

MINUTES

Eugene City Council
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401

April 9, 2018
5:30 p.m.

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

Mayor Vinis opened the April 9, 2018, Work Session of the Eugene City Council.

1. Committee Reports and Items of Interest from Mayor, City Council, and City Manager

Council Discussion

- Recognize that the neighborhood matching grants are on the consent calendar tonight and all nine projects were approved.
- Would like to see a dog park in every 20-minute neighborhood.
- Concerned about how the Planning Commission meeting regarding SB 1051 was set up.
- Councilor Syrett will be attending a community court conference in May.
- Santa Clara Community Organization expressed concerns about potential car camp in their neighborhood.
- More information requested about the timeline for discussing C-2 zoning.

2. WORK SESSION: Construction Excise Tax

Community Development Director Michael Kinnison and Grants Manager Stephanie Jennings returned to Council as a follow-up from last April with suggestions, analysis, and recommendations about implementing a Construction Excise Tax and local options for affordable housing. This included reviewing a set of recommendations from the Housing Policy Board.

Council Discussion

- Appreciate staff response to Council direction from last year, but a lot has changed over that time period.
- Not supportive of implementing a CET, but do support a motion to have a broader conversation around housing affordability and best outcomes.
- Questions raised about how the one percent CET rate was determined.
- Stakeholders in the community have concerns about moving forward with the CET without having broader, deeper conversations about barriers to building affordable housing in the community.
- Questions raised about the difference in residential vs. commercial/industrial CET rate.
- Concerns expressed about creating a double exemption for projects that may overlap with Multiple Unit Property Tax Exemption.
- Request made for meeting notes from Housing Policy Board.
- CET issue should be part of a larger conversation about missing middle housing because it should all be thought of as a package.
- Affordable housing requires affordable building and worst outcome would be if efforts to come up with funding mechanisms makes affordable construction more expensive.

- Important not to confuse affordable and subsidized housing.
- Best outcomes are exploring and addressing the specific barriers to building affordability.
- Clarification requested about whether CET money could be used to help people stay in their homes or pay utility bills.
- Support analyzing each possible component to affordable housing as a package to make sure there aren't conflicts between them.
- Should have high expectations for community input on this issue and make sure it is diverse and representative.
- Housing incentive tools include purchasing land, helping with infrastructure costs, closing gap for construction, SDC exemptions, property tax exemptions, addressing regulatory issues – some are process-oriented and some are financial.
- Want a package of strategies that work together to rebalance the market, deliverable items to make housing more affordable.
- For clarity, staff coming back should be as immediate as possible with the cost and the plan, but will accomplish ultimate work of going forward within six months of motion passing.
- Suggest friendly amendment to specify the date-certain be October 9, 2018, and that the mayor appoint a task-force of stakeholders to lead the conversations.
- Better Housing Together was formed for this purpose and started this process; may be able to build from that.
- Friendly amendment made and accepted that sets the time frame as six months from when staff brings back proposals and funding options.
- In favor of implementing a CET and addressing the barriers; want to know what the timeline is for potential actions.
- Worried that the concept of a "package" will delay action because it could make project too large – want to be realistic about what can be accomplished.
- Questions asked about using consultants vs. expecting planning staff to take on work.
- Would like staff to lay out a scope of work that addresses current issues and fundamentals, not entirely solving the housing crisis.

MOTION AND VOTE (including friendly amendments): Councilor Clark, seconded by Councilor Taylor, moved to direct the City Manager to bring back to Council for consideration a recommended process and the necessary funding to allow staff to identify existing barriers to housing affordability, availability, and diversity of type within the City of Eugene, the process to be completed within six months from Council's approval of the process and the funding. **PASSED 8:0.**

Mayor Vinis announced the Council did not get to the third item on the agenda, dog licensing, and it would likely be put on the agenda for the Wednesday work session.

The meeting adjourned at 6:58 p.m.

Respectfully submitted,



Elena Domingo
Deputy City Recorder