



Eugene City Council

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Eugene, OR 97401
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www.eugene-or.gov

AMENDED AGENDA EUGENE CITY COUNCIL

May 24, 2021

7:30 p.m. CITY COUNCIL MEETING

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, this meeting will be held remotely using 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>

**Meeting of May 24, 2021;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Jennifer Yeh, President
Mike Clark
Randy Groves
Emily Semple

Claire Syrett, Vice President
Greg Evans
Matt Keating
Alan Zelenka

Note: This agenda was amended to reflect the removal of Item 7.

7:30 p.m. CITY COUNCIL MEETING

- 1. PLEDGE OF ALLEGIANCE TO THE FLAG**
- 2. COMMITTEE REPORTS AND ITEMS OF INTEREST**
- 3. CONSENT CALENDAR 1**
 - A. Approval of City Council Minutes**
 - B. Approval of City Council Tentative Agenda**
 - C. Approval of Resources for Housing Affordable to Low- and Moderate-Income Persons**
- 4. PUBLIC FORUM**
- 5. ACTION: An Ordinance Concerning Multiple-Unit Property Tax Exemptions and Amending Section 2.946 of the Eugene Code, 1971**
- 6. ACTION: Granting An Exemption From the Application of Section 6.200 of the Eugene Code, 1971, and Providing for a Sunset Date**

May 24, 2021, Meeting

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.

For more information, contact the Council Coordinator at 541-682-5010,
or visit us online at www.eugene-or.gov.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of City Council Minutes

Meeting Date: May 24, 2021
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3A
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This is a routine item to approve City Council minutes.

SUGGESTED MOTION

Move to approve the minutes for the public hearing on January 19, the work session on March 8, and the meeting on March 8, 2021.

ATTACHMENTS

- A. January 19, 2021, Public Hearing Minutes
- B. March 8, 2021, Work Session Minutes
- C. March 8, 2021, Meeting Minutes

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: bforrest@eugene-or.gov

MINUTES

**Eugene City Council
Virtual Meeting
Eugene, Oregon 97401**

**January 19, 2021
7:30 p.m.**

Councilors Present: Emily Semple, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett and Randy Groves

Mayor Vinis opened the January 19, 2021, meeting of the Eugene City Council.

1. PUBLIC HEARING: An Ordinance Concerning Chapter 4 Offenses; Adding Section 4.040 to the Eugene Code, 1971; Amending Sections 4.330, 4.340, 4.731, 4.755, 4.906, and 4.922 of the Code; and Amending Section 2.773 of the Eugene Code, 1971 to Make a Correction

Mayor Vinis opened the public hearing.

1. Zondie Zinke – objects to how animal abuse and neglect is defined in the proposed ordinance, which would cause unhoused individuals to be criminalized.

Mayor Vinis closed the public hearing.

Council Discussion

- Councilor Syrett – asked staff when action is scheduled for this item.

2. PUBLIC HEARING: An Ordinance Concerning Disposition of Eugene Water & Electric Board Real Property and Amending Section 2.196 of the Eugene Code, 1971

Mayor Vinis opened the public hearing.

1. Frank Lawson – as the EWEB General Manager he supports the proposed code amendments which will help facilitate future EWEB and City of Eugene opportunities.
2. Zondie Zinke – stated Councilor Syrett’s past comments regarding the City’s ability to purchase the EWEB Headquarters Building on the open market were not in line with good stewardship of public funds.

Mayor Vinis closed the Public Hearing.

Council Discussion

- Councilor Syrett – stated she has no interest in purchasing the EWEB Headquarters Building for City Hall, and her comments were made to clarify for other councilors that Council was not forgoing the opportunity to purchase the building; agrees that City Council needs to be mindful of public funds.

The meeting adjourned at 7:47 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Jessica Gebb)
Webcast of meeting available [here](#).

MINUTES

**Eugene City Council
Virtual Work Session
Eugene, Oregon 97401**

**March 8, 2021
5:30 p.m.**

Councilors Present: Emily Semple, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett, Randy Groves

Mayor Vinis opened the March 8, 2021, work session of the Eugene City Council.

1. WORK SESSION: An Ordinance Concerning Clear and Objective Approval Criteria for Housing; Amending Sections 9.0500, 9.2181, 9.2471, 9.2520, 9.2687, 9.2751, 9.2761, 9.3216, 9.3221, 9.2626, 9.3725, 9.4830, 9.5750, 9.6010, 9.6710, 9.6810, 9.6815, 9.6820, 9.6845, 9.6865, 9.6885, 9.7007, 9.8030, 9.8045, 9.8055, 9.8085, 9.8090, 9.8100, 9.8105, 9.8205, 9.8210, 9.8215, 9.8220, 9.8310, 9.8320, 9.8325, 9.8360, 9.8365, 9.8440, 9.8445, 9.8505, 9.8510, 9.8515, and 9.8520 of the Eugene Code, 1971; Adding Section 9.5860 to That Code; and Providing an Effective Date (City File CA 20-4)

Senior Planner Jenessa Dragovich provided a project overview in advance of the March 8 public hearing on the proposed Clear and Objective Housing Approval Criteria land use code amendments.

Council Discussion

- Councilor Clark – asked what the net effect of the proposed ordinance is on buildable land inventory; asked if city possesses cost burdensome land.
- Councilor Groves – inquired what the cause and effect relationship is between the code amendments and what is driving the amendments.
- Councilor Semple – expressed gratitude to the Planning Commission for its extensive work on this topic.
- Councilor Clark – asked if these code amendments are adequate to cover any future decision Council may make regarding the NW Natural Gas franchise agreement, or if they will affect that decision.

Mayor adjourned the meeting of the Eugene City Council and convened a meeting of the Eugene Urban Renewal Agency at 5:58 p.m.

2. WORK SESSION: Riverfront Urban Renewal Follow-Up #2

Executive Director of Planning and Development Denny Braud, and Amanda Nobel Flannery and Will Dowdy, Interim Co-Directors of Community Development, provided an update of the current financial status of the Riverfront Urban Renewal District, and outlined four projects that could be pursued.

Council Discussion

- Councilor Syrett – inquired if a MUPTE is approved, does the developer intend to build the low-income units or make a payment in lieu of building; asked if the idea of removal of transmission lines has been previously presented to Council, and commented this should not be included as a project of the Urban Renewal Agency; stated she supports building a minimum of 75 affordable housing units; stated the project should be looking into alternatives to reduce the number of concrete parking spaces provided on-site.

- Councilor Keating – requested an explanation of the suggestion that relocating the transmission lines would be safer; asked clarifying questions regarding budgeted items; asked if underground parking is an option and stated his preference would be to find creative parking solutions rather than build a parking lot.
- Councilor Zelenka – asked for the cost differential of underground versus surface parking; stated his preference would not be to site a parking lot on prime developable land alongside the river; stated he supports the idea of relocating the transmission line; agrees with Councilor Syrett’s comments concerning the number of affordable housing units.
- Councilor Yeh – commented it is not ideal to spend so much on parking when trying to get people to use other modes of transportation; stated she appreciates the idea of right-sizing park features to the current budget with an eye to adding more in the future; stated she does not support reducing the number of affordable housing units below 75.
- Councilor Groves – asked staff if they foresee Council needing to extend the zone and financing or increase the amount; inquired if overhead power lines are high voltage and raised safety concerns of Extremely Low Frequency (ELF) radiation being emitted in the park and electricity reaching the ground; stated he would support burying the lines underground if it was financially feasible, and at a minimum, the lines need to be removed from areas the public will congregate.
- Councilor Semple - commented on the importance of the Plaza and affordable housing at the site; stated she is not keen on extending the urban renewal district.
- Councilor Evans- asked staff when the Riverfront Urban Renewal District will sunset and how long of an extension would be required to meet the financial requirements to complete the Downtown Riverfront projects; stated he would like to see Council review the details and make a decision about sunsetting or extending the Riverfront Urban Renewal District.
- Councilor Clark – stated there is existing parking available at the EWEB Headquarters Building if the City were to buy it; stated echoes Councilor Groves’ concerns about the high voltage power lines in the park; asked clarifying questions regarding the language around receiving the non-refundable deposit from the developer.
- Councilor Syrett – asked for clarification of the amount of funds being allocated for parking and how much additional money is required to complete the park project; expressed confusion about the urban renewal district paying to relocate the transmission lines.
- Councilor Zelenka- asked questions relating to the estimated investment Atkins Dame will be making for the parcels in the first closing and all parcels combined.
- Mayor Vinis – commented that the Steam Plant is a big piece of the overall development and is an economic anchor, and parking may be needed to make that viable.
- Councilor Syrett- commented she would like staff to be mindful of how much parking is actually needed and ways to creatively meet that need.
- Councilor Keating – inquired if there is an electric vehicle parking strategy for the Riverfront.

Meeting Adjourned 6:53 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Niyah Ross)

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

MINUTES

Eugene City Council Virtual Meeting Eugene, Oregon 97401

March 8, 2021
7:30 p.m.

Councilors Present: Emily Semple, Randy Groves, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett, and Matt Keating

Mayor Vinis opened the March 8, 2021, meeting of the Eugene City Council in a virtual format.

1. COMMITTEE REPORTS AND ITEMS OF INTEREST

Council Discussion

- Councilor Yeh – brought forth a motion to extend the timeline for the Ad Hoc Committee on Police Policy.

MOTION AND VOTE: Councilor Yeh, seconded by Councilor Evans, moved to extend the date for the Ad Hoc Committee on Police Policy must complete its work by one month to April 30, 2021. **PASSED 8:0**

- Councilor Semple – commented on the Sustainability Commission’s work group for waste management for large events.
- Councilor Keating – shared this day is International Women’s Day and highlighted two women in Oregon’s history and women’s right to vote.
- Councilor Zelenka – corrected information contained in a NW Natural Gas report; shared information on other jurisdictions’ actions to limit gas infrastructure.
- Councilor Zelenka – stated he is working on a combined funding proposal for climate action and homelessness and would like Council to have a conversation around this.
- Mayor Vinis – gave thanks to the women of the past, present and future who shape our world and make it a better place.
- Councilor Clark – shared that he initiated a work session poll to lower the incidents of hate and bias crimes in the community and asked for colleague support.

2. CONSENT CALENDAR 1

A. Approval of City Council Minutes

February 10, 2021, JEO Work Session

February 17, 2021, Work Session

B. Approval of City Council Tentative Agenda

MOTION AND VOTE: Councilor Yeh, seconded by Councilor Syrett, moved to approve items on Consent Calendar 1. **PASSED 8:0**

3. PUBLIC FORUM

1. Brian Erickson- supported decarbonized energy diversification, choice in the construction industry.
2. Ginevra Ralph- shared that natural gas is the most efficient source for heating at the Shedd Institute.
3. Lin Woodrich- commented on property zoned riparian and wetlands that is for sale.
4. Matthew Clement- spoke to the proposed ban of natural gas negatively affecting his business.

5. Scott Anderson- shared that community members need to have options for heating and electricity.
6. Greg Afery- stated limiting energy choices for lodging and restaurants doesn't make sense.
7. Chris Montgomery- commented on a study from UCLA for changing infrastructure.
8. Sonya Consoni- shared that natural gas infrastructure can be re-used in a circular economy.
9. Kernof and Tina Patell- shared information on how hotels use energy and that they are all different.
10. Jack Miller- asked that Council take the time to reach out to workers and those who will be affected.
11. Ben Christensen- asked why the City of Eugene has not declared racism a public health crisis.
12. Name unknown (47:40)- commented that it doesn't make sense to throw out the existing gas grid.
13. Dylan Plumber- asked to schedule a work session to ban new gas infrastructure.
14. Dave Rinaldi- shared he works in the natural gas industry and the infrastructure is safe.
15. David Piccioni- commented that construction on the riverfront is removing green spaces.
16. Janie Fingal- thanked Council for walking away from the NW Natural Gas franchise agreement.
17. Jay Bozievich- asked Council to visit EWEB's website to review peak power.
18. Eric Jackson- shared frustration at temporary outreach position, opportunities to do better.
19. Elliot Swinney- commented that transition to renewables is imperative to meet climate goals.
20. Jessie- requested Council pass an ordinance to ban the construction of new gas infrastructure.
21. Jim Neu- urged Council to arrange a work session with EWEB and utility companies serving Eugene.
22. John Doty- shared climate action has great impact on our community's success and health.
23. John Goble- testified the future is renewables and NW Natural is transitioning its gas and hydrogen.
24. Justin Frayman- encouraged Council to work towards sustainability goals in partnership with NWNG.
25. Justin Francese- shared story of homeless native mother and that this is a climate crisis.
26. Kate Goldsworthy- testified on behalf of Fossil Free Coalition and the electrification of buildings.
27. Larry- shared his family has lived in Eugene for three generations having energy infrastructure jobs.
28. Lou Christen- shared that decarbonization is important, natural gas is transitioning to renewables.
29. Mathew Jensen- stated a path needs to be created together- gas, electric companies and renewables.
30. Micah McComber- said decarbonization is a great theory, banning natural gas isn't the answer.
31. Michelle Palacios- said OR is third largest hop producer in the country and natural gas is required.
32. Nate Stokes- shared NW Natural has hydrogen gas and renewable projects in development stages.
33. Nicholas Tippins- supports transitioning the city to 100% renewable energy by 2030.
34. Roger Oburg- natural gas offers a reliable alternative for heating and is affordable.
35. Sahara Valentine- said the City needs to take necessary action to protect our planet and its wildlife.
36. Selena Blick- shared the importance of the few who have spoken at each meeting against NW Natural.
37. Sarah Lamog- expressed appreciation for the work session poll to reduce hate and bias crimes.

Council Discussion

- Councilor Clark – stated he will push hard to see our city be more effective in deterring hate and bias crimes and how these crimes can be penalized more effectively; asked when the EWEB electrification study results will be available; stated he hopes Council will meet with the new EWEB Board.
- Councilor Keating – shared he will most always be in support of work session polls; stated he hopes to have the conversation declaring racism a public health crisis and noted the CDC has protocol for determining a public health crisis; supports a meeting with EWEB on energy resource efficiency, grid resiliency, transition to electrification and emerging clean energy infrastructure job opportunities in our community; asked that participants in the public forum identify their ward or neighborhood and encouraged written testimony for those unable to speak due to time constraints.
- Councilor Zelenka – thanked those who provided testimony to Council; shared that Council and EWEB Board used to have regular meetings and is looking forward to resuming those; reported the Sierra Club compiled a list of what cities have done regarding natural gas bans and a common theme was using local building code; shared the State regulates the building code in Oregon so that may not be an option and additional research, effort and time would be needed to move in that direction.
- Councilor Evans – thanked those who testified and those who were not able to; expressed appreciation to Lyn Woodrich for advocating that Bethel be given priority for a neighborhood planning process and

for bringing attention to the neighbors that were blind-sided by a report that the Jessen ponds would be filled; stated the City needs to address zoning issues regarding the future use of this property.

- Mayor Vinis – stated Council Leadership has quarterly meetings with the EWEB General Manager, Board Chair and Vice Chair and are maintaining a connection and agreed it is time for a joint work session; reminded the public that Council passed the Climate Action Plan 2.0 and encouraged people to look at it as it embodies the City's adopted policy of taking a broad, collaborative approach.

4. PUBLIC HEARING and ACTION: FY22-27 Capital Improvement Program

Mayor Vinis opened the public hearing.

1. Zach Mulholland – stated the CAP 2.0 requires increasing biking and walking infrastructure.

Mayor Vinis closed the public hearing.

Council Discussion

- Councilor Evans – commented that new developments have been built in his ward that did not include bicycle infrastructure and should have; supports increased bicycle and pedestrian infrastructure in west Eugene and the use of bicycles in the City's transportation portfolio.
- Councilor Zelenka – inquired into the status of the information request he submitted at the Budget Committee meeting regarding how the CRO is affected by the Capital Improvement Program (CIP); shared that this information will help tell the story of what the City is doing to move the dial on climate change and how these two things link together.
- Councilor Clark – shared he agrees with Councilor Zelenka that transportation is the real key to addressing climate change; stated the Transportation System Plan (TSP) was passed three years ago and he had requested the City study and reflect in the CIP those projects required to ensure our system would adequately meet the needs for electric and autonomous vehicles; asked staff to characterize how the CIP goals reflect learning or actions for improved transportation infrastructure that considers electric and autonomous vehicles; commented that three years have passed from when we planned on tracking these projects.
- Councilor Groves – expressed support of electric vehicles, would like to ensure there is a plan in place for electric vehicle battery disposal and to be prepared for this potential problem.
- Councilor Keating – commented he is not in support autonomous transportation options that take jobs away from humans; shared he feels Council can accelerate robust electric vehicle adoption and asked what Council can do to help lead the way.
- Councilor Zelenka – shared there was exponential growth in the number of electric vehicles in Oregon from 2019 to 2020 and there is an EV Dashboard on the Dept. of Energy's website; commented that a million-mile battery was just produced, and batteries will outlive the life of the car and be reusable.

MOTION AND VOTE: Councilor Yeh, seconded by Councilor Syrett, moved to adopt the proposed FY22-27 Capital Improvement Program as recommended by the Budget Committee. **PASSED 8:0**

5. PUBLIC HEARING: An Ordinance Amending the Eugene-Springfield Metropolitan Area General Plan Diagram to Redesignate the Property Identified as Assessor's Map 17-04-26-00, Tax Lots 2801, 4303 and 4304 and Assessor's Map 17-04-26-43, Tax Lot 302 from Heavy Industrial to Light Medium Industrial and Rezone the Property From I-3 Heavy Industrial to I-2 Light-Medium Industrial

Mayor Vinis opened the public hearing.

1. Teresa Bishop – representing the applicant, asked Council to adopt the ordinance allowing the zone change.

Mayor Vinis closed the public hearing.

Council Discussion

- Councilor Zelenka – inquired what uses would be allowable with this zone change.

6. PUBLIC HEARING: An Ordinance Concerning Clear and Objective Approval Criteria for Housing; Amending Sections 9.0500, 9.2181, 9.2471, 9.2520, 9.2687, 9.2751, 9.2761, 9.3216, 9.3221, 9.3626, 9.3725, 9.4830, 9.5750, 9.6010, 9.6710, 9.6810, 9.6815, 9.6820, 9.6845, 9.6865, 9.6885, 9.7007, 9.8030, 9.8045, 9.8055, 9.8085, 9.8090, 9.8100, 9.8105, 9.8205, 9.8210, 9.8215, 9.8220, 9.8310, 9.8320, 9.8325, 9.8360, 9.8365, 9.8440, 9.8445, 9.8505, 9.8510, 9.8515, and 9.8520 of the Eugene Code, 1971; Adding Section 9.5860 to that Code; and Providing and Effective Date (City File CA 20-4)

Mayor Vinis opened the public hearing.

1. Chris Ramey – testified on behalf of the Eugene Planning Commission that it unanimously recommends adoption of these proposed lane use code amendments.
2. Ed McMahon- encouraged Council to approve the amended code.

Mayor Vinis closed the public hearing.

Council Discussion

- Councilor Clark – commented that a unanimous decision speaks to the quality of the work done by all.

Meeting adjourned at 9:41 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Niyah Ross)

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

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: May 24, 2021
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3B
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This is a routine item to approve the City Council Tentative Working Agenda.

BACKGROUND

On July 31, 2000, the City Council held a process session and discussed the Operating Agreements. Section 2 notes, in part, that "The City Manager shall recommend monthly to the council which items should be placed on the council agenda. This recommendation shall be placed on the consent calendar at the regular City Council meetings (regular meetings are those meetings held on the second and fourth Monday of each month in the Council Chamber). If the recommendation contained in the consent calendar is approved, the items shall be brought before the council on a future agenda. If there are concerns about an item, the item may be pulled from the consent calendar at the request of any councilor or the Mayor. A vote shall occur to determine if the item should be included as future council business." Scheduling of this item is in accordance with the Council Operating Agreements.

COUNCIL OPTIONS

The council may choose to approve, amend or not approve the tentative agenda.

SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

ATTACHMENTS

A. Tentative Working Agenda

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: bforrest@eugene-or.gov



City Council Tentative Agenda

Updated May 20, 2021

**** SPECIAL NOTICE ****

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, all City Council meetings will be held remotely, using virtual meeting technology. Information about how to access these meetings will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>.

May 2021							
Date	Day	Time	Title		Length	Dept. Contact	
		5:30 p.m.	 Middle Housing (Work Session)		45 mins	Terri Harding, PDD	
		 Wildfire Preparedness (Work Session)		45 mins	Chief Heppel, Fire		
24-May	Monday	7:30 pm	 Pledge of Allegiance to the Flag			Ellen Meyi-Galloway, PDD	
			 Committee Reports and Items of Interest				
			 Approval of Affordable Housing Trust Funds for Housing Affordable to Low and Moderate Income Persons (Consent Calendar 1)				
			 Public Forum			Amanda D’Souza, PDD	
			 Ordinance Amending MUPTE Post Construction Requirements (Action)				
			 Ordinance to Exempt R2R from Burn Ban (Action)				Paul Gordon, PW
			 Ordinance Finalizing Compliance with ORS 197.312(5) for ADUs (Action)				Jeff Gepper, PW
Expected absences for 5/24: none							
26-May	Wednesday	12 pm	 MovingAhead: Joint WS with LTD (Work Session)	90 mins	Rob Inerfeld, PW		
Expected absences for 5/26: none							
26-May	Wednesday	5:30 pm	Budget Committee Meeting Public Hearing and Recommendation			Vicki Silvers, CS	
Expected absences for 5/26: none			NOTE: Budget Committee Meeting Added				



Work Session



Action



Public Hearing



Public Forum



Consent Calendar



Committee Reports/Items of Interest



CC Agenda Changes



Pledge of Allegiance

June 2021						
Date	Day	Time	Title		Length	Dept. Contact
9-June	Wednesday	12 pm	 Vision, Values, Goals and Process (Work Session and Action)	45 mins	Sarah Medary, CMO	
			 1059 Willamette (Work Session)	45 mins	Amanda D’Souza, PDD	
Expected absences for 6/9: none						
14-Jun	Monday	5:30 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
		7:30 pm	 Pledge of Allegiance to the Flag			Jeff Petry, PDD
			 Committee Reports and Items of Interest			
 Public Forum	Jessica Gebb, CS					
 Chapter 5 Code Amendments (Public Hearing)						
 Appointments to Boards, Commissions and Committees (Action)						
Expected absences for 6/14: none						
16-Jun	Wednesday	12 pm	 Census and Ward Population Update (Work Session)	45 mins	Jason Dedrick, CS	
			 TBD (Work Session)	45 mins		
Expected absences for 6/16: none						
21-Jun	Monday	5:30 pm	Schedule only as needed			
		7:30 pm	 Land Use Application VRI 20-1 for Right-of-Way Vacation (Neighborly Ventures Inc.) (Public Hearing)		Jeff Gepper, PDD	
Expected absences for 6/21: none						
23-Jun	Wednesday	12 pm	 Reparations – Part 1 (Work Session)	45 mins	Jason Dedrick, CS	
			 TBD (Work Session)	45 mins		
Expected absences for 6/23: none						
28-Jun	Monday	5:30 p.m.	 Police Commission Annual Report (Work Session)	45 mins	Jeremy Cleversey, EPD	
			 TBD (Work Session)	45 mins		

28-Jun	Monday	7:30 pm	 Committee Reports and Items of Interest  Public Forum  FY21 Supplemental Budget (Public Hearing & Action)  FY22 Budget Adoption (Public Hearing & Action)  FY21 URA - Supplemental Budget (Public Hearing & Action)  URA- FY22 URA Budget Adoption (Public Hearing & Action)  Land Use Application VRI 20-1 for Right-of-Way Vacation (Neighborly Ventures Inc.) (Action)		Elizabeth Butterfield, CS Vicki Silvers, CS Elizabeth Butterfield, CS Vicki Silvers, CS Jeff Gepper, PDD
<i>Expected absences for 6/28: none</i>					
30-Jun	Wednesday	12 pm	 Naming Policy (Work Session)  TBD (Work Session)	45 mins 45 mins	Jason Dedrick, CS
<i>Expected absences for 6/30: none</i>					

July 2021					
Date	Day	Time	Title	Length	Dept. Contact
12-Jul	Monday	5:30 pm	 Affordable Housing Trust Fund Review & FY22 Funding Allocation (Work Session)	45 mins	Ellen Meyi-Galloway, PDD
			 URA Downtown Riverfront (Work Session)	45 mins	Will Dowdy, PDD
		7:30 pm	 Pledge of Allegiance to the Flag  Committee Reports and Items of Interest  Public Forum  Ord. on 1400 Cross Street Metro Plan/Refinement Plan Amendments & Zone Change (Action)		Rodney Bohner, PDD
Expected absences for 7/12: none					
14-Jul	Wednesday	12 pm	 Joint Meeting with Lane County Commissioners on Homeless Services (Work Session)	90 mins	Sarai Johnson, CS
Expected absences for 7/14: none					

19-Jul	Monday	5:30 pm	<i>Schedule only as needed</i>				
		7:30 pm	 Ordinance on Commercial Setbacks (Public Hearing)		Althea Sullivan, PDD		
Expected absences for 7/19: none							
21-Jul	Wednesday	12 pm	 TBD (Work Session)	45 mins			
			 TBD (Work Session)	45 mins			
Expected absences for 7/21: none							
26-Jul	Monday	5:30 p.m.	 TBD (Work Session)	45 mins			
			 TBD (Work Session)	45 mins			
		7:30 pm	 Committee Reports and Items of Interest				Althea Sullivan, PDD
			 Public Forum				
			 Ordinance on Commercial Setbacks (Action)				
Expected absences for 7/26: none							
28-Jul	Wednesday	12 pm	 TBD (Work Session)	45 mins			
			 TBD (Work Session)	45 mins			
Expected absences for 7/28: none							

Council Break: July 29 – September 8

 Work Session	 Action	 Public Hearing	 Public Forum	 Consent Calendar
 Committee Reports/Items of Interest	 Ceremonial Matters	 Pledge of Allegiance		

Approved Work Session Polls to be Scheduled	Councilor	Date Approved
"Housing Status" as a Protected Class – <i>follow-up TBD</i>	Semple	03/12/20
Wildfire Preparedness – <i>scheduled May 24</i>	Groves	02/11/21
Response to Hate Crimes	Clark	03/18/21
Eugene Airport and LCC Aviation Academy – <i>to be rescheduled</i>	Evans	03/18/21
Reparations (two-part work session) – <i>Part 1 scheduled June 23</i>	Evans	03/18/21
Waste Management at Large Events	Semple	04/08/21
Funding Source for Climate Change and Homelessness	Zelenka	05/10/21
Follow-Up Work Sessions to be Scheduled		
TAC Implementation – <i>ongoing; scheduled July 14</i>		
Naming Policy – <i>scheduled June 30</i>		

UPCOMING PUBLIC HEARINGS			
Date of Public Hearing	Title	Description	Staff Contact
June 14	Chapter 5 Code Amendments		Jeff Petry 541-682-5079
June 21	Land Use Application VRI 20-1 for Right-of-Way Vacation (Neighborly Ventures Inc.)	Land Use Application VRI 20-1 for Neighborly Ventures Inc. is a request for the vacation of unimproved right-of-way at Slocum Drive and Songbird Avenue and associated Public Utility Easements. Typically, this is a Planning Director level decision, but due to the way the ROWs were platted, it requires City Council approval. This vacation is requested in order to allow for the development of several large multi-family projects that have already gone through their own Land Use processes.	Jeff Gepper 541-682-5282
June 28	FY21 Supplemental Budget	The final supplemental budget of FY21 recognizes new revenues and authorizes changes in legal levels of appropriations for the current fiscal year. Public hearing is required by Oregon Local Budget Law.	Elizabeth Butterfield 541-682-5512
June 28	URA Supplemental Budget	The final supplemental budget of FY21 recognizes new revenues and authorizes changes in legal levels of appropriations for the current fiscal year. Public hearing is required by Oregon Local Budget Law.	Elizabeth Butterfield 541-682-5512
June 28	FY22 Budget	Council action to adopt the FY22 Budget as recommended by the Budget Committee. Public hearing is required by Oregon Local Budget Law.	Vicki Silvers 541-682-5082
June 28	URA FY22 Budget	Council action to adopt the FY22 Budget as recommended by the Budget Committee. Public hearing is required by Oregon Local Budget Law.	Vicki Silvers 541-682-5082
July 19	Ordinance on Commercial Setbacks		Althea Sullivan 541-682-5485

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Resources for Housing Affordable to Low- and Moderate-Income Persons

Meeting Date: May 24, 2021
Department: Planning & Development
www.eugene-or.gov

Agenda Item Number: 3C
Staff Contact: Ellen Meyi-Galloway
Contact Telephone Number: 541-682-5532

ISSUE STATEMENT

Council is asked to approve the funds for a proposal submitted in response to the 2021 Affordable Housing Trust Fund Request for Proposals (RFP). The proposal recommended for funding is for new construction of The Grove on Garden Way, by Cornerstone Community Housing, with 122 units of affordable housing targeted to low-income households.

BACKGROUND

On April 8, 2019, City Council passed an ordinance establishing a local Construction Excise Tax (CET). Attachment A provides Frequently Asked Questions related to the CET. From July 1, 2019 through June 30, 2020 (FY20), residential and commercial projects were taxed at 0.33 percent of the permitted value of eligible improvements. The net revenue generated in FY20 through the CET accrued in the City's Affordable Housing Trust Fund (AHTF) to support programs, incentives and services in FY21 related to the housing of households earning 100 percent of area medium income and below. In addition, Council approved \$500,000 of general funds for the AHTF in the December 2019 Supplemental Budget. The total amount of CET and general funds accrued in the AHTF in FY20 was \$800,000.

On July 27, 2020, Council approved the FY21 uses (the FY21 AHTF allocation): \$500,000 for direct assistance to renters and homeowners, and \$300,000 for development projects to be offered through an RFP process. Of the FY21 direct assistance:

- \$150,000 of direct mortgage assistance for foreclosure prevention administered by DevNW. Due to the State's foreclosure moratorium, the funding will be fully disbursed by DevNW by the end of the calendar year.
- \$350,000 of direct rent assistance through Lane County and its partner agencies. In April, \$215,000 in AHTF rent assistance had been disbursed so far. As a result of the pandemic, Lane County has received a significant amount of rent assistance already (\$8.4 million has been disbursed in April) and will receive significantly more rent assistance to be disbursed through FY25 (\$34 million).

May 24, 2021, Meeting – Item 3C

2021 RFP Process

In July 2020, staff presented Council a summary and timeline of the RFP process. Since then, staff worked with the AHTF Advisory Committee (AHTF-AC) to develop RFP criteria. The AHTF-AC recommended the final RFP criteria in December 2020. The RFP was released to the public in January 2021 and was open for eight weeks. The proposals were reviewed in April by staff and the Evaluation Committee, a sub-committee of the AHTF-AC. The full AHTF-AC considered the proposals and made a recommendation to staff. Council makes the final funding decision.

Three development proposals were received through the RFP in March 2021. However, the Lincoln Street Apartments proposal by 11th and Lincoln LLC withdrew from consideration in April due to the timing of their State and Federal financing requirements. The remaining two project proposals are described below and presented for Council consideration.

Summary of Proposals

The following summary of proposals is presented in the order of their ranking by the Evaluation Committee. All proposals were scored highly. See Attachment B for a map of the proposal locations; see Attachments C and D for images and additional information about each proposal.

The Grove on Garden Way

Cornerstone Community Housing (CCH) proposes to acquire a property at 158 Garden Way, demolish three existing structures, and develop a four-story apartment building with 122 units of one, two, three, and four-bedroom affordable housing targeted to households earning no more than 60% of area median income (AMI). The total number of bedrooms would be 252. CCH would work with Centro Latino Americano and NAACP to serve people of color, and would also seek to assist families with children, seniors, and survivors of domestic violence working with WomenSpace as a referral agency. CCH would provide on-site resident services in partnership with local service providers. The site would include a play area, community gardens, outdoor open space, and indoor community space.

CCH applied for 9% Low-Income Housing Tax Credits (LIHTC) and General Housing Account Program (GHAP) through Oregon Housing and Community Services (OHCS) in April 2021 to fund the development. They would also pursue a private bank loan, a Low-Income Rental Housing Property Tax Exemption (LIRHPTE), and City of Eugene Systems Development Charge (SDC) exemptions. The amount of SDC assistance identified for the project was over \$750,000, which is more than the SDC exemption program cap in Eugene Code 7.725(c). For any amount not covered by City assistance, CCH said they would consider private grant sources.

If the project were awarded LIHTC in 2021, the construction is estimated to start in Spring 2022 with completion and start of lease-up estimated by the summer of 2023. The Grove on Garden Way would come before Council again, for consideration of the annexation of the property into the City limits and the LIRHPTE.

Peace Village

SquareOne Villages (SOV) proposes to acquire an under-utilized church property at 3060 River

Road (Peace Presbyterian) to develop 64 attached tiny homes for households earning no more than 50% AMI, with 8 units targeted to households earning no more than 30% AMI. The tiny homes would provide 1- and 2-bedroom options for a total of 88 bedrooms. SOV plans to work with NAACP to serve people of color for the housing opportunity and would further seek to assist households experiencing homelessness, households with severe cost burden (paying more than 50% of their income for housing), and households that faced eviction/ foreclosure. The site would include re-use of buildings that currently exist on the property for laundry, offices and community space, although on-site services are not part of the project proposal. The housing would be developed as a cooperative model; the units are collectively managed by the cooperative, in which each resident is a member.

SOV proposed using AHTF for acquisition of the property. A fundraising campaign has begun for the resources needed in addition to the AHTF to acquire the property by the end of 2021. Although the financing plan for construction of the development is tentative, SOV plans to apply for Local Innovation Fast Track (LIFT) funds through OHCS in 2022. SOV would also pursue a private bank loan, a Low-Income Rental Housing Property Tax Exemption (LIRHPTE), and City of Eugene Systems Development Charge (SDC) exemptions. The amount of SDC assistance identified for the project was \$320,000, which is more than the SDC exemption program cap in Eugene Code 7.725(c). For any amount not covered by City assistance, SOV said possible alternative funding sources include applying for City HOME funds through the 2021 Housing Request for Proposals, increasing their fundraising goal, or adding a deferred developer fee.

If state funds were awarded in the summer of 2022, SOV proposed to start construction immediately, but experience with OHCS suggests the earliest construction would start is late 2022. Construction completion and start of lease-up is anticipated 15 months later in 2024.

Evaluation Committee Scoring and AHTF-AC Recommendation

The Evaluation Committee scored the proposals April 21, 2021 according to the criteria adopted by the AHTF-AC in December 2020 within the following criteria categories: 1) project concept and design, 2) site feasibility, 3) targeted population and services, 4) cost benefit, 5) financial feasibility, and 6) organizational experience and performance. The Grove on Garden Way received the highest score.

The Evaluation Committee discussed the proposals with the full AHTF-AC on April 28, 2021. The discussion topics included:

- Timing. The two proposals had different financing and construction schedules.
- Size of units. The Peace Village proposal focused on one and two-bedroom units, and the Grove on Garden Way proposal had a mix of one, two, three, and four-bedroom units including 48 three- and four-bedroom units.
- Services. The Grove on Garden Way would include resident services to connect residents with other resources in the community.

Both the Grove on Garden Way and Peace Village received high scores from the Evaluation Committee. During deliberations, the AHTF-AC members were impressed by both project proposals and noted the community need for both projects. Ultimately, the AHTF-AC recommended to staff that \$300,000 be used to support the development of the Grove on

Garden Way. The list of AHTF-AC members and their recommendation is included in Attachment E.

Next Steps

This summer, staff will provide Council with an AHTF program review and request direction on the FY22 allocation (tentative agenda for July 12).

PREVIOUS COUNCIL DIRECTION

[April 8, 2019 Council Meeting](#) – City Council adopted an Ordinance Concerning Imposition of a Construction Excise Tax on Commercial and Residential Improvements.

[July 27, 2020 Work Session](#) – City Council allocated AHTF for FY21 and identified \$300,000 for development projects to be awarded through an RFP process.

COUNCIL OPTIONS

The City Council has three options:

1. Approve the use of \$300,000 in Affordable Housing Trust Funds for the construction of The Grove on Garden Way as proposed by Cornerstone Community Housing.
2. Give staff alternate direction with specific modifications for funding.
3. Decline to approve funding.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Council select option 1.

SUGGESTED MOTIONS

Move to approve the use of \$300,000 in Affordable Housing Trust Funds for the construction of The Grove on Garden Way as proposed by Cornerstone Community Housing.

ATTACHMENTS

- A. Construction Excise Tax Frequently Asked Questions
- B. Map of the AHTF development proposals
- C. Summary of The Grove on Garden Way
- D. Summary of Peace Village
- E. Membership of Affordable Housing Trust Fund Advisory Committee & Recommendation

FOR MORE INFORMATION

Staff Contact: Ellen Meyi-Galloway, Housing Finance Analyst

Telephone: 541-682-5532

Staff E-Mail: EMeyi-Galloway@eugene-or.gov



Construction Excise Tax

What Is the Construction Excise Tax?

In 2016, Oregon Legislature passed Senate Bill 1533 authorizing Oregon cities and counties to establish a construction excise tax (CET). In May of 2019, the Eugene City Council passed an ordinance establishing the tax in Eugene. The tax will create a dedicated source of funding for affordable housing. The law authorizes a city or county to tax new residential and commercial buildings, additions, and alterations. Specifically, it applies to all improvements which result in a new structure, additional square footage to an existing structure, or addition of living space to an existing structure.

Why is this tax needed?

Eugene City Council and State Legislature both recognize traditional funding sources for affordable housing – especially federal sources – have declined. Because of this decline, our community has fallen far behind in meeting the housing needs of Eugene residents with limited incomes. The money collected from the CET will be put into the Affordable Housing Trust Fund. This fund will provide critical funding and is one part of a larger effort to help address the housing challenge.

What does the CET pay for?

Money collected from the CET will go into the Affordable Housing Fund, which will pay for projects and programs that increase availability and access to owner- and renter-occupied housing that is affordable to lower income community members. Examples of how these funds may be used include:

- Gap financing for the development of new affordable housing
- Acquisition of existing housing that will become affordable
- Acquisition of land for future affordable housing development
- Down payment assistance for home buyers
- Rental or security deposit assistance for people who rent their homes.

CET resources will be used to supplement the

limited federal resources that support the City's existing federal affordable housing programs. Revenues will be allocated to fund projects, programs, incentives, and services related to the housing of households earning 100% of area medium income and below, and in accordance with state law.

The Affordable Housing Trust Fund Advisory Committee advises staff on the use of Affordable Housing Trust Funds resources. Funds will be collected for a year, then allocated to housing programs and projects starting in 2020.

Who needs to pay and when?

The CET is required to be paid by the developer or property owner who is developing property within Eugene city limits. The CET applies to certain improvements to property that result in additional square footage or improvements which create additional living space. The CET is paid when the permit is issued.

The CET goes into effect July 1, 2019. For the first two years of implementation, the CET will be offset by a reduction in system development charges (SDC) equal to the amount of the CET. If the SDCs are less than the total of the CET, permit fees will be reduced to offset the total of the CET. This means, for the first two years, there will be no additional cost to development.

Who is exempt from paying the CET?

The following are exempt from the CET:

- Private school improvements
- Public improvements as defined in [ORS 279A.010](#)
- Residential housing that is guaranteed to be affordable to households that earn no more than 80% of the median household income for a period of at least 60 years following the date of construction
- Public or private hospital improvements
- Improvements to religious facilities



Construction Excise Tax

primarily used for worship or education associated with worship

- Agricultural building as defined by ORS 455.315
- Long term care facilities operated by a not-for-profit corporation, as defined in ORS 442.015
- Residential care facilities operated by a not-for-profit corporation, as defined in ORS 443.400
- Continuing care retirement communities operated by a not-for-profit corporation, as defined in ORS 101.020
- Residential dwellings sold for \$250,000 or less
- Housing for low-income persons that is exempt from systems development charges (SDCs) pursuant to section 7.725c
- Projects granted a multi-unit property tax exemption (MUPT) by the city.

To demonstrate a project is exempt from the CET a [Construction Excise Tax Exemption Form](#) must be completed, signed, and submitted with the building permit application identifying what exemptions are applicable to the project.

How much is the CET?

For the first year, the CET will be 0.33% of the value of permitted work and will increase to 0.5% the following year. It is

projected to remain at 0.5% for every year thereafter.

How long is the CET active?

Based on legislation adopted in 2016, the City can continue levying the tax for an indefinite amount of time. Eugene City Council will review the overall management and outcomes of the program every two years.

Whom can I contact for more information?

If you have additional questions, you may contact the City of Eugene's Building and Permit Services by phone: (541) 682-5086.

Additional information on the affordable housing programs and the advisory committee can be found at:

eugene-or.gov/affordablehousingtrustfund

What is "affordable housing" and how can I learn more about City affordable housing programs and resources?

Across the United States, housing costs are considered "affordable" if the monthly rent or mortgage, plus utilities, add up to no more than one-third (or 30%) of gross household earnings. Affordable housing developments receive public subsidies in exchange for a commitment to provide homes with limited rents for people with limited incomes.

The City of Eugene has supported the creation of affordable housing using both federal and local funds for over 40 years.

www.eugene-or.gov/bps

Eugene UGB

Affordable Housing Trust Fund Proposed Locations

Withdrawn Application

Peace Village

The Grove on Garden Way

Lincoln Street Apartments (Application Withdrawn)

City of Eugene, PDD 05/05/2021
Caution: This map is based on imprecise source data, subject to change, and for general reference only.

A horizontal scale bar with a black segment on the left and a white segment on the right. Below the bar are the numbers 0 and 0.5. To the right of the bar is the word Miles.

The Grove at Garden Way Cornerstone Community Housing 158 Garden Way

- New construction proposal
- 123 units, 253 bedrooms: 45 one-bedroom, 30 two-bedroom, 44 three bedroom, 4 four-bedroom units
- 122 units for 60% AMI & 1 on-site manager
- Partnerships with Centro Latino Americano, NAACP, and WomenSpace
- Would assist families with children, seniors, and survivors of domestic violence, people with disabilities.
- One 4-story building, play area, dog exercise area, covered picnic shelter, plaza, parking
- Interior common space including community rooms, a kitchen and offices.
- On-site resident services provided.

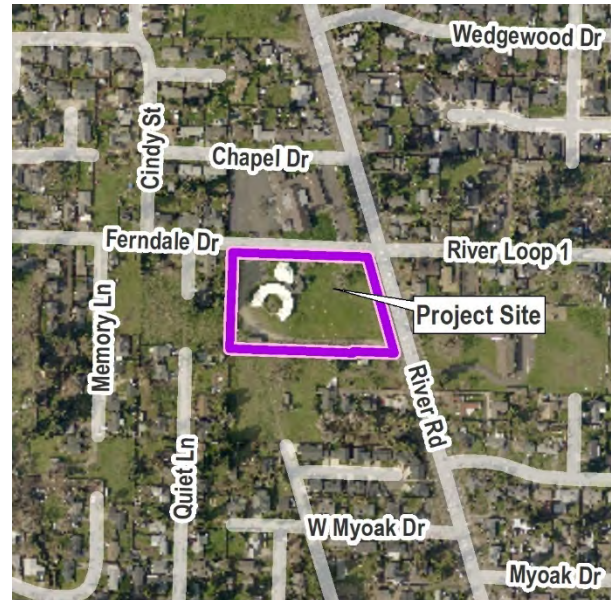


- AHTF funds requested \$300,000; City SDC assistance requested \$752,456¹
- Total development cost: \$ 33,969,410
- Cost per unit: \$ 276,174
- Cost per bedroom: \$134,266
- Other proposed funding sources: State 9% Low Income Housing Tax Credits (LIHTC), State Gap funds, private bank loan, deferred developer fee
- Would apply for a 20-year LIRHPTE
- Requires annexation into the City limits
- Construction anticipated to begin in Spring 2022.

¹ The City offers SDC assistance in the form of exemptions (where SDCs are not collected to provide infrastructure capacity for new growth) or in the form of other City funds paying the SDCs on behalf of the project (where SDCs are collected). Since 1998 Eugene Code has had a provision to provide SDC exemptions for low-income rental and/or homeownership housing. The amount of SDC exemptions is capped per fiscal year. Any unused exemptions roll into the subsequent year and the cap increases annually with inflation. The cap is currently \$235k per year, which is about \$50k less than is needed to cover SDCs for one typical 50-unit Low-Income Housing Tax Credit development. The need for SDC assistance exceeds the amount of exemptions available, which means that a process is needed to prioritize which project(s) get the limited amount available under the existing cap. In FY21, the SDC exemption was offered through the HOME RFP process. In FY20 and FY21, Council approved special, one-time general funds to be used to pay SDCs for additional Affordable Housing projects.

Peace Village SquareOne Villages 3060 River Road

- Acquisition proposal, with new construction planned
- 64 units, 88 bedrooms: 40 one-bedroom, 24 two-bedroom units
- 8 units for 30% AMI, 56 units for 50% AMI
- Partnership with NAACP
- Cooperative housing with shared resources, self-management and operations.
- Would assist smaller households, people experiencing homelessness, households with rent burden, households that faced eviction, and people with disabilities.
- Attached tiny homes with shared open space.
- Existing church buildings would be re-used as common facilities with community kitchen, meeting space, offices, laundry.



- AHTF funds requested \$300,000; City SDC assistance requested \$320,000²
- Total development cost: \$7,455,000
- Cost per unit: \$116,425
- Cost per bedroom: \$84,673
- Other proposed funding sources: State Local Innovation Fast Track (LIFT) funds, private bank loan, fundraising
- Property would apply for a LIRHPTE.
- Construction is anticipated to begin by the end of 2022.

² See footnote 1 for information on City SDC assistance.

Affordable Housing Trust Fund Advisory Committee Membership

John Barofsky

Dane Butler^

Paula Farquhar-Stout

Isaac Judd

Pete Knox*

Kaarin Knudson*

Sarah Pishioneri (Co-Chair)*

Scott Rogers (Co-Chair)*

Carmel Snyder*

^Not present at the meeting April 28, 2021.

*Members of the Evaluation Committee for the 2021 AHTF RFP.

Recommendation to staff on April 28, 2021:

The Affordable Housing Trust Fund Advisory Committee passed a motion to recommend that \$300,000 [of Affordable Housing Trust Funds] be used for the Cornerstone Community Housing The Grove on Garden Way project, to send a letter to the City expressing support for the SquareOne Peace Village project and encouraging the use of any available funds outside of the Affordable Housing Trust Fund to help SquareOne in securing land, and to send a letter of support to the City for the Lincoln Street Apartments project.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Forum

Meeting Date: May 24, 2021
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This segment allows citizens the opportunity to express opinions and provide information to the council. Testimony presented during the Public Forum should be on city-related issues and should not address items which have already been heard by a Hearings Official or are on the present agenda as a public hearing item.

SUGGESTED MOTION

No action is required; this is an informational item only.

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: bforrest@eugene-or.gov

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: An Ordinance Concerning Multiple-Unit Property Tax Exemptions and Amending Section 2.946 of the Eugene Code, 1971

Meeting Date: May 24, 2021
Department: Planning & Development
www.eugene-or.gov

Agenda Item Number: 5
Staff Contact: Amanda D'Souza
Contact Telephone Number: 541-682-5540

ISSUE STATEMENT

Council is asked to adopt an ordinance that fixes a discrepancy in the Multi-Unit Property Tax Exemption (MUPTE) program's green building provisions. The proposed change updates the submission deadline related to the post-construction commissioning report (see Attachment A).

BACKGROUND

MUPTE is an incentive program to encourage high-quality, multi-unit downtown housing especially in areas well served by public transit. Both rental housing and multi-unit housing for home ownership are eligible; student housing is ineligible. Enabled by state law, the program provides a 10-year property tax exemption on qualified new multi-unit housing investments that occur within a specific, targeted area, that meet program requirements, and that are reviewed and approved by City Council. In 2015, after a two-and-a-half-year review, Council revised the MUPTE program criteria, process, and boundary (see Attachment B for a summary of program changes).

Commissioning Report Requirement

As part of the 2015 revisions to the MUPTE program, projects must demonstrate several required public benefits, including Green Building Features. To comply with this requirement, approved projects must perform at least 10% more efficiently than the energy code adopted by the State of Oregon.

The MUPTE program outlines several pathways that projects can utilize to meet the Green Building Features public benefit, one of which is review of the project by the City's Building and Permit Services staff. This pathway requires that developers: a) submit an energy model prior to construction to demonstrate expected building performance, b) submit a commissioning report after construction to evaluate building performance, and c) annually submit multifamily occupancy energy use data during the exemption period.

May 25, 2021, Meeting – Item 5

Currently, the code and administrative rule include two conflicting deadlines related to submission of the commissioning report (item b) above:

- In Eugene Code, Section 2.946(2)(f)2.b.(2)(C), and Administrative Rule 2.945-C-1.2.2.2 the timing is stated as "prior to issuance of certificate of occupancy."
- In Administrative Rule 2.945-C-1.2, the timing is stated as "within 18 months of occupancy."

The typical practice in the building industry is to conduct commissioning reports after the building has been occupied (consistent with the timing in Administrative Rule 2.945-C-1.2), since this allows the report to document the actual performance of the building. As it is currently written, approved projects could jeopardize their MUPTE if they do not conduct a commissioning report prior to occupancy, which would compromise the quality of the analysis.

The ordinance in Attachment A would clarify that the commissioning report should be submitted within 18 months after occupancy. (The proposed change modifies one sentence in Subsection (2)(f)2.b.(2)(C) of Section 2.946. The modifications are shown in bold and strikethrough in Attachment A.)

Council held a public hearing on the ordinance on May 17. No public testimony was given.

Next Steps

If the ordinance is approved, staff will initiate an update of the program's administrative rules to reflect the change.

PREVIOUS COUNCIL DIRECTION

[May 26, 2020 Meeting](#)

Council adopted an ordinance updating the MUPTE program to incorporate changes made by the State of Oregon related to the program's green building provisions and construction deadline (from January 1, 2022 to January 1, 2032).

[July 13, 2015 Work Session](#)

Council approved the ordinance amending and reinstating the Multi-Unit Property Tax Exemption program.

COUNCIL OPTIONS

1. Adopt the proposed ordinance in Attachment A to fix a discrepancy in the Multi-Unit Property Tax Exemption by updating the submission deadline related to the post-construction commissioning report.
2. Request modifications to the proposed ordinance in Attachment A.
3. Do not adopt the proposed ordinance in Attachment A.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the proposed ordinance in Attachment A to fix a discrepancy in the Multi-Unit Property Tax Exemption by updating the submission deadline related to the post-construction commissioning report.

SUGGESTED MOTION

Move to adopt an Ordinance Concerning Multiple-Unit Property Tax Exemptions and Amending Section 2.946 of the Eugene Code, 1971.

ATTACHMENTS

- A. Proposed Ordinance
- B. Summary of 2015 MUPTE Program Changes

FOR MORE INFORMATION

Staff Contact: Amanda D'Souza
Telephone: 541-682-5540
Staff E-Mail: adsouza@eugene-or.gov

ORDINANCE NO. _____

AN ORDINANCE CONCERNING MULTIPLE-UNIT PROPERTY TAX EXEMPTIONS AND AMENDING SECTION 2.946 OF THE EUGENE CODE, 1971.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Subsection (2)(f)2.b.(2)(C) of Section 2.946 of the Eugene Code, 1971, is amended to provide as follows:

2.946 Multiple-Unit Housing – Threshold Criteria and Public Benefits.

.....

(2) *Criteria for Approval.* No exemption may be approved under subsection (7) of section 2.945 of this code unless all of the following criteria are met:

.....

(f) *Green Building.*

.....

2. The project will perform at least 10% more efficiently than the performance established in the Oregon Zero Energy Ready Commercial Code (OZERCC).

.....

b. Green building requirements for four stories and above multiple-family buildings are as follows:

.....

(2) City review of the project demonstrates that:

.....

(C) Commissioning report ~~has been~~ **will be** provided prior to **within 18 months following** issuance of certificate of occupancy; and

.....

Section 2. The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein, or in other provisions

of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

Passed by the City Council this

_____ day of _____, 2021

Approved by the Mayor this

_____ day of _____, 2021

City Recorder

Mayor

Summary of MUPTE Program & Process Diagram

MUPTE Program

MUPTE is an incentive program to encourage high quality, multi-unit downtown housing especially in areas well served by public transit. Both rental housing and multi-unit housing for home ownership are eligible; student housing is ineligible. Enabled by state law, the program provides a 10-year property tax exemption on qualified new multi-unit housing investments that occur within a specific, targeted area, that meet program requirements, and that are reviewed and approved by council. The objective strongly aligns with several of the pillars of Envision Eugene. Increasing the amount of multi-family housing in the downtown helps reduce pressure on urban growth boundary (UGB) expansion and protects existing neighborhoods, and takes advantage of existing infrastructure.

During the exemption period, property owners still pay taxes on the assessed value of the land and any existing improvements on the property. Council can deem commercial portions of a project to be a public benefit and include them as part of the exemption along with the residential portion.

In 2015, after a two-and-a-half year review, council revised the program criteria, process, and boundary. The program changes:

- Removed student housing as an eligible project type
- Increased the required energy efficiency
- Required higher quality design, with design at approval attached to the resolution
- Expanded neighborhood involvement
- Added a moderate-income housing contribution
- Added local economic impact plan
- Added demonstrated project need reviewed by an independent financial consultant
- Added a community member third-party review (MUPTE Review Panel described below)

See below for the process diagram and boundary map. The Required Public Benefit criteria are:

- Compact Urban Development
- Green Building Features (*ensuring building energy performance is 10% above code*)
- Local Economic Impact Plan (*including support for local businesses, minority and women business enterprises, and ensuring compliance with laws*)
- Moderate-Income Housing Contribution
- Project Design and Compatibility (*including scale, form, and quality of the building; mixture of project elements; relationship to the street and surrounding uses; and parking and circulation*)
- Historic and Existing Housing Sensitivity
- Project Need

MUPTE Review Panel

The 2015 MUPTE update established a Review Panel, tasked with providing a third-party review of individual applications for the City Manager. The Review Panel:

- Reviews the project applications, including the consultant's review of the project's financial projections.

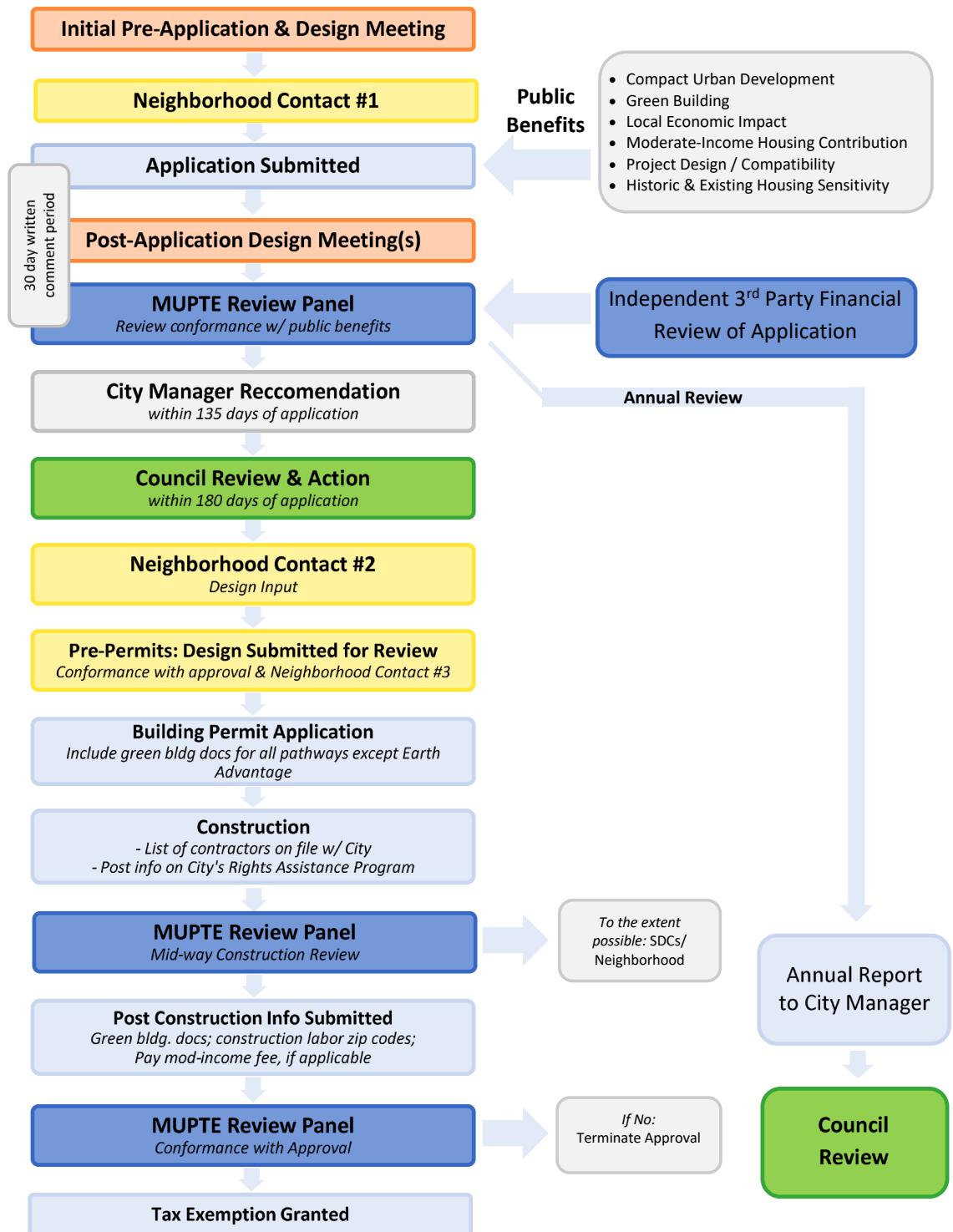
- Reviews the applicant's conformance with the Required Public Benefits and making recommendations regarding approval/denial of the tax exemption to the City Manager.
- Reviews the project's conformance with approval requirements midway through construction, at completion of construction, and during the exemption period.
- Assists the City Manager in preparing an Annual Report on progress of the approved projects, program volume cap, and reporting documentation.

The Review Panel consists of two at-large neighborhood representatives selected by neighborhood association boards, an additional two representatives selected by the board of the neighborhood association in which the proposed project is located, and six technical professionals selected by the City Manager from the following six groups: architects/green building specialists; building trades union; developers; environmental professionals; public health professionals; and human rights representatives. Prior Review Panel reports can be found at www.eugene-or.gov/MUPTE

MUPTE Boundary



MUPTE Application & Review Process



Annually:

- Moderate-income housing: Pay fee in years 3 – 10 or update lease rates on mod-income units & submit docs.
- BPS pathway energy usage, if applicable.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: Granting an Exemption from the Application of Section 6.200 of the Eugene Code, 1971, and Providing for a Sunset Date

Meeting Date: May 24, 2021
Department: Public Works
www.eugene-or.gov

Agenda Item Number: 6
Staff Contact: Shelly Miller
Contact Telephone Number: 541-682-4888

ISSUE STATEMENT

The purpose of this proposed ordinance is to provide an exception to the application of Eugene Code 6.200 (open burning) to allow ecological burning by the Rivers to Ridges Partnership for enhancement of natural areas and fuels reduction. The ordinance will sunset in five years.

BACKGROUND

The prescribed use of fire, an important natural process, under carefully managed conditions and circumstances is currently referred to as ecological burning. Controlled ecological burns have been successfully implemented in West Eugene and in Suzanne Arlie Park south of Lane Community College, under previous City Council exemptions from the prohibition of open burning, since 1986. The purpose of the proposed ordinance is to extend this exemption for the next five years.

Exhibit A to the proposed Ordinance shows the areas that are proposed for ecological burning at some point within the next five years and is included as Attachment A. Attachment B is a map that depicts areas that were ecologically burned over the last five-years. Attachment C is a copy of the Eugene code section 6.200, for which a five-year exemption is being requested.

Several of these prairie sites contain endangered plant or animal species which have been shown to benefit from such burns. Another benefit of ecological burns is reducing fuels in our natural areas. Heavy fuel loads can increase the risk of hotter, larger, and uncontrolled wildfires. Prescribed fire operations also provide the additional benefit of using controlled burns as valuable wildland fire training opportunities for staff.

Safety Protocols

Controlled ecological burns are conducted only under the authority of an approved burn plan which identifies specific parameters under which the burn may be accomplished.

Burns will occur by trained personnel only on days when the weather conditions (temperature, relative humidity, and wind speed and direction) provide the proper window to conduct a safe burn, and only when sufficient resources and staffing are available to support planned operations.

May 24, 2021, Meeting – Item 6

Rivers to Ridges partners must receive a permit from Lane Regional Air Pollution Authority (LRAPA) prior to conducting ecological burns, and LRAPA and the Oregon Department of Forestry are involved in determining whether burning can be conducted on a given day and site, based on the impact that expected weather conditions will have on smoke dispersal.

Public Information

Postcards will be sent to all neighbors within ¼ mile of each burn unit. When burn season is active, the partners will maintain a web-based map and a Facebook page at <https://www.facebook.com/WillametteValleyPrescribedFire> to provide updates on active burns and near-term plans.

Additional Information

Video produced by City of Eugene staff with more detail on the benefits and managed risks of controlled ecological burns, including interviews with local experts:

<https://vimeo.com/529514426>

The Eugene Parks and Open Space website has information on its ecological burning program:

<https://www.eugene-or.gov/prescribedfire>

The Rivers to Ridges website has information on the partnership program:

<https://rivers2ridges.org/controlled-ecological-burn-program/>

Use of Controlled Ecological Burns in Willamette Valley Native Prairies:

<https://www.eugene-or.gov/DocumentCenter/View/61413/Alverson-Fire-Justification-White-Paper-20110504>

Comparison of Burning and Mowing Treatments in a Remnant Willamette Valley Wet Prairie:

<https://www.eugene-or.gov/DocumentCenter/View/61412/Nuckols-et-al-2011-Comparison-of-Mowing-and-Burning>

PREVIOUS COUNCIL DIRECTION

In 1986, and 1987, the City Council first approved exceptions to the application of Eugene Code 6.200 to permit The Nature Conservancy to conduct controlled ecological burns in the Willow Creek Natural Area. Due to the recurring nature of these requests, in September 1990, the City Council approved a five-year exception for the Willow Creek Natural Area by Ordinance No. 19715. The five-year exception has been re-approved in consecutive five-year periods since and now includes other publicly owned land:

May 22, 1995 - Ordinance No. 20014,

June 25, 2001 - Ordinance No. 20231,

June 26, 2006 - Ordinance No. 20370,

June 13, 2011 - Ordinance No. 20476, and

June 13, 2016 - Ordinance No. 20565

This action is also supportive of the West Eugene Wetlands Plan, adopted by the City Council on May 20, 1992 and amended numerous times since and the Ridgeline Area Open Space Vision and Action Plan, published in February 2008, as a refinement of the Rivers to Ridges Vision and Strategies document endorsed by City Council on March 12, 2003.

COUNCIL OPTIONS

1. Adopt the ordinance as attached to this AIS.
2. Adopt the ordinance with modifications as determined by the City Council.
3. Direct the City Manager to schedule another work session on the ordinance as attached to this AIS.
4. Take no action.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adopting the ordinance as attached to this AIS.

SUGGESTED MOTION

Move to adopt the proposed ordinance in Attachment A, Granting an Exemption From the Application of Section 6.200 of the Eugene Code, 1971, and Providing for a Sunset Date.

ATTACHMENTS

- A. Proposed ordinance, including map of proposed ecological burn sites for 2021-2026 (Exhibit A)
- B. Map of ecological burn sites from 2016-2020
- C. Copy of Eugene Code 6.200 Outdoor Burning

FOR MORE INFORMATION

Staff Contact: Shelly Miller
Telephone: 541-682-4888
Staff E-Mail: smiller@eugene-or.gov

ORDINANCE NO. _____

GRANTING AN EXEMPTION FROM THE APPLICATION OF SECTION 6.200 OF THE EUGENE CODE, 1971, AND PROVIDING FOR A SUNSET DATE.**The City Council of the City of Eugene finds as follows:**

A. Section 6.200 of the Eugene Code, 1971, (EC), proscribes the practice of open burning within the City of Eugene with specified exceptions to this ban. This ordinance, which makes a limited exception to EC 6.200, is a component of local measures designed to assure compliance with federal ambient air quality standards.

B. Maintenance and enhancement of air quality is critical to the health and welfare of metropolitan area residents, the area's ability to attract new businesses, and the avoidance of sanctions for noncompliance.

C. The West Eugene Wetlands Plan (the Plan), adopted by the City Council on May 20, 1992 and amended numerous times since, sets forth policies for preserving significant wetlands in West Eugene, allowing development of lower quality wetlands, and establishing a system for mitigation of filled wetlands. The Plan also includes goals and policies for protecting and expanding populations and habitats of rare, threatened, or endangered plants, including Bradshaw's lomatium (*Lomatium bradshawii* – *delisted in February 2021*)), Willamette Valley daisy (*Erigeron decumbens* var. *decumbens*), and Kincaid's lupine (*Lupinus oreganus*), and policies for protecting and managing the native Willamette Valley wet prairie plant community. In addition, the Plan contains policies for managing the preserved wetlands in public ownership.

D. Experimental burns conducted in 1986, 1987, and 1991 in the Willow Creek natural area within habitat containing the above-mentioned plant species have resulted in expansion of populations of those plants in the areas burned. Controlled burns in 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, and 2018 on several sites have also been beneficial for enhancing and maintaining wetland and associated upland habitats. The first ecological burn implemented in the Ridgeline Area occurred in 2018 at Suzanne Arlie Park following extensive mechanical fuels reduction.

E. The Ridgeline Area Open Space Vision and Action Plan, published in February 2008, is based on the Rivers to Ridges Vision and Strategies document endorsed by City Council on March 12, 2003. This document establishes management principles for the safety of recreational users and the reduction of potential hazards inherent to the rural-urban interface found in Eugene's Ridgeline Area such as wildfire. In addition, the Ridgeline Area Open Space Vision and Action Plan recommends the implementation of prescribed fire (where feasible) to prevent woody vegetation from establishing in prairies and savannas and management of vegetation to help reduce risk of wildfire spreading to adjacent properties, also known as fuels reduction.

F. Management of natural areas and preservation of fire-adapted native plant communities requires controlled open burning of vegetation for ecological purposes and to foster growth of native species in the areas noted on the map attached as Exhibit A hereto and incorporated herein by reference. Repeated burning of vegetation in these areas will enhance or maintain natural areas to sustain fire-adapted plant and animal communities.

G. A limited and special exception to the open burning ban in EC 6.200 is necessary for the purposes outlined above. This limited exception is based upon the high costs and limited practicability of alternative vegetation management and control methods, the limited nature of the expected burns, air pollution control strategies that will be employed to prevent significant degradation of local air quality, the special recognition given to regionally rare habitat types described in comprehensive planning documents, the City's direct responsibility under those plans for preservation of the natural resources in this area, and the general public benefit derived from the preservation of this habitat, the reduction of fuels that contribute to uncontrolled wildfires, and the ecosystem services provided to the community. This limited exception is unique and should not serve as precedent for future exceptions for other purposes or signal any relaxation of the City's commitment to preservation of air quality.

H. Exceptions to the open burning ban for the management of wetlands in the West Eugene Wetlands Plan area have been previously granted by the City Council by Ordinance No. 19403 enacted August 13, 1986, Ordinance No. 19493 enacted July 27, 1987, Ordinance No. 19634 enacted September 11, 1989, Ordinance No. 19715 enacted September 12, 1990, Ordinance No. 19983 enacted September 12, 1994, Ordinance No. 20014 enacted May 22, 1995, Ordinance No. 20231 enacted June 25, 2001, Ordinance No. 20370 enacted June 26, 2006, Ordinance 20476 enacted June 13, 2011, and Ordinance No. 20565 enacted June 13, 2016. An exception is again necessary to ensure the continued proper and effective management of this valuable natural resource area.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The findings set forth above are adopted.

Section 2. The City shall continue to use its regulation of outdoor burning as one method for maintaining and improving air quality of the metropolitan area.

Section 3. An exception to the application of EC 6.200 is hereby granted to the Bureau of Land Management, Eugene Public Works Department and The Nature Conservancy to conduct periodic "Prescribed Ecological Burns" for the purposes of scientific research, fuels reduction and to foster growth of native plant species in any of:

- a. The "Ecological Burn Site" areas that are now inside the city limits of the City of Eugene, as shown on the map attached as Exhibit A hereto and incorporated herein by reference; and
- b. The "Ecological Burn Site" areas, as shown on the map attached as Exhibit A, that are annexed into the city limits after the adoption of this ordinance.

Section 4. The exception granted in Section 3 is subject to the following conditions:

- a. Prior to commencement of any burn, the Bureau of Land Management, Eugene Public Works Department or The Nature Conservancy shall give notice to the Eugene Fire Marshal and the Lane Regional Air Protection Agency and shall obtain the approval of those agencies to conduct the burn in the time, place and manner proposed.

- b. No more than 300 acres of open burning shall be conducted within the City of Eugene in any one calendar year.
- c. Environmental protection and fire suppression strategies, personnel, equipment, and other parameters (including wind direction, relative humidity, vegetation type) shall be approved in advance by the Eugene Fire Marshal and Lane Regional Air Protection Agency. The Bureau of Land Management, Eugene Public Works Department and The Nature Conservancy shall comply with all conditions imposed by those agencies.
- d. Burning shall only occur when wind and weather conditions are such that local air quality impacts are minimized and safety can be maintained.
- e. The Bureau of Land Management, Eugene Public Works Department and The Nature Conservancy assume responsibility for providing all equipment and personnel associated with the burn and for complying with all applicable federal, state and local laws.

Section 5. The exception granted by Sections 3 and 4 of this Ordinance, allowing periodic prescribed ecological burns under specific conditions, begins on the effective date of this Ordinance and ends on December 21, 2025.

Passed by the City Council this

_____ day of _____, 2021.

City Recorder

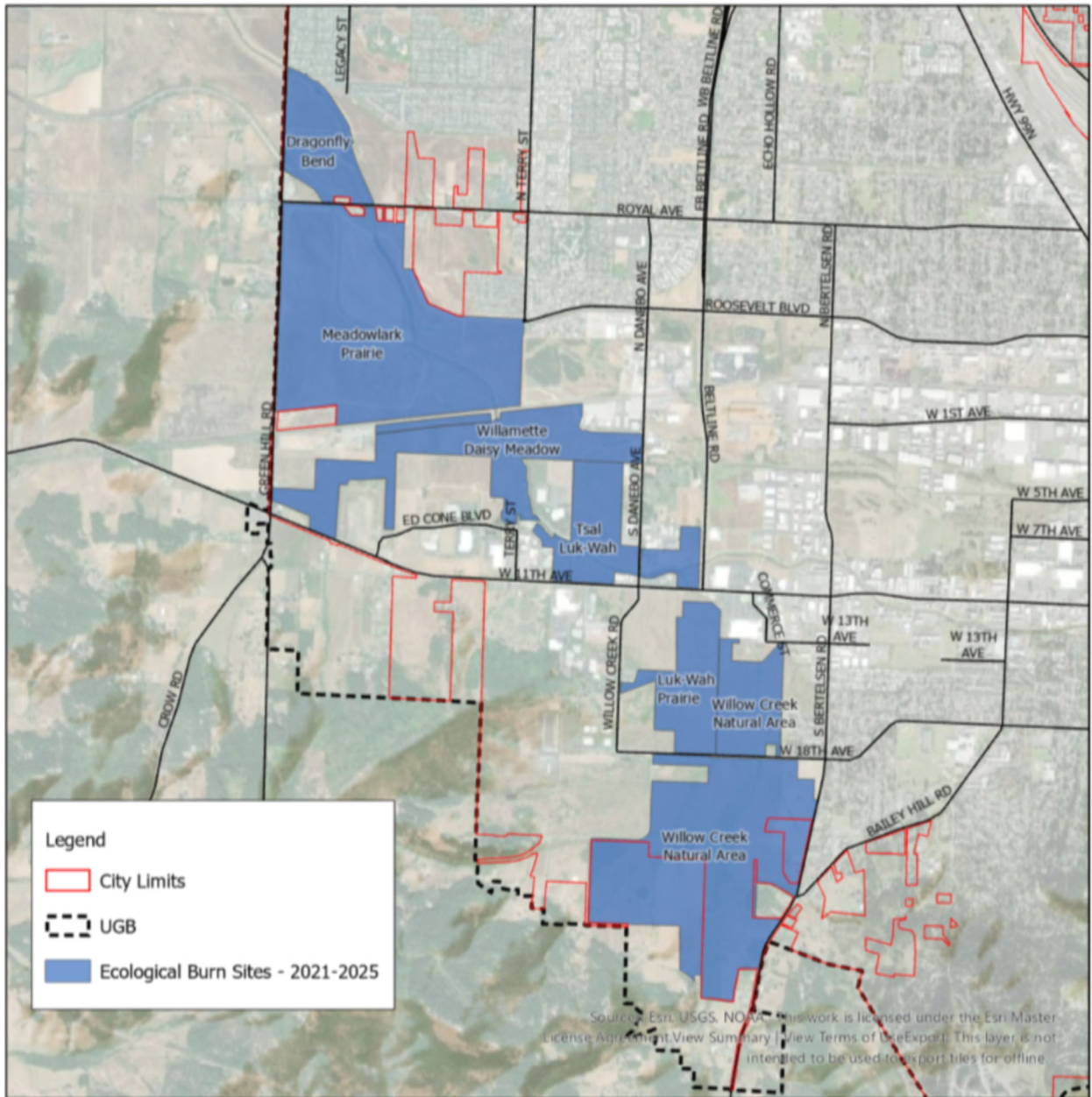
Approved by the Mayor this

_____ day of _____, 2021.

Mayor

EXHIBIT A

Ecological Burn Sites - 2021-2025 Within City Limits and/or Urban Growth Boundary

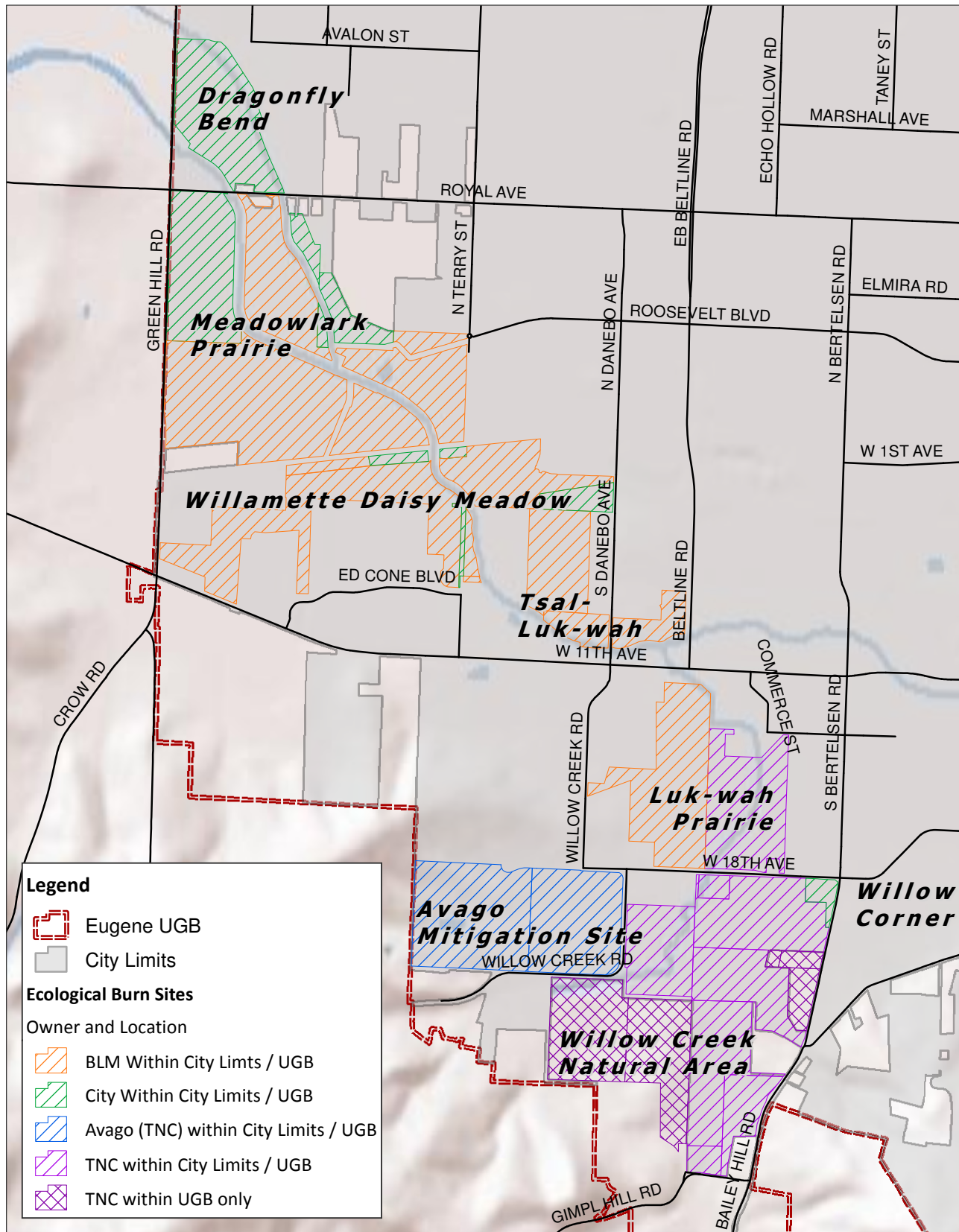


NOTE:
in most cases the actual area
burned will be a portion of the area
indicated

0 0.25 0.5 1 Miles



Ecological Burn Sites - 2016-2020 Within City Limits and/or Urban Growth Boundary (UGB)



NOTE:

In most cases the actual area burned will be a portion of the area indicated.



February 4, 2016



6.200 Outdoor Burning.

- (1) No person shall kindle, maintain or allow to be maintained, an outdoor fire, bonfire, rubbish fire or garbage fire; nor shall any person kindle, maintain or allow to be maintained a fire for the purpose of burning grass, hay or straw, tree limbs and trimmings; nor shall any person maintain or allow to be maintained a fire for land clearing operations, or commercial burning; nor shall any person kindle, maintain or allow to be maintained any other type of open burning with the following exceptions:
 - (a) Outdoor recreation fire used for cooking with the fire in a fireplace, barbecue set, or an outdoor fire used for cooking only.
 - (b) Recreation fire in an approved campsite in fire pits provided.
 - (c) Fires set and maintained for fire fighting training or training fire protection personnel.
 - (d) In cases of fire hazard that cannot in the judgment of the fire marshal be removed or disposed of in any other practical manner, a fire may be allowed by written permit only. Said permit is to be issued by the fire marshal.
- (2) No person shall accumulate or suffer or allow to accumulate material which in the judgment of the fire marshal constitute a fire hazard. Any such accumulation is a nuisance and subject to abatement as provided in this Code.