

City of Corvallis

MUPTE Overview



The Multi-Unit Property Tax Exemption (MUPTE) is an incentive program to encourage mixed-use, high-density development in the CMU-1¹, CMU-2, CMU-3, and RMU-20 zoning districts. Properties that are currently rezoned RS-20 can also be rezoned to RMU-20 in order to become MUPTE eligible. This exemption program is enabled by state law and each project must be approved by the Corvallis City Council. Both rental housing and multi-unit housing for homeownership are eligible. The application fee is \$5,000, and applicants will be invoiced for third party pro forma review. Payment must be provided within 30 days of pro forma review or City Council may choose to use this as a basis for denial of the tax exemption.

RELATED CITY DOCUMENTS

The MUPTE Program Overview [webpage](#) includes a summary of the program with ordinance and administrative rule citations.

GENERAL APPLICATION PROCESS

Prior to completing the application, the applicant needs to:

- Contact the City to schedule a pre-application meeting.

Staff will review the proposed project and required information to be submitted in the application. This will include an overview of project need, affordability, unit type and size, timeframe of affordability, the ratio of public vs. private funds, the gap in financing a project, and the applicants legal, technical, and financial capacity to complete the project. Staff will also discuss the potential public benefits of a project with applicants to ensure understanding about that review criteria.

- Submit completed application for review.

Following the pre-application meeting, completed applications may be submitted and will be reviewed by staff to ensure all the required information has been provided, including the project's financial pro-forma, which is reviewed by an independent consultant. The consultant will make a recommendation to staff regarding the financial feasibility and financial need of the proposed project. Based on the financial analysis provided by the consultant and an evaluation of the public benefits and other requirements, staff will determine whether the application meets the criteria for the MUPTE program and provide any other comments about the project's financial projections. Staff will coordinate with other taxing jurisdictions to gain their support and approval. The City Council will review the application and decide whether it wants to provide this tax exemption based on the overall public cost/benefit to the City. The City Council reserves the right to deny any application it deems as unsuitable.

- Council review of MUPTE Application.

At the meeting where the City Manager's recommendation on an application is considered, or at a subsequent meeting, the City Council will adopt a resolution approving the application and granting the property tax exemption or adopt a resolution disapproving the application and denying the property tax exemption.

¹ Only the portion of the CMU-1 Zone that is located north of Monroe Avenue, East of 26th Street, South of Van Buren Avenue and West of 14th.

City of Corvallis

MUPTE Application



A. General Project Information

Applicant Information

Applicant's Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone Number: _____

Email Address: _____

Project Name: _____

Site Location and Information

Map/Tax Lot No.: _____

Current Zoning: _____

Parcel Size: _____

Minimum Density Allowed: _____

Maximum Density Allowed: _____

Site Location Address: _____

(If no address is available, provide a written description)

Attach legal description of the property, written description of the existing use of the property and latest property tax statement from Benton County for each taxable parcel. (see link [here](#)).

Proposed Project Information

Proposed No. of Parking Spaces: _____

Proposed Lot Coverage: _____

Building Footprint: _____

Building Square Footage: _____

Commercial Square Footage: _____

Total Number of Dwelling Units: _____

Total Height: _____

Unit Mix

Unit Size	#Units	Avg. Sq Feet Per Unit	Proposed Avg. Rental Rate
Studio / Efficiency			
One Bedroom			
Two Bedroom			
Three Bedroom			
Four Bedroom			
Five Bedroom			
Commercial / Retail			
ADA Accessible			
Total			

Project Affordability:

Indicate one of the following options for required affordability:

- ☐ The applicant has proposed that at least 15% of project's units to be affordable for households earning 80% or less of the average median income in Corvallis.
- ☐ The applicant agrees that 10% of the total property tax exemption will annually be paid to a fund for the future development of affordable housing.

Timeframe of Affordability:

If the applicant is proposing a project to provide 15% of the project's units be affordable for households earning 80% or less of the average median income in Corvallis, then the applicant must agree to a minimum of 30 years of affordability and provide a detailed description of how they will maintain affordability.

Funding Ratio and Gap:

The applicant must state the ratio of proposed public funds, private funds, and the percentage of funding the multiple-unit property tax exemption (MUPTE) investment would represent.

	Total	Percentage
Public Funds		
Private Funds		
MUPTE Request		

The applicant must identify what the fiscal need is to make the project feasible. Please provide the gap identified for financing this project: _____

Applicant Credentials:

Applicant must provide evidence to demonstrate that they have the legal, technical, and financial capacity to complete the project. Please provide resume of projects completed or currently under construction.

B. Required Public Benefits

To qualify for the exemption, the applicant must propose and agree to include in the proposed project, three or more of the following public benefits from this section.

1. Public Infrastructure

A development project will satisfy one public benefit requirement by providing for priority public infrastructure projects as identified in the City of Corvallis' master plans, Capital Improvement Plan (CIP), or Strategic Operational Plan (SOP), with an investment of at least \$100,000.

2. Placemaking or Active Public Spaces

The development project provides amenities beyond City standards such as shared community space, public plazas, green space as the centerpiece of the development, active frontage, art, wayfinding, pedestrian-oriented design features, common meeting rooms, or spaces meant for people to spend ample time and build community. More than 10% of the site area must be dedicated as publicly accessible open space with usable amenities to meet this criterion.

3. High Quality Urban Design/Special Architectural Features

1) The development provides high quality landscaping and architecture and/or other elements beyond what the City of Corvallis currently requires.

2) The development may include special architectural features; use of extraordinary materials or restoration of missing historic features based on photographic or physical evidence. Proposed architectural features must receive approval from the Historic Resources Commission before commencing work, if applicable.

4. Sustainable Building and Climate Mindfulness

A development project will satisfy one public benefit requirement by acquiring and maintaining any of the energy efficiency certifications listed below or providing solar installation that provides 20% or more of the building's energy consumption.

- Energy Trust New Buildings Path to Net Zero
- LEED Platinum
- Earth Advantage Platinum or higher

5. Local Labor, Materials, or Ownership

A development project will satisfy one public benefit requirement by locally sourcing 25% of the total project cost as evidenced by the applicant in the form of paid invoices. Local is defined as labor, material, or ownership originating in Benton County, Oregon.

6. Economic Opportunities

A development project will satisfy one public benefit requirement if applicant can demonstrate 10% or more of the total project costs will include work with contractors and/or companies that are owned by disadvantaged, minority, women, or service-disabled individuals, or an emerging small business as defined by a company in operation for less than 3 years.

7. Economic Catalytic Effect

A development project will satisfy one public benefit requirement if it will include spaces that result in a significant economic catalytic effect that will provide a broad range of benefits to the community as deemed by staff review and City Council. The applicant must demonstrate that the development project will likely cause a significant, permanent multiplier effect for other businesses in the City of Corvallis in terms of increased employment and/or increased revenues.

8. Retrofitting Existing Buildings

A development project will satisfy one public benefit requirement if it will involve retrofitting an existing building in one or more of the following ways:

1. Safety improvements beyond code minimums for seismic resiliency, ADA improvements and/or sprinkler installations
2. Rehabilitation of a designated historic building

9. Connectivity Improvements

A development project will satisfy one public benefit requirement if the project will include additional non-required connectivity developments including paths, roads, etc. The proposed connectivity improvements must exceed typical City of Corvallis requirements and may not be considered eligible if deemed a duplicative public infrastructure benefit.

10. Childcare Facilities

A development project will satisfy one public benefit requirement by providing childcare facilities within the proposed project and demonstrates how those facilities will be provided beyond the duration of the exemption. If a childcare facility or any other public benefit ceases to exist or function effectively, the applicant must provide an offsetting public benefit or risk revoking the tax exemption at the discretion of City Council.

11. Abandoned, Vacant, or Underdeveloped Properties

A development project will satisfy one public benefit requirement if the applicant includes a detailed description of how this project will remedy a severely blighted building or property. “Blighted areas” means areas that by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. Improving the underdevelopment or vacant status of a property will not suffice to meet this standard without removing blight as defined in the MUPTE ordinance.

C. Application Finalization Worksheet

Application Fee Information

An application fee of \$5,000 should be made payable to City of Corvallis at the time of submission. Applicants will also be responsible for paying for independent third-party pro forma analysis within 30 days of invoicing. Additional costs must be paid prior to the City Council acting on this application or it may be used as a basis for denial.

Property Owner Authorization

If the applicant is not the current property owner, the applicant must have the property owner sign on the application below.

Property Owner's Signature

Date

Application Verification

I swear or affirm that all information contained in this application is accurate and all statements are true.

Applicant Signature

Date

State of _____

County of _____

Signed and sworn to (or affirmed) before me on _____, 20____,

by _____.

Notary Public – State of _____