

MINUTES

**Eugene City Council and Eugene Urban Renewal Agency
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**December 11, 2019
12:00 p.m.**

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

Mayor Vinis opened the December 11, 2019, meeting of the Eugene Urban Renewal Agency.

1. EXECUTIVE SESSION: Pursuant to ORS 192.660(2)(e)

The Eugene Urban Renewal Agency met in Executive Session held pursuant to ORS 192.660(2)(e) to deliberate with persons designated to negotiate real property transactions.

Mayor Vinis closed the meeting of the Eugene Urban Renewal Agency and opened the Eugene City Council work session.

2. WORK SESSION: An Ordinance Concerning Short-Term Rental Business Licenses; Amending Section 3.005 of the Eugene Code, 1971; and Adding Section 3.350 to that Code

Building Permit Services Director Lydia Kaye introduced the item.

- Councilor Syrett – said she thinks the City needs to do more due diligence on this matter before putting out for a public hearing – getting more input from rental hosts and nearby neighbors on both positive and negative impacts; said there is a lot of speculation about the benefits and the consequences of these rentals; noted there was a lot of compelling testimony from hosts this week and there are many different approaches to this work; said the City Attorney sent her information about a motion she intended to make about creating an advisory committee that would engage short-term rental hosts and owners, neighbors, and research facts about numbers, taxes, etc.
- Councilor Zelenka – said communication is key – there are valid concerns about lack of regulation and issues that still need to be addressed; suggested considering an exemption for those owning one non-owner occupied property as a way to address companies or people buying multiple properties to market as short-term rentals; noted there are differences between short-term and long-term rentals, but needed more information about the rules for running a home business; voiced concern that about transient room tax collection issues and the impact of irresponsible hosts.
- Councilor Taylor – said the City is overdue in regulating short-term rentals regulations; expressed interest in getting more information about Hood River's experience because there are reports that short-term rentals there destroyed their community; said the ordinance that staff developed was very good and it's not too early for council to take action; asked questions about grandfathering some home businesses, the implications of including bed and breakfasts and the number of bedrooms that could be rented per the draft ordinance; preferred to limit violations to two per year and to require owner occupancy.
- Councilor Clark – said he was lifelong advocate of a free market economy, noting that it's council's job to step in when necessary, such as unjust conditions for surrounding neighbors, but default to a position that creates as few regulations and restrictions as possible; said the short-term rental apps allow for the market to decide who is doing it right; said he's happy to vote in favor of Councilor Syrett's motion and allow those with expertise in this business to

work with neighbors dealing with the impacts to find solutions that work for everyone with as little additional regulation as possible.

- Councilor Pyror – said what’s lacking the most in the conversation is clarity because the council is trying to approach the short-term rental issue as a simple problem that needs a solution; noted that if there is a problem, it’s a more complicated variable than initially thought; said the council lacks information such as how many houses are currently being rented in this manner; encouraged council to slow down long enough to evaluate the scope of the problem rather than creating new problems by trying to solve the issue without having all of the information needed; said there are tools to deal with nuisance situations – other mechanisms that don’t require a ban or over-regulation; supported regulations that respond to due diligence, but the level should be based on facts.
- Councilor Evans – said he would support Councilor Syrett’s motion because the council needs to slow down and gather more data, including if there’s trend towards abuse of the situation by short-term rental owners these rentals, statistics on local vs non-local property owners, and the experiences of other communities; warned against shaping regulations on research the council don’t have; shared anecdotal information about a friend who is operating a short-term rental as a secondary and needed source of income and is concerned that the City will overregulate.
- Councilor Taylor – said there is plenty of information available because there are 32 cities in Oregon that already have regulations; suggested reading an article in the *New Yorker* about Barcelona, Spain being overrun by short-term rentals; said the government’s role is to control natural impulses that cause issues and that people don’t have the right to make money at the expense of their neighbors; said the City is not banning short-term rentals if it allows people use their own homes with owner occupancy requirements; expressed concern that this is an urgent matter that should not be delayed for a committee.
- Councilor Clark – disagreed with Councilor Taylor and said, while he doesn’t yet have clear direction about what information he’d like back to address this, he would like to find a way to incentivize, given that more triplexes and duplexes will be built as a result of HB 2001; should consider whether to encourage or discourage the creation of more small units that are intended to be short-term rentals; supported having more time to think and talk through the nexus between this issue and ADU conversations.
- Councilor Zelenka – said he would like to know how many short-term rental units there are in Eugene because if there really are 7,000, then that is significantly impacting the affordable housing market; asked about the distance between short-term rentals, noting that is key in expectations about neighborhood livability and people’s right to earn supplemental income, and when those two rights clash, that’s when the City Council steps in; said there are many things regulated in neighborhoods, such as allowable home businesses in homes and the social host ordinance may be a model that could be applied in this situation; agreed that regulation shouldn’t happen without some data, but not having all the data shouldn’t prevent regulation of conditions or behaviors that are detrimental.
- Mayor Vinis – said what has been powerful about this conversation is that the people who testified at the public forum on Monday provided a very different perspective from the input council already received -one that called attention to the needed income-generating aspect of short-term rentals.
- Councilor Syrett – appreciated the public comment from the individuals who are successful short- term rental hosts; supported learning more about the implications of the draft ordinance, noting that a deeper discussion that includes all sides of the issue will result in a better ordinance.

MOTION: Councilor Syrett, seconded by Councilor Clark, moved to direct the City Manager to create an ad hoc department advisory committee to make recommendations to City staff concerning the implementation of City policy regarding the regulation of short-term rentals. This committee should engage with local short-term rental hosts and owners who represent the variety of ways in which these short-term rentals are currently configured and provide opportunities for neighbors impacted by them to share their perspective on the topic. The recommendations generated through this process should be analyzed by staff and brought back to staff for further consideration.

Councilor Semple – expressed concern that this will turn into a long drawn-out process, said she doesn't have lot of experience with ad hoc committees or how in-depth their work should be; expressed appreciation for the white paper prepared by Library staff; asked for clarification about how much work and time the council is asking for and whether a date-certain for getting the committee recommendations could be established

Councilor Zelenka – offered a friendly amendment to complete the input process by March 31 with action on an ordinance before summer break. Councilors Syrett and Clark accepted the friendly.

Councilor Taylor – noted that a committee with members who have a financial interest in the situation or people who have not been impacted is not a good committee.

Councilor Semple – asked how it would be determined who is on the committee and supported including those who aren't entrenched in one camp or another; encouraged continuing outreach into the neighborhoods so that people aren't surprised when an ordinance is passed.

Councilor Syrett – noted that a year and a half was spent working with Uber and Lyft on workable regulations and the City should be now be engaging local residents who are invested in the community before it regulates this home business; reread part of the motion about the representation on the ad hoc committee.

MOTION (with friendly amendment) and VOTE: Councilor Syrett, seconded by Councilor Clark, moved to direct the City Manager to create an ad hoc department advisory committee to make recommendations to City staff concerning the implementation of City policy regarding the regulation of short-term rentals. This committee should engage with local short-term rental hosts and owners who represent the variety of ways in which these short-term rentals are currently configured and provide opportunities for neighbors impacted by them to share their perspective on the topic. The recommendations generated through this process should be analyzed by staff and brought back to staff for further consideration. The input process will be completed by March 31, 2020, with action on the ordinance scheduled before the council's summer break. **VOTE: PASSED 7:1**, Councilor Taylor opposed.

The meeting adjourned at 1:16 p.m.

Respectfully submitted,



Beth Forrest
City Recorder

(Recorded by Elena Domingo)

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