



## Eugene City Council

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www.eugene-or.gov

# EUGENE CITY COUNCIL AGENDA

October 20, 2025

## 5:30 p.m. CITY COUNCIL PUBLIC HEARING AND COMMUNITY LISTENING SESSION

City Council meetings will continue to be held in hybrid format using in person and 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 October 20, 2025;  
Her Honor Mayor Kaarin Knudson Presiding**

### Councilors

Greg Evans, President  
Eliza Kashinsky  
Jennifer Yeh  
Mike Clark

Lyndsie Leech, Vice President  
Matt Keating  
Alan Zelenka  
Randy Groves

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## 5:30 p.m. CITY COUNCIL HEARING AND COMMUNITY LISTENING SESSION

### 1. PUBLIC HEARING: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Section 2.939 of the Eugene Code, 1971

### 2. COMMUNITY LISTENING SESSION: City Manager Recruitment

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.

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or visit us online at [www.eugene-or.gov](http://www.eugene-or.gov).

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# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Public Hearing: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Section 2.939 of the Eugene Code, 1971

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Meeting Date: October 20, 2025  
Department: Planning and Development  
www.eugene-or.gov

Agenda Item Number: 1  
Staff Contact: Laura Hammond  
Phone: 541-682-5502

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### ISSUE STATEMENT

This public hearing is for a proposed ordinance that would amend the Eugene Code to align with updated State statutes, removing the construction or conversion date restriction for limited equity cooperatives in Eugene to be eligible for the Low-Income Rental Housing Property Tax Exemption (LIRHPTE). See Attachment A for the draft ordinance. Action on this item is tentatively scheduled for October 27, 2025.

### BACKGROUND

Eugene's LIRHPTE program provides a 20-year property tax exemption to support rental and limited equity cooperative housing that is affordable to lower-income households, or to property held for the purpose of developing such housing. The LIRHPTE program is enabled by State statutes, specifically ORS 307.515 to 307.535.

In 1990, the City Council adopted the LIRHPTE program to facilitate the development of affordable rental housing for low-income individuals. In accordance with provisions enacted by the Oregon Legislature, the City Council adopted Sections 2.937 to 2.940 of the Eugene Code, 1971, establishing procedures for granting exemptions from ad valorem taxes on low-income rental housing. The program is a partnership between taxing districts; Council and the 4J and Bethel school boards re-authorize the program every ten years. The program is currently in effect through 2030.

The program is available to rental and limited equity cooperative housing affordable to households earning no more than 60 percent of the area median income (AMI) at initial occupancy, and existing residents' incomes are allowed to rise to 80 percent AMI in subsequent years. Applicants for the 20-year exemption may be nonprofit housing providers or other entities providing low-income housing. Owners of Affordable Housing may apply for Council to approve LIRHPTE renewals for subsequent 20-year terms. See Attachment B for answers to frequently asked questions about Eugene's LIRHPTE program.

In 2023, the Oregon Legislature passed House Bill 2080, expanding LIRHPTE eligibility to include limited equity cooperatives. Council subsequently adopted Ordinance No. 20697, amending the Eugene Code to allow limited equity cooperatives in Eugene to be eligible for the LIRHPTE. However, state statutes and, by extension, the Eugene Code, restricted eligibility to housing units that were constructed, or converted to limited equity cooperative ownership after the date the City Council adopted the local LIRHPTE program. In Eugene, this meant that limited equity cooperatives with

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housing that was constructed or converted to limited equity cooperative ownership before February 12, 1990, the date the City Council adopted the LIRHPTE program, were not eligible for the exemption.

While newer limited equity cooperatives, such as Peace Village Cooperative developed by SquareOne Villages, were able to apply for and receive LIRHPTE approval, limited equity cooperatives with older Affordable Housing stock are not eligible. In 2025, the Oregon Legislature approved House Bill 3232, removing this eligibility restriction for limited equity cooperatives.

Proposed Ordinance: The proposed ordinance would remove the eligibility requirement that limited equity cooperative housing be constructed or converted to limited equity cooperative ownership after February 12, 1990. The ordinance would not approve any specific LIRHPTE applications; each application must still be individually approved by City Council resolution. Applicants must document their eligibility and demonstrate a direct reduction in rent or housing payment because of receiving the exemption.

Program Impact: Since 1990 and through October 1, 2025, Council has approved 44 property tax exemptions for low-income housing developments, supporting over 2,200 Affordable Housing units citywide. The property tax exemption plays a significant role in reducing rents and housing payments for low- and very-low-income Eugene residents. The monetary benefit varies depending on development size and assessed tax value.

The LIRHPTE program, along with other local resource commitments, helps Affordable Housing developers in Eugene remain competitive for limited state and federal funding opportunities, and supports existing developments in maintaining lower rents. Expanding eligibility through the proposed ordinance would preserve and extend the affordability of limited equity cooperatives for low-income households in Eugene.

## RELATED CITY POLICIES

[Housing Implementation Pipeline](#) (HIP): The HIP lists the LIRHPTE program as an important tool for supporting housing that serves the public good. The inclusion of limited equity cooperatives established before 1990 in the LIRHPTE program will help maintain and preserve the affordability of existing limited equity cooperative housing units for low-income households, furthering the HIP's goals of increasing and maintaining the number of Affordable Housing units available to the community.

City of Eugene [Strategic Plan 2023-2026](#): Approving the proposed LIRHPTE code update aligns with the City's strategic plan: [Urgent Community Needs](#) - Stabilize the cost of housing.

## PREVIOUS COUNCIL DIRECTION

### [May 26, 2020, Meeting](#)

Council passed an ordinance extending the sunset date of the LIRHPTE program 10 years to July 1, 2030.

Councilor Semple, seconded by Councilor Yeh, moved 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; and Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax

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Exemptions and Repealing Resolution No. 5028.

Passed 8:0

[October 25, 2023, Meeting](#)

Council took action that amended the Eugene Code to allow limited equity cooperatives with the 1990 date restriction to be eligible for LIRHPTE.

Councilor Groves, seconded by Councilor Keating, move to adopt the Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Sections 2.937, 2.938, 2.939 and 2.940 of the Eugene Code, 1971, included as Attachment A to the Agenda Item Summary.

Passed 8:0

**COUNCIL OPTIONS**

No action is required at this time.

**CITY MANAGER’S RECOMMENDATION**

This item is scheduled for a public hearing only. Deliberations and potential action are scheduled for October 27, 2025.

**SUGGESTED MOTION**

None.

**ATTACHMENTS**

- A. A Draft Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Section 2.939 of the Eugene Code, 1971.
- B. Frequently Asked Questions (FAQ) for the Low-Income Rental Housing Property Tax Exemption (LIRHTPE)

**FOR MORE INFORMATION**

Staff Contact: Laura Hammond, Housing Tools Analyst

Telephone: 541-682-5502

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

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

**AN ORDINANCE CONCERNING LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION AND AMENDING SECTION 2.939 OF THE EUGENE CODE, 1971.**

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

**Section 1.** Subsection (6) of Section 2.939 of the Eugene Code, 1971, is amended to provide as follows:

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

\*\*\*

(6) 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 (3)(d), (f), (g), (h) (i) and (j) of this section and all the following criteria:

(a) The property is owned by a limited equity cooperative; and

(b) The property is occupied by low income persons holding a proprietary lease in the limited equity cooperative; ~~and~~

~~(c) The housing units on the property were constructed, or converted to limited equity cooperative ownership, after February 12, 1990.~~

**Section 2.** 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 \_\_\_\_\_, 2025

**Approved by the Mayor this**  
\_\_\_ day of \_\_\_\_\_, 2025

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

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

## Low-Income Rental Housing Property Tax Exemption Frequently Asked Questions

### **What is a LIRHPTE?**

The Low-Income Rental Housing Property Tax Exemption (LIRHPTE) provides a 20-year property tax exemption for Eugene rental housing or limited equity cooperatives that offer rents or monthly housing payments affordable to lower income households or property that is held for the purpose of developing low-income rental housing or limited equity cooperative. The income limit for the program is 60% of the area median income based on household size, as determined annually by the US Department of Housing and Urban Development (HUD).

### **What does it do?**

The LIRHPTE is an incentive to create housing opportunities that are affordable to lower income households – a critical need in our community. By providing tax exemptions for low-income housing LIRHPTEs help to preserve affordability and offer below-market rents. It is one way the City of Eugene is working to create more housing that is affordable to people with lower household incomes in our community. ([Learn about more affordable housing efforts](#))

### **Who can apply for a LIRHPTE in Eugene?**

Eligible rental housing owners include:

- non-profit public benefit (501c3) or religious corporations or
- any owner (including for-profit organizations) if the housing was constructed after 1990.

Eligible limited equity cooperatives include:

- cooperatives formed under Chapter 62 of the Oregon Revised Statutes (ORS), if the housing units on the property were constructed or converted to limited equity cooperative ownership after February 12, 1990.

### **When are applications due?**

Applications are due before December 1 of the calendar year immediately preceding the tax year for which an exemption is requested. Applications are accepted anytime, except for the months of June and July. If the property is not yet owned by the applicant at the time of application, the purchase must be completed by March 31 of the year for which the exemption is requested.

### **How do I get an application?**

You can request an application by emailing program staff, [Laura Hammond](#), or calling 541-682-5502. State statute requires that the Council consider the LIRHPTE within 60 days of applying. During that time, there is also required public notification to the neighborhood and school district. We ask interested applicants to email us for an application so we are aware they are interested in applying and can ensure that we are prepared to request time on the Council agenda and prepare the public notices.

**What is included in the application process?**

Once an application is received, a public notice is sent to the property’s local neighborhood association and school board for comment. Staff conduct an analysis of eligibility and prepare materials so the application can go before the City Council for consideration within 60 days of being filed. The City Council approves or denies the application by resolution at a scheduled public meeting.

**What is required to get a LIRHPTE?**

If an applicant is eligible, they must commit to offering rents or monthly housing payments that are affordable to people earning no more than 60% of the area median income based on household size (determined annually by HUD) for a period of 20 years. The current HUD income and rent limits for our area are:

2025 – AREA MEDIAN INCOME (AMI) LIMITS							
Persons in Household (#)	1	2	3	4	5	6	7
60% AMI (\$)	\$38,520	\$44,040	\$49,560	\$55,020	\$59,460	\$63,840	\$68,280

2025 – RENT/HOUSING PAYMENT LIMITS						
Unit Size	0 bdrm	1 bdrm	2bdrm	3bdrm	4bdrm	5bdrm
60% AMI	\$963	\$1,032	\$1,239	\$1,431	\$1,596	\$1,761

Applicants must submit a completed City of Eugene application packet that documents that the development meets the LIRHPTE criteria established by the State and City of Eugene. The packet includes documentation of the ownership entity, a legal property description, proof of ownership of the property or site control (such as a purchase option agreement), a rent or housing payment regulatory agreement (city form), consent to inspect the premises (city form), and certification of income levels of occupants. Applicants submit additional documentation related to required rents or monthly housing payments, occupation by low-income households, and documentation that owners spend no more than 10% of their annual rental or housing payment income for purposes other than acquisition, maintenance, or repair of residential property for low-income persons.

The application must be signed before a Notary Public. If the applicant does not supply all the required information, the application will be returned. It will not be considered filed until it is complete.

The City Council will take action to approve or deny the application within 60 days of being filed. If it is approved, the City informs Lane County of the approval by April 1 the year the exemption will begin.

**Can you get a LIRHPTE for a portion of a property or does the entire development need to meet the rent/housing payment and income limits?**

The LIRHPTE can be applied just to the units that provide affordable housing at the required rent/housing payment and income limits. The rest of the property would not be exempt from property taxes.

**Can the LIRHPTE continue if the property is sold?**

Please see the FAQ about termination of a LIRHPTE prior to the end of the 20-year exemption period. If the property is owned by a non-profit entity, it is possible to sell the property to another non-profit that would maintain the affordability and then the exemption would continue to be fulfilled. If the property was built since 1990 and has a different ownership model, it could be sold to anyone who would maintain the affordability and continue to fulfill the exemption.

**Can a LIRHPTE be renewed?**

Yes. In the last year of the 20-year affordability period the owner can apply to renew the exemption for another 20 years. It is important to apply by Dec 1 of the calendar year before the exemption expires to avoid a lapse in the exemption (which would go into effect in July of the next year).

**Can a LIRHPTE be terminated before the end of the 20-year exemption period?**

Yes. If the conditions of the LIRHPTE are not met and maintained the exemption can be terminated. Once a LIRHPTE is terminated, the property will be taxed without the exemption going forward and the owner will be required to pay the difference between the taxes that were assessed against the property and the taxes that would have been assessed against the property if not for the LIRHPTE for each of the years that the property received a LIRHPTE exemption – not to exceed ten years.

**Are there differences in LIRHPTEs for a non-profit public benefit (501c3) or religious corporation versus a for-profit organization or other ownership entity providing housing built after 1990?**

Yes. For housing developments owned by non-profit organizations, all units in the development that provide affordable housing at the required rent/housing payment and income limits and common area to support those units, including an on-site manager unit, are exempt.

If the housing is owned by a for-profit organization or other ownership entity (and built after 1990), only the units that are occupied by low-income households are exempt. A manager's unit, for example, would not be considered part of the property tax exemption.

**What are the requirements after receiving a LIRHPTE?**

Property owners are required to submit reports of their residents' incomes and rents or monthly housing payments every year of their 20-year LIRHPTE period by February 1. City of Eugene provides the forms to use for reporting. Owners must properly verify the incomes of residents and only allow households earning no more than 60% of area median income to move into the property. Property owners must maintain the properties in good condition according to the City of Eugene Rental Housing Code. The City may inspect the premises to ensure compliance. Failure to submit annual reporting, accurately verify income eligibility of residents, or maintain good housing condition could result in termination of the LIRHPTE.

**What qualifies as a Limited Equity Cooperative?**

A limited equity cooperative is a shared ownership housing model that:

- Lets residents collectively own and manage their housing;



- Keeps housing affordable by limiting resale prices; and
- Reserves membership for low-income households.

The specific requirements for Limited Equity Cooperatives are outlined in [ORS 307.515\(3\)](#) and [ORS 307.520](#).

In summary, a limited equity cooperative (LEC) is a type of housing cooperative that keeps homes affordable over time by limiting how much members can sell their ownership shares for.

In an LEC:

- Residents are members of a cooperative corporation that owns the building.
- Each member has the right to live in a specific unit and to take part in decisions about how the cooperative is run.

The rules (in the articles of incorporation) for a limited equity cooperative must state that members cannot:

1. Sell their ownership shares to anyone who isn't a low-income person, or
2. Sell their ownership shares for more than a limited amount, which includes only:
  - The original price the member paid for their share;
  - The cost of any permanent improvements they personally paid for in their unit (like remodeling a kitchen, not painting a wall);
  - Any special assessments the member paid to the cooperative that were used for permanent improvements to the building; and
  - A modest return on these costs—whichever is greater of:
    - The increase in the Consumer Price Index (CPI) for the West Region, or
    - A 3% annual increase, compounded each year.

For the LIRHPTE program, “low income” is defined based on AMI, as set each year by HUD and adopted by the Oregon Housing Stability Council. A low-income person means:

- In the first year they move in: their income is at or below 60% of the AMI;
- In later years: their income can be up to 80% of AMI, as long as they keep living there.

#### **What is the Eugene Code and Oregon Revised Statutes that LIRHPTE falls under?**

The State of Oregon enabled the City's LIRHPTE program through Oregon Revised Statutes [307.515 – 307.523](#). The LIRHPTE program is in Eugene Code [2.937 – 2.940](#).

(Updated 10/6/2025)

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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## Community Listening Session: City Manager Recruitment

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Meeting Date: October 20, 2025  
Department: Central Services  
www.eugene-or.gov

Agenda Item Number: 2  
Staff Contact: Mia Cariaga and Kristie Hammitt  
Phone: 541-682-5408

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### ISSUE STATEMENT

In April City Manager Sarah Medary announced that she will be retiring in December 2025. The City Charter vests the City Council with the sole authority and responsibility to appoint the City Manager. If Medary vacates the position prior to the City Council permanently filling it, the City Charter provides that the Mayor appoints a City Manager Pro Tem to temporarily fill the City Manager vacancy. This community listening session is an opportunity for the Council to hear from the public about what attributes, skills, and experience they believe are important as Council recruits a new City Manager.

### BACKGROUND

City Council selected Bob Murray and Associates as a recruitment firm to support a national search for a new City Manager. The recruitment is underway, and Council and Bob Murray and Associates are collecting thoughts from the public. To date the feedback has informed the job description and going forward will inform the Council about what is important for them to consider as they interview candidates through the recruitment process.

The job posting for City Manager closes on November 3, 2025. Next, Bob Murray and Associates will share potential candidates with City Council in an executive session later in November. Top candidates will move to interviews in early December, and finalists will be interviewed in person in January. Council will be developing the format for the January interviews as that phase approaches.

### PREVIOUS COUNCIL DIRECTION

#### [May 12, 2025 Work Session](#)

City Council chose a path of hiring a recruitment firm to support Council's efforts to conduct a national search and hire a new City Manager.

Councilor Evans, seconded by Councilor Leech, moved to proceed with Option 1 as outlined in Attachment A to this AIS, with the additional caveat that Step 1 of the process be made up of Council leadership and any volunteers from Council.

Passed 8:0

#### [July 9, 2025 Work Session](#)

City Council interviewed three recruiting firms and selected Bob Murray and Associates.

Move to select Bob Murray and Associates to conduct the Eugene City Manager recruitment

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process in accordance with the terms of a contract negotiated and executed by Central Services Director, Mia Cariaga.  
Passed 7:0

#### [September 9, 2025 Work Session](#)

City Council provided feedback about a draft brochure presented by Bob Murray and Associates, agreed to have Bob Murray and Associates hold a virtual listening session for the public, and to hold a public forum to hear from the public directly. That public forum is scheduled for October 20, 2025.

### **COUNCIL OPTIONS**

Informational only.

### **SUGGESTED MOTION**

None.

### **ATTACHMENTS**

None.

### **FOR MORE INFORMATION**

Staff Contact: Mia Cariaga, Central Services Executive Director

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

Staff Contact: Kristie Hammitt, Assistant City Manager

Telephone: 541-682-5010

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