

## RESOLUTION NO. 5053

### **A RESOLUTION APPROVING A MULTIPLE-UNIT PROPERTY TAX EXEMPTION FOR RESIDENTIAL PROPERTY LOCATED AT 39 WEST BROADWAY, EUGENE, OREGON (FIRST ON BROADWAY, LLC/APPLICANT).**

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

**A.** First On Broadway, LLC is the owner of real property located at 39 W. Broadway Street, Eugene, Oregon, more particularly described in Exhibit A attached to this Resolution, and has submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to the rehabilitation of the existing building to include residential units and commercial space.

**B.** The project, known as Broadway Lofts, consists of the development of ten studio units; six one-bedroom units; and three two-bedroom units, for a total of 19 residential units. In addition, the project will include 6,275 square feet of commercial space on the ground floor.

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

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

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

**F.** The requirements in the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order Nos. 53-09-01-F and 53-11-05 related to proximity to historic resources have been satisfied.

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

**H.** The project will be completed on or before January 1, 2022, and the owner has agreed to include in the construction one or more public benefits.

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

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

**K.** Granting the application is in the public interest. In making this determination, the City Council has considered the number of points awarded to the project based on the public benefit scoring system contained in the Standards and Guidelines.

L. The Report and Recommendation attached as Exhibit B recommends that the application be approved and the exemption granted. In making that recommendation, the Executive Director found that the applicant submitted all required materials, documents and fees as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines, and the applicant is in compliance with the policies contained therein.

**NOW, THEREFORE,**

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

**Section 1.** Based upon the above findings which are adopted, and the City Council's review of the Executive Director's Report and Recommendation which is attached as Exhibit B, the City Council approves the application of First On Broadway, LLC for an ad valorem property tax exemption under the City's Multiple-Unit Property Tax Exemption Program for the rehabilitation of the existing building located at 39 West Broadway Street, Eugene, Oregon, more particularly described in Exhibit A, to include residential units and commercial space, subject to the following conditions:

1. The project shall consist of the development of ten studio units; six one-bedroom units; and three two-bedroom units, for a total of 19 residential units. In addition, the project will include 6,275 square feet of commercial space on the ground floor.
2. The project shall be completed on or before January 1, 2022.
3. The project shall be in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS Chapters 195, 196, 197, 215 and 227.

**Section 2.** The residential units and commercial space to be developed on the property described in Section 1 above (100% of the increase in value of the building) are declared exempt from local ad valorem property taxation beginning July 1 of the year following issuance of a Certificate of Occupancy and continuing for a continuous period of ten years unless earlier terminated in accordance with the provisions of Section 2.947 of the Eugene Code, 1971.

**Section 3.** The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicants within ten days, and to cause a copy of this Resolution to be filed with the Lane County Assessor on or before April 1, 2012.

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

**The foregoing Resolution adopted and effective the 23<sup>rd</sup> day of January, 2012.**

*Beth Forrest*  
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City Recorder

## Resolution Exhibit A – Property Legal Description

Real property in the County of Lane, State of Oregon, described as follows:

The South 67.5 feet of Lot 8, Block 10, MULLIGAN'S DONATION to Lane County, as platted and recorded in Book A, Page 122, Lane County Oregon Deed Records, in Lane County, Oregon.

ALSO: Beginning at the Southwest corner of Lot 8, Block 10, MULLIGAN'S DONATION to Lane County, as platted and recorded in Book A, Page 122, Lane County Oregon Deed Records; thence North  $00^{\circ} 00' 21''$  West 67.50 feet to the true point of beginning of this description, said point being on the North line of that certain tract of land conveyed to Aaron U. Jones and Jean W. Jones, by instrument No. 64903, on Reel No. 192, in Lane County Oregon Deed Records; thence North  $89^{\circ} 55' 49''$  East along said North line 161.14 feet to the West margin of Willamette Street; thence North  $00^{\circ} 01' 48''$  West along said West margin 1.13 feet to the North face of an existing East-West wall; thence South  $89^{\circ} 53' 49''$  West, 161.14 feet along said North face to the East margin of the North-South alley between Olive and Willamette Street from 8th to 9th (Broadway); thence South  $00^{\circ} 00' 21''$  East, 1.04 feet along said East margin to the true point of beginning, all in Section 31, Township 17 South, Range 3 West of the Willamette Meridian, in Lane County, Oregon.

Tax Parcel Number: 1404787 and 1559028

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**REPORT AND RECOMMENDATION  
of the Planning & Development Department**

**Broadway Lofts Application for Multiple-Unit Property Tax Exemption**

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

1. First on Broadway, LLC is the owner of real property located at 39 West Broadway, Eugene, Oregon (Assessor's Map 17-03-31-13; Tax Lot 01100). First on Broadway, LLC has submitted an application pursuant to the City's Multiple-Unit Property Tax Exemption Program (Sections 2.945 and 2.947 of the Eugene Code, 1971), with respect to the rehabilitation of the existing building to include residential units and commercial space.
2. As the City Manager's designee, I have reviewed the application and find that:
  - 2.1 The project will provide ten studio units, six 1-bedroom units, and three 2-bedroom units for a total of 19 residential units. The ground floor will contain 6,275 square feet of commercial space.
  - 2.2 Construction is expected to be complete on or before January 1, 2022.
  - 2.3 The project is located in the downtown area described in subsection (2) of Section 2.945 of the Eugene Code, 1971.
  - 2.4 The applicant has submitted all materials, documents and fees required by the City as set forth in Section 2.945 of the Eugene Code, 1971, and the Standards and Guidelines for Multiple-Unit Housing Property Tax Exemptions adopted by Administrative Order No. 53-09-01-F and 53-11-05.
  - 2.5 The applicant has responded to the public benefit criteria as follows:
    - 2.5.1 Public Benefits:
      - Density. The project will be built in the C-3 zone and has no minimum or maximum for residential units. This project exceeds the minimum density by 19 units.
      - Green Building Features. Broadway Lofts will not be using LEED or Earth Advantage.
      - Mixed Income. Broadway Lofts will not include housing dedicated to controlled income.

- Homeownership. No units are designated for home ownership.
  - Accessibility. None of the units will be ADA accessible.
  - Historic Sensitivity. The project is not immediately adjacent or contiguous to a historic structure.
  - Location. The project is located in the Downtown Plan Area.
  - Parking. The project is not located in a RPP zone.
- 2.5.2 Longevity of Public Benefits. All of the public benefits listed above will extend beyond the period of the tax exemption.
- 2.5.3 Points Awarded. The applicant has been awarded 150 public benefit points.
- 2.6 The applicant demonstrated that the project as proposed could not be built but for the benefit of the tax exemption. City staff and the City's Loan Advisory Committee reviewed the pro-forma and confirmed this conclusion.
- 2.7 A presentation concerning the Broadway Lofts project was given to the Downtown Neighborhood Association on November 16, 2011. The Association Chair wrote an email indicating support for the project.
3. A display ad soliciting recommendations or comments from the public regarding this project was published in the Register-Guard on December 20, 2011. The period for comment will expire on January 19, 2012. As of the date of this Report and Recommendation, no comments have been received in response to the ad. If comments are submitted on or before January 19, staff will report that information to Council on January 23.

**Therefore**, based upon the above findings, the project is, or will be at the time of completion, in conformance with all applicable local plans and provisions of the Eugene Code, 1971, planning regulations, the Metropolitan Area General Plan, and the criteria set forth in the City's adopted Standards and Guidelines, and I recommend that the application be approved.

Dated this 12 day of January, 2012.

  
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Executive Director, AIC  
Planning & Development Department