Eugene City Council
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www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

June 22, 2026

5:30 p.m. CITY COUNCIL WORK SESSION and URBAN RENEWAL AGENCY MEETING

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 June 22, 2026;
Her Honor Mayor Kaarin Knudson Presiding

Councilors

Lyndsie Leech, President	Eliza Kashinsky, Vice President
Jennifer Yeh	Alan Zelenka
Mike Clark	Greg Evans
Randy Groves	Matt Keating

5:30 p.m. CITY COUNCIL WORK SESSION

1. **EXECUTIVE SESSION: Pursuant to ORS 192.660(2)(f)(exempt public records)**

2. **WORK SESSION:**

   A. 1059 Willamette Redevelopment – Financial Assistance

   B. 1059 Willamette Redevelopment – Revised Terms

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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EUGENE URBAN RENEWAL AGENCY
AGENDA ITEM SUMMARY

Work Session: 1059 Willamette Redevelopment – Financial Assistance

Meeting Date: June 22, 2026
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2A
Staff Contact: Amanda D'Souza
Phone: 541-682-5540

ISSUE STATEMENT

This is the first of two work session items on June 22, 2026, related to the property located at 1059 Willamette Street. At this work session, the Urban Renewal Agency Board will consider a request for additional Urban Renewal funds to support the redevelopment of 1059 Willamette into a mixed-use, mixed-income housing project. Following this item, City Council will consider revisions to the approved terms for disposition and redevelopment of 1059 Willamette (Item 2B). See that Agenda Item Summary for more information on the proposed revisions.

BACKGROUND

The building located at 1059 Willamette Street served as the Lane Community College (LCC) Downtown Center until 2012 when the new Mary Spilde Center opened at 10th Avenue and Olive Street. In January 2020, Council approved the use of $500,000 of federal Community Development Block Grant (CDBG) funds to acquire the site in order to pilot an innovative, mixed-income, multi-unit housing project through the Land Acquisition for Affordable Housing Program, also known as the City's land bank program. The City acquired the site in April 2020.

At the January 2020 work session, Council approved the use of a Request for Proposals (RFP) process for disposition of the site to pursue a mix of income-qualified and market-rate units, where 51 percent of the units are targeted to households earning up to 80 percent of Area Median Income (AMI) and 49 percent of the units are market-rate. (There are very few housing options targeting households earning between 60 percent and 80 percent AMI, and households in this range typically do not qualify for other Affordable Housing options.) In September 2020, Council approved RFP criteria and Council and the Agency Board together made $1.1 million of public funds available with the RFP to reduce the anticipated financial gap.

The City received one submission in response to the RFP: a proposal from a development team led by deChase Miksis and Edlen & Company. Council approved terms for the disposition and redevelopment of the property to the development team in October 2021 and subsequently approved revisions to the terms in May 2023 (related to closing date and completion of construction) and February 2024 (an increase of four units (to a total of 133 units), and an extension of the closing deadline). Key project features include:

- 133 units, with 68 units for households earning up to 80 percent of AMI and 65 units to be rented at market rates without income qualifications. The income-qualified units must remain income-qualified for 35 years;
- Providing support services to meet needs of all residents;

- Providing 10 set-aside units for survivors of domestic violence (in partnership with the Hope & Safety Alliance, formerly Womenspace);
- Design that builds on the historic main-street character of Willamette Street;
- Ground-floor incubator retail spaces;
- Opportunities for art, including a public gallery in the lobby and a mural wall; and
- Using cost-effective green building measures to be certified under the Earth Advantage Multifamily program.

In February 2024, the Agency Board considered a request from the development team for additional financial assistance in order to help address the growing funding gap resulting from increases in construction costs and interest rates. The Agency Board approved an additional $740,000 in urban renewal funds for project-related costs, bringing the total City and Agency financial assistance to $1.84 million. In addition, the City is providing the land at no cost, and Council approved a 10-year Multi-Unit Property Tax Exemption (MUPTE) for the project in February 2024.

Progress and Financial Request

Since approval of the additional funds and the MUPTE in February 2024, the development team has made progress on the project in preparation for construction. In 2025, they applied for and received approval of all permits needed to construct the building. The City's updated federal Environmental Review was approved in December 2024, as was the Traffic Control Plan that will be used to mitigate the impacts the construction will have on 11th Avenue, Willamette Street, and the adjacent Downtown Transit Station.

At the January 21, 2026, work session, City Council heard an update on the project's financial challenges. Even with an investment of public funds, new multi-unit housing continues to face an uphill battle when it comes to securing funding, with developers and banks balancing high interest rates, high construction costs, and an unpredictable economic market over the past few years. The development team was able to secure the debt needed even though the appraised value of the project at completion is less than the construction costs. The project cannot secure additional private debt.

On the equity side, the combination of a challenging national economic environment and Eugene's position within that context resulted in the project not being able to reach a sufficient rate of return to secure the needed equity investor(s). Without an option to significantly increase rents (due to the CDBG and RFP criteria) or decrease construction costs, the development team is now requesting additional Urban Renewal funds to offset project costs and bring the rate of return for project equity in line with market realities.

The development team requests an additional $8.66 million of Downtown Urban Renewal tax increment funds for a total City and Agency contribution of $10.5 million. Staff are exploring opportunities to allocate a small portion of this funding through the Downtown Revitalization Loan Program. Downtown Urban Renewal District has approximately $29.3 million in spending limit (maximum indebtedness) available. (The amount of remaining maximum indebtedness is an estimate based on both actual historical spending and estimated future commitments.) If the Agency Board approves the additional requested funds, the spending limit for future District use would be approximately $20.7 million.

These additional Agency funds would be used toward hard and soft construction costs. They would also cover the cost of the prevailed wages, which the project would be required to pay with the increase in public investment. Should the Agency Board approve the additional funds, the sources and uses for the project are described in the table below.

Source	Amount
Bank (Debt)	$20,500,000
Equity Investor	$7,700,000
City/Agency	$10,500,000
Total Project Cost	$38,700,000

Potential Next Steps

At the January 21, 2026, work session, City Council extended closing to August 3, 2026, in order to allow time for the development team to prepare their financial request. Should the Agency Board approve the funding request, following this item and because the City owns the property, City Council will consider revisions to the terms of the deal to reflect the additional dollars. Council will also be asked to consider a two-month extension of closing because no other extensions are allowed under the current development agreement. Based on commitments made by their lender and equity investor, the developer is working to close on the project and start construction in August.

If the Agency Board chooses not to approve the funding request, the developer has stated that the project will not move forward under the current development agreement as mixed-income housing. In that case, the City could implement a new RFP process for mixed-income housing to attempt to find an alternative development team. In the event a new team came forward, that team would likely face the same challenging financial conditions that the current development team is facing. Alternatively, City Council could modify the policy direction for the site to include only Affordable Housing units (with no market-rate units), which would comply with the requirements associated with the federal CDBG funds used to acquire the property (as long as 51 percent of the units are at or below 80 percent AMI or a lower threshold). Due to the existing pipeline of planned Affordable Housing developments, staff estimate it could take approximately two years for the project to be awarded the typical mix of state funding tools used to develop Affordable Housing.

RELATED CITY POLICIES

Housing Implementation Pipeline (HIP)

Encouraging compact development in the downtown core is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability. The HIP overall housing five-year goal 0-5.2 is to increase the amount of housing downtown by 50 percent from 2021: an increase of over 1,000 units. The 1059 Willamette redevelopment will meet the Income Qualified five-year goal IQ-5.3a of supporting 133 units of mixed-income housing that includes moderate income (60 percent

to 100 percent AMI) and market-rate units. The units would also contribute to the 180 mixed-income units forecasted in the HIP units pipeline.

Eugene Downtown Plan

- Downtown development shall support the urban qualities of density, vitality, livability, and diversity to create a downtown, urban environment.
- Use downtown development tools and incentives to encourage development that provides character and density downtown.
- Actively pursue public/private development opportunities to achieve the vision for an active, vital, growing downtown.

Climate Action Plan (CAP) 2.0

CAP 2.0 includes multiple strategies that support the development of downtown and increase of compact housing in the downtown. Smaller homes tend to have a smaller carbon footprint during construction and use, and housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer trips.

Envision Eugene Pillars

- Provide ample economic opportunities for all community members.
- Promote compact urban development and efficient transportation options.
- Protect, repair, and enhance neighborhood livability.
- Provide for adaptable, flexible, and collaborative implementation.

Strategic Plan Goals: Urgent Community Needs

- Strategic Goal: Stabilize the cost of housing.
    - High-Impact Action: Support efforts to preserve and construct Affordable Housing units (rental and homeownership), Permanent Supportive Housing units, and Moderate-Income Housing units; includes developing local funding strategies.
    - High-Impact Actions: Develop Affordable Housing units with innovative funding strategies that specifically support protected classes' access to housing.
- Strategic Goal: Increase the vibrancy, economic vitality, and livability of downtown.
    - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to support commercial activity.
- Strategic Goal: Advance climate action and community resilience to natural and human-caused disasters.
    - High-Impact Action: Decrease transportation-related emissions and make the transportation network diverse and adaptable through continued implementation of the Eugene 2035 Transportation System Plan and related compact development actions in Envision Eugene.

- High-Impact Action: Continue to implement strategies from the Climate Action Plan 2.0 to improve and enhance efficiency and resilience of buildings in Eugene, including City-owned facilities.

PREVIOUS COUNCIL AND AGENCY BOARD DIRECTION

January 29, 2020 Work Session

Councilor Yeh, seconded by Councilor Taylor, moved to authorize the City Manager to acquire the property of 1059 Willamette (formerly the LCC Downtown Center) using $500,000 of Community Development Block Grant Funds.
Passed 8:0

Councilor Yeh, seconded by Councilor Taylor, moved to dispose of the property at 1059 Willamette (formerly the LCC Downtown Center) with the Land Acquisition for Affordable Housing property disposition process.
Passed 8:0

July 15, 2020 Work Session

Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to schedule a Public Hearing on the 1059 Willamette project in order to solicit public feedback on whether the project should move forward, as well as the appropriate funding mechanisms for the project. The City Manager is further directed to implement the proposed public engagement process.
Passed 8:0 (The public hearing occurred on 9/21/20.)

September 30, 2020 City Council Work Session and Urban Renewal Agency Board Meeting

Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to release the RFP for disposition of the 1059 Willamette site using the RFP criteria and to identify the Gordon Lofts MUPTE Moderate-Income Housing fee (an estimated $400,000) as available funding in the RFP to support the 1059 Willamette project. Councilor Zelenka, seconded by Councilor Syrett, moved to add additional weighting to favor projects that continue Affordable Housing units up to 80 percent AMI past the 20-year period.
Passed 8:0

Agency Board Member Semple, seconded by Agency Board Member Yeh, moved to direct the Agency Director to identify $700,000 of Downtown Urban Renewal tax increment funds as available funding in the City RFP to support the 1059 Willamette project.
Passed 8:0

June 9, 2021 Work Session

Councilor Yeh, seconded by Councilor Syrett, moved to direct the City Manager to a) enter into exclusive negotiations with the deChase Miksis/Edlen & Company development team for the disposition and redevelopment of 1059 Willamette and b) return to Council with the proposed terms for action.
Passed 6:1 (Opposed by Councilor Semple)

Councilor Syrett, seconded by Councilor Yeh, moved to ask the City Manager to bring back to Council options for filling the proposed $2 million gap in this project in order to set the rents at the Housing and Urban Development Fair Market housing value.
Passed 7:0

October 20, 2021 Work Session
Councilor Yeh, seconded by Councilor Zelenka, moved to approve the terms for disposition and redevelopment of 1059 Willamette and to authorize the City Manager to enter into a real property transfer agreement consistent with the approved terms.
Passed 5:0

May 20, 2023 Meeting
Councilor Keating, seconded by Councilor Zelenka, moved to approve revisions to the approved terms related to the closing date and completion of construction.
Passed 8:0

June 12, 2023 Work Session
Councilor Groves, seconded by Councilor Keating, adopted an amended Downtown Urban Renewal Plan for the Downtown Urban Renewal District, increasing the maximum indebtedness by $50 million and expanding the list of projects eligible for Downtown Urban Renewal funds.
Passed 7:0

February 28, 2024 Urban Renewal Agency Board Work Session and City Council Work Session
Agency Board Member Keating, seconded by Agency Board Member Groves, moved to approve the use of an additional $740,000 of Downtown Urban Renewal tax increment funds to support the 1059 Willamette project.
Passed 8:0

Councilor Keating, seconded by Councilor Groves, moved to approve revised terms and authorize the City Manager to amend the development agreement consistent with the revised terms.
Passed 8:0

Councilor Keating, seconded by Councilor Groves, moved to adopt a Resolution Approving a Multiple-Unit Property Tax Exemption for Residential Property Located at 1059 Willamette Street in Eugene, Oregon (Applicant 1059 Willamette Investment, LLC).
Passed 8:0

June 12, 2023 Work Session
City Council adopted an amended Downtown Urban Renewal Plan for the Downtown Urban Renewal District, increasing the maximum indebtedness by $50 million and expanding the list of projects eligible for Downtown Urban Renewal funds.
Passed 7:0

January 21, 2026 Work Session
Councilor Leech, seconded by Councilor Zelenka, moved to approve revised terms and to authorize the City Manager to amend the development agreement consistent with the revised terms to

extend the closing date to August 3, 2026.
Passed 6:0

AGENCY BOARD OPTIONS

1. Approve the use of up to $8.66 million of additional Downtown Urban Renewal tax increment funds to support the 1059 Willamette project.

OR

2. Decline to approve the use of additional Downtown Urban Renewal tax increment funds to support the 1059 Willamette project.

AGENCY DIRECTOR'S RECOMMENDATION

The Agency Director recommends that the Agency Board approve the use of up to $8.66 million of additional Downtown Urban Renewal tax increment funds to support the 1059 Willamette project.

POSSIBLE MOTION

1. Move to approve the use of up to $8.66 million additional Downtown Urban Renewal tax increment funds to support the 1059 Willamette project.

ATTACHMENTS

A. Map of 1059 Willamette Property

FOR MORE INFORMATION

Staff Contact: Amanda D'Souza, Development Programs Manager

Telephone: 541-682-5540

Staff E-Mail: adsouza@eugene-or.gov

Map of 1059 Willamette Project Site

EUGENE CITY COUNCIL
AGENDA ITEM SUMMARY

Work Session: 1059 Willamette Redevelopment – Revised Terms

Meeting Date: June 22, 2026 | Agenda Item Number: 2B
Department: Planning and Development | Staff Contact: Amanda D'Souza
www.eugene-or.gov | Phone: 541-682-5540

ISSUE STATEMENT

This is the second of two work session items on June 22, 2026, related to the property located at 1059 Willamette Street. At this work session, City Council is asked to review and consider action on proposed revisions, shown in Attachment A, to the approved terms for redevelopment of 1059 Willamette.

Prior to this work session, the Urban Renewal Agency Board will consider a request for additional financial assistance for the project (Item 2A). See that Agenda Item Summary for more information and background on the project.

BACKGROUND

On October 20, 2021, Council approved terms for the disposition and redevelopment of 1059 Willamette Street. On May 22, 2023, Council approved revisions to the terms related to the dates for closing and completion of construction. On May 31, 2023, the City entered into a development agreement with the development team, On February 28, 2024, Council approved revisions to the terms, including an increase of four units (to a total of 133 units) and an extension of the closing deadline. On the same day, the Urban Renewal Agency Board approved allocation of an additional $740,000 of Downtown Urban Renewal tax increment funds to support the project. On January 21, 2026, Council approved an additional extension of the closing date to allow the development team time to prepare their request for additional funding.

In order for the project to move forward, Council is asked to review and take action on proposed changes to the approved terms, which are shown with bold and strikethrough text in Attachment A. The proposed changes include:

- Financial Assistance: The approved financial assistance term currently includes the $1.84 million in financial assistance pledged by the City and the Urban Renewal Agency; provision of the land at no cost; and the 10-year Multi-Unit Property Tax Exemption (MUPTE) that Council approved in February 2024. The Agency Board will discuss the request for an additional $8.66 million of Downtown Urban Renewal tax increment funds during item 2A of this work session. The Agency Board's Agenda Item Summary: 1059 Willamette Redevelopment – Financial Assistance (Item 2A) provides additional information.
- Closing Date: At the January 21, 2026, work session, Council approved the extension of the closing deadline to August 3, 2026, to allow time for the development team to prepare a request for additional funding. Should the Agency Board approve the funding request today, the development team is on track to break ground in August. They received approvals of

their building permits and, subject to City/Agency approval on the increased funding, are working with their lender and equity investor to enter into the final documents needed to access the funds necessary to begin construction. The proposed change to the deal points today would extend the closing deadline by two months to October 5, 2026, as an additional cushion.

All other Council-approved terms remain the same. Key elements of those include:

- The property will be conveyed to the development team for $1.
- The development team must meet the federal Environmental Review requirements related to contamination and toxic substances, noise levels, stormwater management, and historic context.
- The 68 income-qualified units will remain affordable to households earning 80 percent of the Area Median Income (AMI) for at least 35 years after project completion. The development team will verify at each new move-in that these units are occupied by households with incomes no greater than 80 percent of AMI.

Potential Next Steps

If the Agency Board chooses not to approve the additional funding request, and/or the Council chooses not to approve the updated deal points, the developer has stated that the project will not move forward under the current development agreement as mixed-income housing. In that case, City could implement a new Request for Proposals (RFP) process for mixed-income housing to attempt to find an alternate development team. In the event a new team came forward, that team would likely also face the same challenging financial conditions that the current development team is facing. Alternatively, City Council could modify the policy direction for the site to include only Affordable Housing units (with no market-rate units), which would comply with the requirements associated with the federal Community Development Block Grant (CDBG) funds used to acquire the property (as long as 51 percent of the units are at or below 80 percent AMI or a lower threshold). Due to the existing pipeline of planned Affordable Housing developments, staff estimate it could take approximately two years for the project to be awarded the typical mix of state funding tools used to develop Affordable Housing.

RELATED CITY POLICIES

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Encouraging compact development in the downtown core is one critical way to provide housing for our growing community. Increasing the number of housing units in the downtown core achieves other policy goals related to climate recovery and resiliency, compact development transportation efficiency, downtown vibrancy, and fiscal sustainability. The HIP overall housing five-year goal O-5.2 is to increase the amount of housing downtown by 50 percent from 2021: an increase of over 1,000 units. The 1059 Willamette redevelopment will meet the Income Qualified five-year goal IQ-5.3a of supporting 133 units of mixed-income housing that includes moderate income (60 percent to 100 percent AMI) and market-rate units. The units would also contribute to the 180 mixed-income units forecasted in the HIP units pipeline.

Eugene Downtown Plan

- Downtown development shall support the urban qualities of density, vitality, livability, and diversity to create a downtown, urban environment.
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Climate Action Plan (CAP) 2.0

CAP 2.0 includes multiple strategies that support the development of downtown and increase of compact housing in the downtown. Smaller homes tend to have a smaller carbon footprint during construction and use, and housing units built close to transit, jobs, and other amenities allow residents to access the community using fewer trips.

Envision Eugene Pillars

- Provide ample economic opportunities for all community members.
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Strategic Plan Goals: Urgent Community Needs

- Strategic Goal: Stabilize the cost of housing.
    - High-Impact Action: Support efforts to preserve and construct Affordable Housing units (rental and homeownership), Permanent Supportive Housing units, and Moderate-Income Housing units; includes developing local funding strategies.
    - High-Impact Actions: Develop Affordable Housing units with innovative funding strategies that specifically support protected classes' access to housing.
- Strategic Goal: Increase the vibrancy, economic vitality, and livability of downtown.
    - High-Impact Action: Continue to implement and increase the efficiency and effectiveness of development and redevelopment tools to support commercial activity.
- Strategic Goal: Advance climate action and community resilience to natural and human-caused disasters.
    - High-Impact Action: Decrease transportation-related emissions and make the transportation network diverse and adaptable through continued implementation of the Eugene 2035 Transportation System Plan and related compact development actions in Envision Eugene.
    - High-Impact Action: Continue to implement strategies from the Climate Action Plan 2.0 to improve and enhance efficiency and resilience of buildings in Eugene, including City-owned facilities.

PREVIOUS COUNCIL DIRECTION

See the Agency Board Agenda Item Summary for item 2A.

COUNCIL OPTIONS

1. Approve the revised terms shown in strikethrough and bold text in Attachment A.

OR

2. Propose modifications to the revised terms.

OR

3. Decline to modify the terms and schedule a work session to discuss next steps for the property.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Option 1, approval of the revised terms in Attachment A.

POSSIBLE MOTIONS

1. Move to approve the revised terms in Attachment A and to authorize the City Manager to amend the development agreement consistent with the revised terms included in Attachment A.

OR

2. Move to approve the revised terms in Attachment A with specific modifications as determined by the City Council and move to authorize the City Manager to amend the development agreement consistent with the modified terms.

OR

3. Move to direct the City Manager to schedule a work session to discuss next steps for the property.

ATTACHMENTS

A. Proposed Revisions to Approved Terms for Transfer of 1059 Willamette Property

FOR MORE INFORMATION

Staff Contact: Amanda D'Souza, Development Programs Manager

Telephone: 541-682-5540

Staff E-Mail: adsouza@eugene-or.gov

Proposed Revisions to Approved Terms for Transfer of 1059 Willamette Property

Buyer: Joint venture led by Edlen & Company and deChase Miksis

Seller: City of Eugene ("City")

Property: Land (approximately 0.42 acres) located at 1059 Willamette Street (Map No. 17-03-31-14, Tax lot 12800)

Purchase Price: Property will be conveyed to Buyer for $1.

Agreement: Following the City Council's approval of terms, Buyer and Seller shall enter into a real property transfer agreement.

Due Diligence Period: Upon execution of the Agreement, Buyer will have a period of 180 days in which to review property information and to conduct on-site tests and studies to determine the condition of the property.

Environmental Condition: During the Due Diligence Period, Buyer will be able to perform environmental investigation to satisfy itself of the environmental condition of the property, the results of which will be provided to the Seller for review.

Federal Environmental Review: Buyer must meet the federal Environmental Review requirements related to contamination and toxic substances, noise levels, stormwater plan, and historic context.

Project Description: Buyer intends to develop a 6-story, 133-unit mixed use project, called the Montgomery. It includes: 68 income-qualified units available to households at 80% of Eugene's area median income (AMI), which is a federally defined criterion, and 65 market-rate units. 10 of the income-qualified units will be set aside for survivors of domestic violence, in partnership with Hope & Safety Alliance (formerly Womenspace). Cornerstone Community Housing will provide resident services through their Healthy Homes program. The project will include pet amenities such as pet-care areas to exercise and wash dogs. The ground floor, facing Willamette Street and 11th Avenue will include commercial uses, such as low-rent spaces for start-up businesses. The project will also incorporate art through features such as a public gallery in the lobby and an outdoor mural.

Income-Qualified Rents and Affordability Period: For a period of 35 years after completion of the project, Buyer agrees to ensure that 51% of the units bear housing costs (rents and utilities) that are no greater than 30% of the HUD-published income limits for households at 80% AMI. Buyer shall also verify at move-in that these units are occupied by households that qualify as low-income (households with incomes up to 80% AMI). Compliance with this requirement shall be monitored with an annual certification to the City.

Financing: Prior to the closing of the real property transfer, Buyer shall demonstrate that all financing necessary for the project has been secured.

Closing Date: The closing of the transfer shall occur at commencement of construction, which will be no later than ~~August 3, 2026~~ **October 5, 2026**.

Completion of Construction: Project will be completed and begin occupancy no later than 20 months after the Closing Date.

MUPTE: Buyer has stated their intent to apply for a Multi-Unit Property Tax Exemption. In such a case, the transfer of the property would then be contingent on the Council approval of the MUPTE resolution.

City/Agency Financial Assistance: City and/or Agency will provide **up to $10.5 million** ~~$1.84 million~~ in additional financial assistance for the Project. City and/or Agency, in its sole discretion, shall make such financial assistance available in the form of payments for system development charges (SDCs), building permit and related fees, electric-connection fees for the construction of the Project, demolition costs, asbestos abatement, and/or other project-related costs. The City will also provide facilitated permit review.

Brokerage Commission: Buyer is responsible for all real estate broker fees. No brokers represent either party.

Exclusive Negotiation: While negotiating the terms of the real property transfer agreement with Buyer, City will not enter into negotiations with any other party.

Right of Repurchase: In the event that the Buyer does not meet the construction and completion requirements included in the real property transfer agreement, the City has the right to repurchase the Property for $1, the Buyer's purchase price.