, 2030, as enabled by state statute.

Provided the above referenced ordinance is adopted, the City Council is also asked to take action on a resolution adopting amended Standards and Guidelines for processing LIRHPTE applications.

## BACKGROUND

The Low-Income Rental Housing Property Tax Exemption (LIRHPTE) is enabled by state statute ORS 307.515-307.540. The LIRHPTE is a 20-year property tax exemption for properties offered for rent to low-income households or properties in predevelopment being held for the purpose of constructing low-income rental housing. Low-income rental housing is defined as housing affordable to households earning no more than 60 percent of the area median income (AMI). Applicants requesting a 20-year exemption can be non-profit housing providers or other entities providing low-income rental housing.

In 1990, City Council adopted the LIRHPTE program to facilitate the development of affordable housing for low-income persons. In compliance with provisions enacted by the Oregon Legislature, the City Council adopted Sections 2.937 to 2.940 of the Eugene Code, 1971, which provide procedures for granting exemptions from ad valorem property taxes on low-income rental housing.

ORS 307.521(4) provides that local jurisdictions must adopt standards and guidelines establishing policies governing consideration of LIRHPTE applications. On February 12, 1990, Resolution No. 4168 was adopted establishing Standards and Guidelines for processing LIRHPTE

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applications. Resolution No. 4168 has subsequently been amended by Resolution Nos. 4327, 4418, 4623, and 5028. If City Council adopts the proposed changes to Sections 2.937 to 2.940 of the Eugene Code, 1971, revisions to the Standards and Guidelines are necessary in order to ensure compliance with state law and conformity with Sections 2.937 to 2.940 of the Eugene Code, 1971.

The Oregon Legislature extended the sunset for the LIRHPTE program by 10 years to July 1, 2030. In order to continue the program, Subsection (3)(c) of Section 2.939 and subsections (1)(a) and (4) of Section 2.940 of the Eugene Code, 1971, must to be amended to reflect the new dates by which a LIRHPTE application must be submitted and by which construction of the low-income rental housing must be completed.

Since 1990, Eugene has approved 33 property tax exemptions for low-income developments totaling over 1,400 housing units throughout the city (Attachment A). A list of recently approved exemptions is in Attachment B. The property tax exemption plays a significant role in reducing rents for low- and very-low income residents of Eugene. The benefit of the exemption varies based on development size and appraised tax value. The rent reduction amount is approximately \$100 or more per month per unit. This estimate is based on annual reporting from developments currently receiving a LIRHPTE.

The LIRHPTE program, along with a commitment of other local resources, enables affordable housing developers to successfully compete for and leverage highly competitive state and federal resources for the continued development of quality affordable housing in Eugene. These developments also help support the local economy through the creation of construction jobs and permanent property management, building maintenance, and service provider jobs. Extension of the LIRHPTE program through the proposed ordinance would allow Eugene projects to continue to leverage those resources.

#### *Changes Proposed: Code*

The proposed code changes will simply extend the life of the LIRHPTE program. The Council will not approve any specific LIRHPTE applications by approving the proposed ordinance. Each LIRHPTE application must be separately approved by Council by resolution. Applicants must demonstrate a direct reduction in rent as a result of the exemption.

The proposed code changes also include updates to the statutory references in EC 2.938 (g) and 2.939 (d). The statutory references have changed since the last time those code sections were updated. The proposed changes update those code sections to include the correct statutory references. The draft ordinance is attached as Attachment C.

City Council held a public hearing on the proposed ordinance on May 18, 2020. By adopting the proposed ordinance, the City Council will amend Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971.

#### *Changes Proposed: Standards and Guidelines*

Revisions to the Standards and Guidelines are also necessary in order to ensure compliance with state law and conformity with Sections 2.937 to 2.940 of the Eugene Code, 1971. The following proposed revisions to the Standards and Guidelines are included in Attachment D:

- The name of the State Housing Council was changed to the Oregon Housing Stability Council by the Oregon Legislature in 2015. The definition of “Low Income” is amended to reflect this name change.
- The definition of “Low-Income Rental Housing” in the Standards and Guidelines is unnecessary to implement the LIRHPTE program and is inconsistent with the Eugene Code and the LIRHPTE statutes; therefore, that definition has been removed.
- To accurately reflect the Statement of Program Purpose, it has been amended to state that the purpose of the LIRHPTE is to provide an incentive that will encourage construction of new rental housing for low-income persons and preserve the affordability of existing low-income rental housing.
- The Standards and Guidelines currently provide that the City Manager must forward her recommendation to the Council on a LIRHPTE application within 30 days. This timeline is difficult to achieve because of application review, City Attorney review, and the required 20-day public comment period. Section 6 of the Standards and Guidelines has therefore been amended to allow the City Manager up to 45 days to forward her recommendation to City Council. This 45-day requirement better aligns with the City’s review and public comment obligations and will still allow the City Council to take action on an application within 60 days as required by the Eugene Code and the LIRHPTE statutes.

Please see the proposed Resolution in Attachment D. By adopting the proposed Resolution, the City Council will amend the Standards and Guidelines.

## **PREVIOUS COUNCIL DIRECTION**

### [April 11, 2011 Meeting](#)

City Council held a public hearing on an ordinance amending the Eugene Code to extend the LIRHPTE sunset date 10 years (to 2020) and allow developments to apply for a renewal of the LIRHPTE in year 20.

### [April 13, 2011 Work Session](#)

City Council voted to amend the LIRHPTE ordinance to extend the LIRHPTE sunset date 10 years (to 2020) and allow developments to apply for a renewal of the LIRHPTE in year 20.

### [May 18, 2020 Public Hearing](#)

City Council held a public hearing on an ordinance to amend the Eugene Code to extend the LIRHPTE sunset date 10 years to 2030.

## **COUNCIL OPTIONS**

- A. The City Council may consider the following options:
  1. Adopt the ordinance as presented;
  2. Adopt the ordinance with specific modifications as determined by the City Council;
  3. Take no action.
- B. If the City Council adopts the ordinance as presented, it may then consider the following options:
  1. Adopt the resolution as presented;

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2. Adopt the resolution with specific modifications as determined by the City Council;
3. Take no action.

### **CITY MANAGER'S RECOMMENDATION**

The City Manager recommends that Council adopt the ordinance amending the Low-Income Housing Property Tax Exemption provisions of the Eugene Code, 1971, as set out in Attachment C, and the resolution adopting amended standards and guidelines for processing low-income housing property tax applications, as set out in Attachment D.

### **SUGGESTED MOTION**

I move to adopt an Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971.

*If adopted, then:*

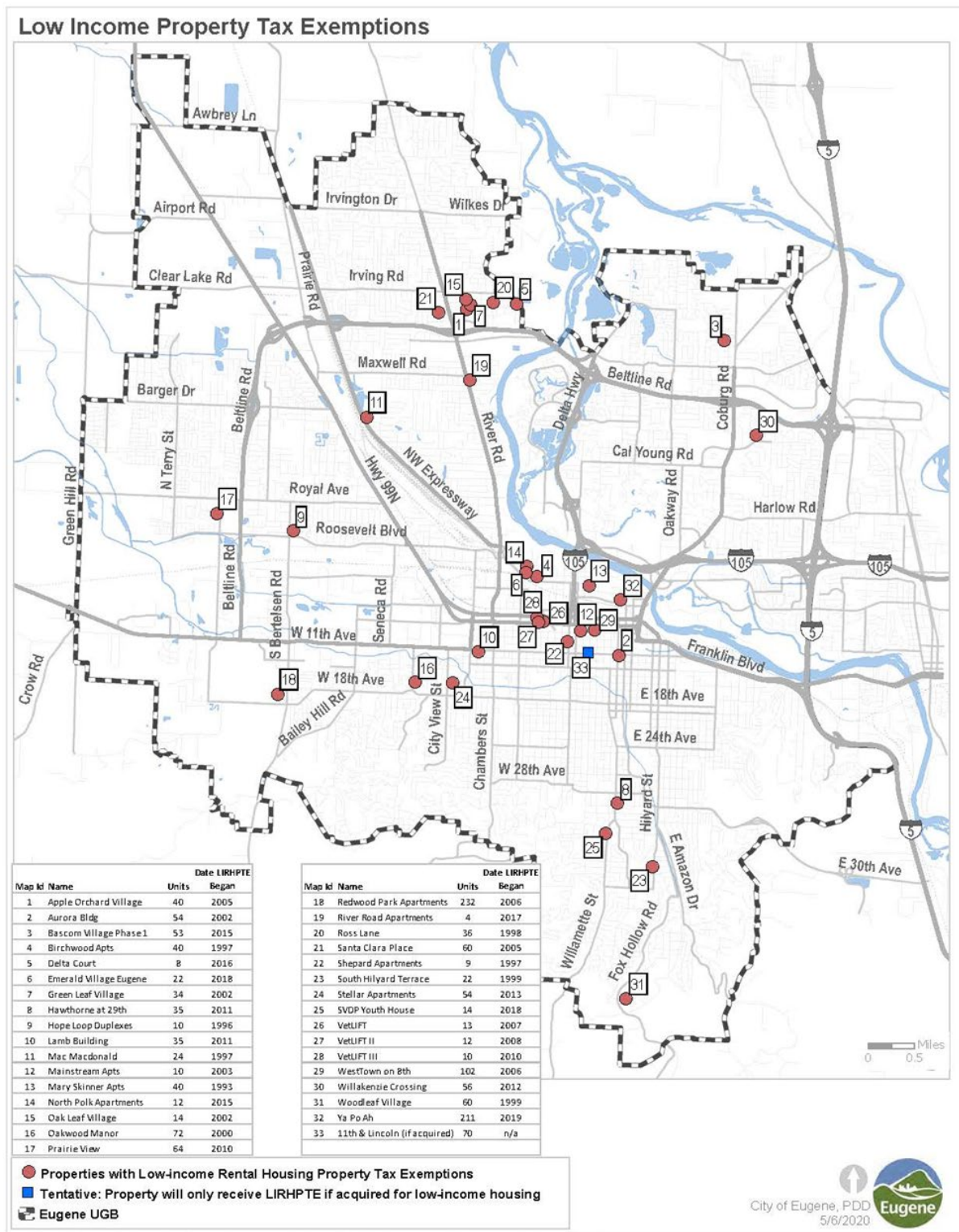
I move to adopt a Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028.

### **ATTACHMENTS**

- A. Locations of Developments Receiving LIRHPTEs
- B. Recently Approved LIRHPTEs
- C. Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971
- D. Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028

### **FOR MORE INFORMATION**

Staff Contact: Ellen Meyi-Galloway, Housing Finance Analyst  
Telephone: (541)682-5532  
Staff E-Mail: [EMeyi-Galloway@eugene-or.gov](mailto:EMeyi-Galloway@eugene-or.gov)



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

**New LIRHPTEs Approved 2015-2020**

<b>Development Name</b>	<b>Owner</b>	<b>Project Type</b>	<b>Year LIRHPTE Began</b>	<b>Number of Units Impacted</b>
Bascom Village Ph. 1	St. Vincent de Paul	New Construction	2015	53
North Polk Apartments	DevNW	Acquisition-Rehab	2015	12
Delta Court	Cornerstone Community Housing	Acquisition-Rehab	2016	8
River Rd Apts	DevNW	Acquisition-Rehab	2017	4
SVDP Youth House	St. Vincent de Paul	Acquisition-Rehab	2018	14
Emerald Village Eugene	Square One Villages	New Construction	2018	22
Ya Po Ah Terrace	EURA	Preservation	2019	211
<b>TOTAL Units Impacted</b>				<b>324</b>

**LIRHPTE Renewals Approved 2015-2020**

<b>Development Name</b>	<b>Owner</b>	<b>Project Type</b>	<b>Year LIRHPTE Began</b>	<b>Number of Units Impacted</b>
Birchwood Apts	Birchwood LLC	Preservation	1997	40
Mac McDonald	St. Vincent de Paul	Preservation	1997	24
Ross Lane	St. Vincent de Paul	Preservation	1998	36
Woodleaf Village	Peak	Preservation	1999	60
S Hilyard Terrace	St. Vincent de Paul	Preservation	1999	22
Oakwood Manor	St. Vincent de Paul	Preservation	2000	72
<b>TOTAL Units Impacted</b>				<b>254</b>



## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE CONCERNING LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTIONS AND AMENDING SECTIONS 2.938, 2.939 AND 2.940 OF THE EUGENE CODE, 1971.**

**THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:**

**Section 1.** Subsection (1)(g) of Section 2.938 of the Eugene Code, 1971, is amended to

provide:

**2.938 Low-Income Rental Housing Property Tax Exemption - Application.**

- (1) An application for exemption from property taxes hereunder for low-income rental housing units constructed after February 12, 1990 shall be filed with the city manager, on a form provided by the city manager, which shall contain the following, if applicable:

.....

- (g) Evidence that the property is owned or being purchased by a non-profit corporation which meets the criteria for a public benefit corporation as described in ORS 65.001(~~3738~~), or a religious corporation, as described in ORS 65.001(~~3940~~);

.....

**Section 2.** Subsections (3)(c) and (3)(d) of Section 2.939 of the Eugene Code, 1971, are

amended to provide:

**2.939 Low-Income Rental Housing Property Tax Exemption - Review, Approval or Denial of Application.**

.....

- (3) As an alternative to an application considered under subsection (2) of this section, the city manager shall recommend approval of an application, and the council shall grant the exemption upon determining the applicant meets the criteria set forth in subsections (2)(e), (f), (g), (h) and (i) of this section and all the following criteria:

.....

- (c) The applicant's application was filed prior to [~~January 1, 2020~~]**July 1, 2030**;
- (d) The property is owned or being purchased by a nonprofit corporation organized in a manner that meets the criteria for a public benefit corporation, as described under ORS 65.001(~~3738~~) or for a religious corporation, as described under ORS 65.001(~~3940~~); and

.....

**Section 3.** Subsections (1)(a) and (4) of Section 2.940 of the Eugene Code, 1971, are amended

to provide:

**2.940 Low-Income Rental Housing Property Tax Exemption - Termination.**

- (1) If after a resolution approving an application for exemption hereunder has been filed with the county assessor the city manager finds that:
- (a) Construction or development of the exempt property differs from the construction or development described in the application for exemption, or was not completed ~~[or]~~ on or before ~~[January 1, 2020]~~ **July 1, 2030**, and no extensions or exceptions as provided in subsection (4) hereof have been granted; or,
- .....
- (4) Upon receipt of a request from the property owner, the council may, by resolution, extend the deadline beyond ~~[January 1, 2020]~~ **July 1, 2030** for completion of construction of the low-income rental housing for a period not to exceed 12 consecutive months, i.e., ~~[January 1, 2021]~~ **July 1, 2031**, if it finds the failure to complete construction by ~~[January 1, 2020]~~ **July 1, 2030** was due to circumstances beyond the control of the owner, and that the owner had been and could reasonably be expected to act in good faith and with due diligence. If property granted an exemption hereunder is subsequently destroyed by fire or act of God, or is no longer capable of owner-occupancy due to circumstances beyond the control of the owner, the exemption shall cease, but no additional taxes shall be imposed upon the property under ORS 307.531 or 307.533.

**Section 4.** The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein, or in other provisions of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

**Passed by the City Council this**

\_\_\_ day of \_\_\_\_\_, 2020

**Approved by the Mayor this**

\_\_\_ day of \_\_\_\_\_, 2020

\_\_\_\_\_  
**City Recorder**

\_\_\_\_\_  
**Mayor**



**RESOLUTION NO. \_\_\_\_\_****A RESOLUTION ADOPTING AMENDED STANDARDS AND GUIDELINES FOR PROCESSING APPLICATIONS FOR LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTIONS AND REPEALING RESOLUTION NO. 5028.****The City Council of the City of Eugene finds that:**

**A.** Issues related to low-income housing have long been given a high priority by the City Council. As an incentive to encourage low-income rental housing within the City of Eugene, and in compliance with provisions enacted by the Oregon Legislature, the City Council adopted Sections 2.937 to 2.940 of the Eugene Code, 1971, which provides procedures for granting exemptions from ad valorem taxes on low-income rental housing.

**B.** ORS 307.521(4) provides that local jurisdictions shall adopt standards and guidelines to establish the policies governing the consideration of low-income rental housing tax exemption applications. In accordance with that provision, on February 12, 1990, Resolution No. 4168 was adopted establishing Standards and Guidelines for processing such applications. Resolution No. 4168 has subsequently been amended by Resolution Nos. 4327, 4418, 4623 and 5028.

**C.** The City Council has amended Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971, to bring those sections into conformity with amendments to the state statutes. Therefore, revisions to the Standards and Guidelines are necessary in order to ensure compliance with state law and conformity with Sections 2.937 to 2.940 of the Eugene Code, 1971. Additional revisions to the Standards and Guidelines are adopted in order to:

1. Ensure the Standards and Guidelines accurately refer to appropriate state agencies;
2. Ensure that the Standards and Guidelines accurately reflect the purpose of the City's adopted low-income rental housing property tax program; and
3. Allow the City Manager 45 days within which to forward his or her recommendation on an application to the City Council.

**D.** Resolution No. 5028 and the Standards and Guidelines adopted by that Resolution, should be repealed, and the amended Standards and Guidelines attached as Exhibit A to this Resolution should be approved and adopted as the process to be followed in reviewing and making recommendations on applications for low-income rental housing property tax exemptions.

**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, the Standards and Guidelines for

processing applications for low-income rental housing property tax exemptions attached as Exhibit A to this Resolution are adopted as the policies and procedures to be considered in approving applications under Sections 2.937 to 2.940 of the Eugene Code, 1971.

**Section 2.** Resolution No. 5028, and the Standards and Guidelines adopted by that Resolution, are repealed as of the effective date of this Resolution.

**Section 3.** This Resolution is effective upon the effective date of Ordinance No. \_\_\_\_\_ which adopted the most recent amendments to Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971, and shall govern both new and pending applications.

**The foregoing Resolution adopted the \_\_\_\_\_ day of \_\_\_\_\_, 2020.**

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**City Recorder**

**STANDARDS AND GUIDELINES  
for Processing Low-Income Rental  
Housing Property Tax Exemption Applications**

For purposes of these Standards and Guidelines, the following words and phrases mean:

**City Manager.** The City Manager of the City of Eugene, or his or her designee.

**Low-income.** Income at or below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Services.

**1. Statement of Program Purpose.** The purpose of the low-income rental housing local property tax exemption program is to provide an incentive that will encourage construction of new rental housing for low-income persons and preserve the affordability of existing low-income rental housing.

**2. Eligible Property.** To be eligible for local property tax exemption hereunder:

**2.1** If unoccupied, the property is offered for rental solely as a residence for low-income persons, or held for the purpose of developing low income rental housing;

**2.2** If occupied, the property, or portion thereof subject to the property tax exemption, must be occupied solely as a residence for low-income persons;

**2.3** The required rent payment must reflect the full value of the property tax exemption;

**2.4** The housing units on the property must be constructed after February 12, 1990;

**2.5** The property owner must agree to comply with the policies set forth in Section 5 of these Standards and Guidelines;

**2.6** The proposed development must be consistent with the City's Housing Dispersal Policy;

**2.7** The proposed development will not cause displacement of low-income persons unless the City and developer can reach agreement on provisions (to be provided by the developer) that reflect satisfactory mitigation thereof;

**2.8** The proposed development will not cause destruction of historic properties (as defined in Section 9.0500 of the Eugene Code, 1971) except:

2.8.1 Where development has proceeded according to historic property moving and demolition procedures as set forth in Section 9.8160, 9.8180 and 9.8185 of the Eugene Code, 1971, or

2.8.2 The property is granted an exception by the council;

**2.9** The proposed development will be otherwise consistent with provisions of the Eugene Code, 1971 and adopted City regulations and policies; and

**2.10** As an alternative to the criteria set forth in subsections 2.1, 2.2, 2.3 and 2.4 of this section, an application shall be approved if it meets the criteria in subsections 2.5, 2.6, 2.7, 2.8 and 2.9 of this section and all of the following criteria:

2.10.1 If unoccupied, the property is offered for rental solely as a residence for low-income persons, or is held for the purpose of developing low income rental housing;

2.10.2 If occupied, the property, or portion thereof subject to the property tax exemption, is occupied solely as a residence for low-income persons;

2.10.3 The applicant's application was filed prior to January 1, 2030;

2.10.4 The property is owned or being purchased by a nonprofit corporation organized in a manner that meets the criteria for a public benefit corporation, as described under ORS 65.001(38) or for a religious corporation, as described under ORS 65.001(40); and

2.10.5 The property is owned or being purchased by a nonprofit corporation that expends no more than ten percent of its annual income from residential rentals for purposes other than acquisition, maintenance or repair of residential rental property for low-income persons, or for the provision of on-site child care services for the residents of the rental property.

For purposes of this subsection, a nonprofit corporation that has only a leasehold interest in property is considered to be a purchaser of that property if the nonprofit corporation is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in the rental activity on that property, or the rent payable has been established to reflect the savings resulting from the exemption from taxation.

**3. Application for Exemption.** Prior to December 1 of the calendar year immediately preceding the first assessment year for which the exemption is requested, or, if the property is acquired after November 1, within 30 days of the date of acquisition, but no later than January 1 of the next calendar year, the applicant shall submit to the City Manager, on a form provided by the City Manager, an application for exemption, containing the following information:

**3.1** A description of the property or portion thereof, for which the exemption is requested;

**3.2** A description of the purpose of the project and whether all or a portion of the property will be used for that purpose;

- 3.3 A certification of the income levels of low-income occupants;
- 3.4 A description of how the tax exemption will benefit project occupants;
- 3.5 Evidence that, if unoccupied, the property is offered for rental solely as a residence for low-income persons, or is held for the purpose of developing low income rental housing;
- 3.6 Evidence that, if occupied, the property is occupied solely as a residence for low-income persons;
- 3.7 If the application is for an exemption described in subsection 2.10, evidence that the property is owned or being purchased by a nonprofit corporation organized in a manner that which meets the criteria for a public benefit corporation as described in ORS 65.001(38), or a religious corporation, as described in ORS 65.001(40); and evidence that the nonprofit corporation expends no more than ten percent of its annual income from residential rentals for purposes other than acquisition, maintenance or repair of residential rental property for low-income persons, or for the provision of on-site child care services for the residents of the rental property;
- 3.8 A description of the plans for development of the property if the property is being held for the future development of low-income rental housing; and
- 3.9 Any other information required by the City Manager.

The application shall be verified by oath or affirmation of the applicant and submitted with an application and processing fee to be set by the City Manager pursuant to Section 2.020 of the Eugene Code, 1971, which shall include therein the fee to be paid to the County Assessor by the City as the County's agreed processing fee for those applications receiving Council approval. The amount of the basic fee shall be prominently displayed on the application, together with a statement that the applicant may be required to pay other reasonable costs, including appraisal costs, if any are incurred by the City or the County in processing the application. Any additional costs shall be paid to the City by the applicant prior to the granting of any final approval. In the event an application is denied, the portion of the fee reserved for the County Assessor will be refunded to the applicant by the City. An application which does not contain all the required information and is not accompanied by the required fee shall be returned to the applicant. Any application returned for these reasons shall be deemed not to have been filed.

**4. Duration of Tax Exemption.** An exemption from ad valorem taxes may be granted for a period of twenty successive years for the land and the improvements located thereon that are a part of the newly-constructed low-income rental housing or for land that is being held for future development of low-income rental housing. In the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted. Such applications shall be processed and acted upon in accordance with sections 2.937 to 2.940 of the Eugene Code, 1971 and any applicable state law.

**5. Policies.** In addition to the criteria set forth in Section 2.939(2) of the Eugene Code, 1971, and Section 2 above, unless the land is being held for future development of low income rental housing, the applicant must demonstrate compliance with the following policies in order to be eligible for a property

tax exemption hereunder:

**5.1 Rent Regulatory Agreement.** The owner must agree to execute and maintain in effect for the duration of the tax exemption period, a Rent Regulatory Agreement in a form approved by the City, and which contains, but is not limited to, provisions establishing regular reporting requirements and periodic inspection periods, and demonstrates that the required rent payment reflects the full value of the property tax exemption.

**5.2 Inspection of Premises.** The owner must consent in writing that for the duration of the tax exemption period the City may inspect the property for which the exemption is granted at reasonable times, without prior notice, to insure that the premises are maintained in decent, safe and sanitary conditions for the occupants.

**6. Recommendations on Applications.** Upon receipt of an application for property tax exemption hereunder, the City Manager shall:

**6.1** Review the application and all supportive material to verify that the applicant has provided the information required and paid the required fee. The City Manager shall promptly notify the applicant of any omissions.

**6.2** Solicit recommendations or comments from interested City departments, agencies, and the affected neighborhood group(s). Within 20 days of forwarding referrals, written comments shall be submitted to the City Manager by the agencies, departments and groups to whom referral is made. Failure to respond within 20 days will be deemed approval of the proposal as submitted.

**6.3** If necessary to address comments or recommendations received, establish a meeting with the applicant, or the applicant's authorized representative to review the application.

**6.4** Within 45 days from the date the application is filed, forward his or her recommendation to the Council that the application be denied, approved, or approved subject to conditions. The recommendation shall be based upon and contain findings of compliance or non-compliance with these Standards and Guidelines, Sections 2.937 to 2.940 of the Eugene Code, 1971, Council resolutions, ordinances and adopted policies, and applicable State statutes, that support his or her recommendation.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OPPOSING ALL FORMS OF ANTI-ASIAN SENTIMENT  
AS RELATED TO COVID-19 AND DECLARING MAY AS ASIAN AND  
PACIFIC ISLANDER AMERICAN HERITAGE MONTH.**

**The City Council of the City of Eugene finds that:**

**A.** COVID-19 is a public health crisis that does not stop at national boundaries, and was not created, caused by, or intrinsic to any race, nationality or ethnicity, and has infected humans of all backgrounds.

**B.** Eugene strives to be a welcoming and inclusive community but has a history and present of bias treatment of people of Asian and Pacific Islander descent.

**C.** Hate crimes, discrimination and aggression against people of Asian descent or perceived Asian descent, are on the rise throughout the country as these groups are being blamed for the COVID-19 outbreak and spread.

**D.** People who are or appear to be of Asian descent are part of Eugene's community as citizens, students and visitors.

**E.** The City of Eugene is fully committed to the safety, security, and equal treatment of all people as it confronts the COVID-19 pandemic.

**F.** Each individual has the ability to promote inclusiveness, celebrate diversity, support all fellow community members, prevent the spread of misinformation, and reject hate and bias in all forms.

**G.** The month of May is nationally recognized in the United States as Asian and Pacific Islander American Heritage Month, a time to teach and learn about the cultural history, contributions and influence of people of Asian and Pacific Islander descent.

**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.** The City Council denounces anti-Asian bigotry, and all hateful speech, violent action and the spread of misinformation related to COVID-19 that casts blame, promotes racism or discrimination or harms the people of Asian descent, immigrant, or other communities.

**Section 2.** The City of Eugene will work with our community to ensure the safety and well-being of all our residents and visitors and to curb hate crimes and bias-motivated incidents.

**Section 3.** The City of Eugene will ensure our COVID-19 response and recovery efforts are reflective of our triple-bottom-line values by evaluating our current and future efforts through an equity lens.

**Section 4.** The City Council encourages all people to report all incidents of bias, regardless of how minor, online at [www.eugene-or.gov/repothate](http://www.eugene-or.gov/repothate) or by calling the Office of Human Rights and Neighborhood Involvement at 541-682-5177. Tracking hate and bias in our community is important.

**Section 5.** The City Council declares the month of May to be Asian and Pacific Islander American Heritage Month and will actively acknowledge the designation by working with our community to celebrate all people of Asian descent, regardless of nationality and their diverse cultures, contributions and influences to Eugene.

**Section 6.** This Resolution is effective immediately upon its passage by the City Council.

**The foregoing Resolution adopted the \_\_\_\_ day of \_\_\_\_\_, 2020.**

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**City Recorder**