



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

July 18, 2022

5:30 p.m. EUGENE CITY COUNCIL PUBLIC HEARING AND WORK SESSION

As the state and community recover from the COVID-19 pandemic, City Council meetings will continue to be held in hybrid in person and virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

**Meeting of July 18, 2022;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Claire Syrett, President
Mike Clark
Randy Groves
Emily Semple

Matt Keating, Vice President
Greg Evans
Jennifer Yeh
Alan Zelenka

5:30 p.m. EUGENE CITY COUNCIL PUBLIC HEARING

- 1. PUBLIC HEARING: ORDINANCE EXTENDING SUNSET DATE OF SAFE TENT AND VEHICLE SITES**
- 2. PUBLIC HEARING: ORDINANCE TRANSITIONING TRANSIENT LODGING TAX ADMINISTRATION TO DEPARTMENT OF REVENUE**
- 3. WORK SESSION: DISCUSSION REGARDING IRKUTSK, RUSSIA SISTER CITY**
- 4. WORK SESSION: 5th STREET MARKET EXPANSION PROJECT UPDATE**
- 5. ACTION: CITY MANAGER COMPENSATION**

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



Public Hearing: Ordinance Extending Sunset Date of Safe Tent and Vehicle Sites

Meeting Date: July 18, 2022
Department: All
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Peter Chavannes
Contact Telephone Number: 541-682-5371

ISSUE STATEMENT

The purpose of this public hearing is to provide the Eugene City Council with public input on whether to amend Ordinance no. 20650 (temporary establishment of “safe parking” and “safe tent” sites that are larger than allowed under section 4.816 of the Eugene Code, 1971); and extend its sunset date, through June 30, 2024.

BACKGROUND

Lane County has seen an increase in the number of people experiencing homelessness over several years. The Lane County Homeless by Name List shows an unduplicated 8,492 people accessed homelessness services in 2021, with an average of 2,557 people living in Eugene accessing these services per month. Data from the Homeless by Name List in May 2022 shows 3,322 unduplicated individuals living in Eugene who have accessed homeless services in the last three months.

On April 12, 2021 staff provided council with an action plan for the Unhoused Response. The plan included creating a centralized response for critical tasks including the management of temporary urban camps, coordination of response to unsanctioned camping with a temporary stay-in-place order, reducing impacts to neighborhoods and businesses, expanding outreach to unhoused people, and significantly, developing some 200 “Safe Parking” and 300 “Safe Tent” sites in response to the need for temporary, short-term, places for people to shelter.

Following an April 26, 2021 public hearing, council approved an ordinance (Attachment A) to establish the Safe Parking and Safe Tent sites, which became known collectively as Safe Sleep sites. To make Safe Sleep sites a reality, staff commenced creating program models and site standards, identifying properties and service provider operators, and developing and opening the sites.

Safe Sleep Site Modeling and Programming

City staff convened a group of social service providers for a six-week meeting series in May 2021 to collaborate on site design, management plans, critical services and provider capacity for the new Safe Sleep sites. The series then shifted to more focused conversations with the providers who expressed an interest in either operating Safe Sleep sites or providing services to individuals living there.

Those planning efforts, in coordination with surveys of the people staying at the temporary camps at Washington Jefferson Park and 13th Avenue, helped inform the development of site plans, management strategies and specific services for Safe Sleep sites. The detailed research and collaboration served as the template for creating site plans for Safe Sleep sites equipped with portable restrooms (including ADA accessible units), hand-washing stations, trash containers, fencing, covered warming/cooling/meeting spaces, potable water, electrical power, wi-fi, and food preparation/eating areas.

Operating entities are responsible for intake, managing the social dynamics of the sites and compliance with rules and community agreements, coordinating site infrastructure, managing relationships with and being responsive to neighbors, and coordinating with the City and other partners.

Approved Safe Sleep Sites

City Council in 2021 approved five locations as Safe Sleep sites: three are operating and two others are moving toward opening.

310 Garfield – The City of Eugene opened its first Safe Sleep site at 310 Garfield St. on October 4. The site reached capacity October 14 and accommodates up to 55 vehicles used for shelter, along with additional vehicles used by those residents for transportation. St. Vincent de Paul Society of Lane County operates the site, which has a waiting list of more than 380 names and remains full. The site has served more than 140 people to date, most from west Eugene.

410 Garfield – Indoor site for 86 tents; opened February 22. Operated by St. Vincent de Paul, including a daily meal, on-site showers, laundry vouchers, common area, case management, regular service provider visits. The site remains full, serving about 90 people at the facility at any time, with a waiting list of 275. Occupant turnover averages about five per week and the site has served 160 people since opening.

Everyone Village – Opened December 2021; operated by Everyone Church. Occupancy is more than 40, in a mix of vehicles and small shelters. About half of the occupants are from west Eugene and half from the former temporary camp at Washington Jefferson Park. Everyone Village organizers have worked with City staff on a plan to gradually increase occupancy at the site in future months. Some 55 different individuals have been served since opening, turnover has averaged fewer than three per month, and 250 people are on the waiting list. Site operators plan to accommodate more unsheltered people in the future, thanks to the City Council approving expansion of the site.

Rosa Safe Sleep site – Local service provider Carry It Forward has been identified as the operator for the Rosa Safe Sleep site at 2243 Roosevelt Blvd, which was approved by the City Council September 29, 2021. Neighborhood engagement about the pending opening of the site has been completed. A mailing with information about the site, and feedback opportunities went to nearby residents April 26. An online survey was open April 25-May 20. Public information meetings were held May 7 and 10 and had no attendees from the public. Finalization of a contract with Carry It Forward is still pending. The property has been operated by SquareOne Villages as a microsite for

the last 14 months, providing six units of non-congregate shelter to people experiencing homelessness in the community. Rosa Safe Sleep site will host up to 40 sleeping structures—a mix of Pallet Shelters, Conestoga huts, and other micro-shelters. Physical site preparation continues, with most infrastructure including water, power and graded pads already installed. An opening date is not yet specified but will be as soon as practicable.

Chase Commons Park – Local service provider Carry It Forward has been identified as the proposed site operator; contract finalization is pending. The site model is to shelter 18-20 adults in identical, 64-square foot Pallet Shelters in a half-acre fenced area in the northeast corner of the four-acre park. To help support an unmet need in the community, the Chase Commons site will prioritize unsheltered people 18 or older who are medically fragile and therefore experience increased vulnerability to living unsheltered. Services will be available to residents to support their healthcare needs and to assist them in improving their overall stability and moving toward permanent housing. A community engagement plan to inform nearby neighbors is underway: staff have met with key interested parties and Eugene Chamber of Commerce representatives, conducted door-to-door outreach the week of May 23. Informational fliers went to nearby residents the week of May 30, an online survey was open May 27-June 24, and an on-site neighborhood information meeting (noted in the mailer) was held June 14.

Safe Sleep Site Funding

Funding for the safe sleep site program is split into two categories—operations, funded by the City of Eugene and service provision, financed by Lane County.

Safe sleep site operations-site management and the provision of water electricity, bathrooms, sewer, food accessibility and internet amount to approximately \$3.7 million annually at full occupancy. The City has also projected approximately \$600,000 for one-time site development charges related to the Rosa and Chase Commons locations as well as the Everyone Village expansion. Through a combination of Federal, State and local funds, staff have determined that there are sufficient resources to support safe sleep site operations through FY24.

Lane County is providing an additional \$441,000 to safe sleep sites to support service delivery to residents therein. This funding enables case management, housing navigation, and medical and behavioral health support, all of which are critical to ensure flow through the homeless service system as people exit shelter to more robust housing options creating space for previously unsheltered individuals.

Safe Sleep Site Operational Success

Staff have observed that Safe Sleep sites are successful on several fronts:

- More than 350 people have benefited from clean, safe shelter that would not have existed otherwise.
- Each of the sites offers connections to services (medical, mental and behavioral health, skill-building, etc.), giving occupants a direct line to other resources that would be difficult or impossible to realize with people living on the street.
- Turnover of occupants at the sites has been minimal, especially compared to typical low-barrier shelters; this indicates strong and stable shelter operation and a population eager for assistance and able and willing to follow site standards.

The sites fill an important role in the shelter and service continuum among emergency shelters like St. Vincent de Paul's Dawn to Dawn program or The Eugene Mission's rescue beds, and more programmatic models like Rest Stops or The Eugene Mission's long-term programs.

Sites have been open between four and eight months, and the locations remain filled with substantial waiting lists. The successful transition of so many people who were previously camping in temporary urban camps demonstrates the importance of outreach, communication, and relationship-building to supporting people into sanctioned locations, and the relatively low turnover rates and fact that the Safe Sleep sites continue to operate at full capacity indicates they are supporting people's basic needs for safety, health, and stability.

Safe Sleep Site Services

More than just a place to shelter, Safe Sleep Sites are intended to provide a reliable location for residents to connect with case management and housing navigation services. Beginning in March 2022, Lane County has contracted with service providers to deliver case management and housing navigation and medical and behavioral health care at all locations. This has elevated the opportunities for site occupants to receive the most helpful services and to have the best chance to begin to stabilize and move toward long-term health, employment and housing goals.

Extension of Ordinance

The Safe Sleep site program has been successful so far. The community benefits from more than 300 people being off the streets, and those site occupants stand a much better chance of staying off the street and gaining stability because of Safe Sleep sites. With operational funding available through FY24, staff recommended that Council extend the Safe Parking and Safe Tent site ordinance to July 1, 2024.

On June 22, 2022, council directed the city manager to schedule a public hearing to consider an ordinance amending Ordinance no. 20650 (temporary establishment of "safe parking" and "safe tent" sites that are larger than allowed under section 4.816 of the Eugene Code, 1971); and extending its sunset date. The proposed, amended ordinance is included in Attachment B.

PREVIOUS COUNCIL DIRECTION

[April 12, 2021](#): Work Session

City staff provided an overview of the current homelessness crises and the exacerbating effects of the COVID-19 pandemic and identified needs and next steps for addressing the growing number of unhoused community members and related community impacts.

[April 26, 2021](#): Work Session

Staff presented a plan to address vehicle camping in commercial/industrial and proposed code amendments for parking and storage of vehicles on streets.

[April 26, 2021](#): City Council Meeting and Public Hearing

The City Council heard public testimony on the ordinance to pilot establishment of "safe parking" and "safe tent" sites that are larger than allowed by City code.

May 19, 2021: Work Session

City staff provided an update on the current homelessness crises and the work to establish “safe parking” and “safe tent” sites.

June 14, 2021: Public Hearing

The City Council heard public testimony on the ordinance that would amend City code regarding parking and storage of vehicles on streets.

June 21, 2021: City Council Meeting

The City Council approved an ordinance that amended City code regarding parking and storage of vehicles on streets.

June 23, 2021: Work Session

City staff provided an update on the current homelessness crises and the sites that may potentially lead to “safe parking” and “safe tent” sites.

July 21, 2021: Work Session

The City Council approved two Safe Sleep sites: 2nd and Garfield (310 Garfield) and Chase Commons Park. City staff also provided an update on the current homeless crises.

September 8, 2021: Work Session

City staff provided updates on the current homelessness crises and the two approved Safe Sleep sites: 2nd and Garfield (310 Garfield) and Chase Commons Park.

September 29, 2021: Work Session

The City Council approved three new Safe Sleep sites: 2243 Roosevelt Blvd. (Rosa Safe Sleep site), Dani Street (Everyone Village) and 410 Garfield. City staff also provide updates on the current homelessness crises and the two approved Safe Sleep sites.

February 23, 2022: Work Session

City staff provided updates on the homelessness crisis, the development of approved Safe Sleep sites including the opening of 410 Garfield St., and the transition of the temporary camp at Washington Jefferson Park.

June 22, 2022: Work Session

The City Council approved expansion of the Everyone Village Safe Sleep site to accommodate co-location of multiple Safe Tent groups and directed the city manager to consider an ordinance amending Ordinance no. 20650 (temporary establishment of “safe parking” and “safe tent” sites that are larger than allowed under section 4.816 of the Eugene Code, 1971); and extending its sunset date.

POSSIBLE MOTIONS

Public hearing only. Action will be scheduled for the council meeting on July 25, 2022.

ATTACHMENTS

- A. Existing Ordinance No. 20650
- B. Proposed amended Ordinance No. 20650

FOR MORE INFORMATION

Staff Contact: Peter Chavannes
Telephone: 541-682-5371
Staff E-Mail: pchavannes@eugene-or.gov

COUNCIL ORDINANCE NO. 20650

**AN ORDINANCE ALLOWING FOR THE TEMPORARY
ESTABLISHMENT OF “SAFE PARKING” AND “SAFE TENT”
SITES THAT ARE LARGER THAN ALLOWED UNDER SECTION
4.816 OF THE EUGENE CODE, 1971; DECLARING AN
EMERGENCY; PROVIDING FOR AN IMMEDIATE EFFECTIVE
DATE; AND PROVIDING A SUNSET DATE.**

ADOPTED: April 28, 2021

SIGNED: April 30, 2021

PASSED: 8:0

REJECTED:

OPPOSED:

ABSENT:

EFFECTIVE: April 30, 2021



ORDINANCE NO. 20650

AN ORDINANCE ALLOWING FOR THE TEMPORARY ESTABLISHMENT OF “SAFE PARKING” AND “SAFE TENT” SITES THAT ARE LARGER THAN ALLOWED UNDER SECTION 4.816 OF THE EUGENE CODE, 1971; DECLARING AN EMERGENCY; PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE; AND PROVIDING A SUNSET DATE.

The City Council of the City of Eugene finds as follows:

A. Section 4.816 of the Eugene Code, 1971 (EC) sets forth various types of overnight sleeping arrangements that are permitted throughout the City when certain conditions are met. Some of the permitted overnight sleeping arrangements are permitted outright and others require the City Council to approve the location. Whether outright permitted or approved by the City Council, the permitted overnight sleeping authorized by EC 4.816 is capped at the number of allowed vehicles (which includes RVs, tents, and Conestoga huts) ranging from 1 to 20.

B. The City is experiencing an increase in the number of individuals living in campers, trailers, cars, and tents in locations that are not intended for that purpose. This often results in unsanitary and unsafe conditions for unhoused residents and for the surrounding community, particularly the nearby businesses and residences. Additional options are needed for these individuals to lawfully park their vehicles or set up their tents.

C. The City's car camping and rest stop programs, which limit the number of allowed vehicles/huts to six and twenty, respectively, are proven successes and are essential options for the unhoused. However, to effectively address the large number of vehicles and tents that are an immediate health and safety concern, there is a need for temporary sites that can accommodate more vehicles and tents/huts than currently allowed by EC 4.816. The need for these larger sites where people can temporarily sleep overnight in parked vehicles and erected tents, is acute and immediate.

D. Temporarily allowing for the establishment of sites that will accommodate a larger number of vehicles or tents than currently allowed by EC 4.816, should be immediately established and remain in effect until May 1, 2023.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The following provisions are adopted to temporarily allow the establishment of Safe Parking sites and Safe Tent sites.

Safe Parking Sites. Notwithstanding any other provision of the Eugene Code, 1971, a group of up to 60 vehicles being used for overnight sleeping may temporarily park on property authorized by motion of the City Council for that use. For purposes of this provision, the term “vehicle” includes a car, camper, or trailer. Depending on the size of the property, the City Council may authorize the co-location of multiple groups. In addition

to any conditions imposed by the City Council at the time of site approval to address site-specific issues, all Safe Parking sites authorized and established pursuant to this Ordinance shall have adequate garbage collection, toilets, handwashing stations, and potable water, with a goal of providing renewable power at all sanctioned sites.

Safe Tent Sites. Notwithstanding any other provision of the Eugene Code, 1971, a group of up to 40 tents, or approved hut-structures, being used for overnight sleeping may be temporarily erected on property authorized by motion of the City Council for that use. Depending on the size of the property, the City Council may authorize the co-location of multiple groups. In addition to any conditions imposed by the City Council at the time of site approval to address site-specific issues, all Safe Tent sites authorized and established pursuant to this Ordinance shall have adequate garbage collection, toilets, handwashing stations, and potable water, with a goal of providing renewable power at all sanctioned sites.

Section 2. When a Safe Parking site is authorized and established pursuant to this Ordinance, those vehicles unlawfully parked on City right-of-way in West Eugene shall be prioritized for occupying spaces at the Safe Parking site. When a Safe Tent site is authorized and established pursuant to this Ordinance, those tent campers at 13th and Chambers and in Washington-Jefferson Park shall be prioritized for occupying spaces at the Safe Tent site.

Section 3. The City Manager may adopt rules pursuant to EC 2.019 to regulate the Safe Parking sites and Safe Tent sites established pursuant to this Ordinance.

Section 4. This Ordinance shall sunset and be repealed on May 1, 2023, unless extended or made permanent by future Council action.

Section 5. Due to the immediate need to address the significant increase in vehicular living and unsanctioned erection of tent camps occurring throughout the community by establishing lawful sites to park vehicles or erect tents, an emergency is declared to exist that cannot be addressed by the ordinance adoption procedures in Section 28(1) of the Eugene Charter of 2002. Prior to the adoption of this Ordinance, the City Council unanimously agreed to proceed with consideration of this Ordinance with an abbreviated notice of the public hearing date.

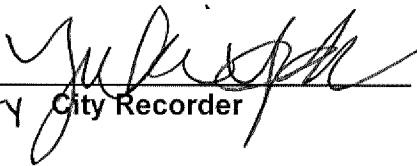
Section 6. As this matter has been declared an emergency, pursuant to the provisions of Section 32(2) of the Eugene Charter of 2002, with the affirmative vote of two-thirds of the

members of the City Council, upon adoption by the Council and approval by the Mayor, or passage over the Mayor's veto, this Ordinance shall become effective immediately.

Section 7. 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.

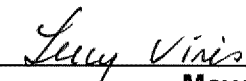
Passed by the City Council this

28th day of April, 2021


Deputy City Recorder

Approved by the Mayor this

30 day of April, 2021


Mayor

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE NO. 20650 (TEMPORARY ESTABLISHMENT OF “SAFE PARKING” AND “SAFE TENT” SITES THAT ARE LARGER THAN ALLOWED UNDER SECTION 4.816 OF THE EUGENE CODE, 1971); AND EXTENDING ITS SUNSET DATE.

The City Council of the City of Eugene finds as follows:

A. Pursuant to the City Council's adoption of Ordinance No. 20650 on April 28, 2021, the City began to temporarily allow the establishment of sites that can accommodate a larger number of vehicles or tents than allowed by Section 4.816 of the Eugene Code, 1971.

B. The City now wishes to extend the sunset date that was established by Ordinance No. 20650 until June 30, 2024, and to eliminate the provisions of Ordinance No. 20650 that are no longer necessary.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORGAIN AS FOLLOWS:

Section 1. Section 2 of Ordinance No. 20650 is deleted.

Section 2. The automatic sunset / repeal provision adopted in Section 4 of Ordinance No. 20650 is amended by replacing it with the following: “This Ordinance shall sunset and be repealed on June 30, 2024, unless extended or made permanent by future Council action.”

Section 3. 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.

Passed by the City Council this

____ day of _____, 2022

City Recorder

Approved by the Mayor this

____ day of _____, 2022

Mayor

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Transient Lodging Tax Code Amendments

Meeting Date: July 18, 2022
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Twylla Miller
Contact Telephone Number: 541-682-8417

ISSUE STATEMENT

This is a public hearing held for the purpose of taking comments on a proposed ordinance that updates sections of the Eugene City Code concerning how transient lodging tax (TLT) is administered. Proposed amendments align City code with the language required for the Oregon Department of Revenue (DOR) to collect and administer transient lodging tax for the City of Eugene; there are no other proposed changes.

BACKGROUND

Subject to certain exemptions set forth in EC 3.778, the City's TLT levies a tax of 4.5% on overnight lodging within the City. In addition to managing the City's own TLT collection activities, since the 1970s City staff have administered collection of transient lodging tax levied by other local jurisdictions (Springfield, Cottage Grove, Florence, and Lane County). City staff collect the TLT monthly and distribute the appropriate share of revenue to each jurisdiction.

In 2017, the Legislature amended ORS 305.620 to allow the DOR to collect local TLT on behalf of cities and counties. The City has the opportunity to be more cost effective and efficient by modernizing the program. City staff analyzed keeping the program in-house in comparison with updating the collection system by contracting with the DOR. Considerations included the abilities of the DOR, working with bargaining units in the City, and looking at the practices in other jurisdictions. The outcome of the analysis was that it is significantly more efficient and effective for the DOR to administer the tax and allows for financial savings to the City. Further, the DOR's administration offers more robust audit and enforcement functions. Currently, $\frac{3}{4}$ of a full-time equivalent position at the City is dedicated to TLT collection and administration with minimal capacity for audit/enforcement using a system that is antiquated and needs to be replaced. By moving administration to the DOR, the cost to the City is \$40 per tax return annually, which results in an estimated savings of \$85,000. The FY23 Adopted Budget contains a budget action reducing the FTE and related costs, anticipating transition of TLT administration to the DOR.

Under the 2017 amendment, the DOR is permitted to collect local TLT if a jurisdiction and the DOR enter into an intergovernmental agreement (IGA) and the DOR recoups their administrative costs. The DOR and the League of Oregon Cities have worked together to draft a model ordinance for participating local jurisdictions to use providing a common approach to have consistent

application for the DOR collection. This includes common definitions, remittance/return instructions, penalties & interest provisions, and administration components. This approach streamlines administration across all local jurisdictions that choose to have the DOR administer their TLT programs, keeps costs much lower, and provides a consistent framework for taxpayers. The changes on the proposed ordinance, align our existing code with the DOR model ordinance in order to facilitate administration by the DOR. All of the proposed revisions to the City's current code provisions are necessary to bring the City's current code in alignment with the DOR's model ordinance. While the revisions are substantial, most of the revisions are phrasing and/or terminology, not substantive. City staff have reviewed the proposed language to ensure that the City's existing practices are covered under the revised ordinance language and that the DOR will be able to meet all of the City's requirements for TLT administration. As with other taxes collected by the DOR, taxpayers will remit quarterly instead of the monthly basis on which the City currently collects TLT revenues (this is one of the very few substantive changes to the City's existing TLT program that will occur if the DOR assumes administration of the program).

Staff have been in contact with other jurisdictions that have transitioned collection to the DOR and they report a smooth transition, more efficient and cost-effective administration, as well as higher than expected revenues. Anecdotally, those higher revenues are thought to be the result of capturing revenue from some taxpayers that were paying the State TLT but had not been previously paying the TLT for local jurisdictions.

As the current administrator for the City's TLT and lodging tax levied by other Lane County jurisdictions, City staff will provide proactive outreach to affected taxpayers for each jurisdiction and will be updating our website prior to the anticipated transition date of October 1, 2022. By this date each jurisdiction will need to have adopted the model ordinance language and entered into an IGA with the DOR. Most of the other Lane County jurisdictions have adopted this model ordinance language already and staff at the remaining local jurisdictions plan on taking this language to their elected bodies prior to the transition date. It is important for all Lane County jurisdictions to transition at the same time, primarily to avoid confusion and increased administrative burden to taxpayers. Once the transition is made, taxpayers will pay all TLT (State, County, and Local (if any)) to the DOR, rather than tax submittals to each respective taxing jurisdiction.

PREVIOUS COUNCIL DIRECTION

None

COUNCIL OPTIONS

This is a public hearing only and no action is required at this time. Deliberation and action are scheduled for July 25, 2022.

ATTACHMENTS

A. Proposed Ordinance

FOR MORE INFORMATION

Staff Contact: Twylla Miller

Telephone: 541-682-8417

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

ORDINANCE NO. _____

AN ORDINANCE AMENDING TRANSIENT LODGING TAX CODE PROVISIONS IN CHAPTER 3 OF THE EUGENE CODE, 1971, TO ENABLE TAX COLLECTION BY THE OREGON DEPARTMENT OF REVENUE ON THE CITY'S BEHALF AND PROVIDING FOR AN EFFECTIVE DATE.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 3.770 of the Eugene Code, 1971, is amended to provide as follows:

3.770 Transient ~~Room~~ Lodging Tax – Definitions.

Except where the context otherwise requires, the definitions given in this section govern the construction of sections 3.770 to ~~3.804~~ 3.800 of this Code.

- ~~(a) Hotel means any structure or portion of any structure which is occupied or intended or designed for transient occupancy for 30 days or less for dwelling, lodging, or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, public or private dormitory, fraternity, sorority, public or private club, space in a mobile home or trailer park, or similar structure or portion thereof so occupied, provided the occupancy is for less than a 30-day period.~~
- ~~(b) Council means the city council of the City of Eugene, Oregon.~~
- (a) Transient Lodging Provider means a person that furnishes transient lodging.
- (b) Transient Lodging Intermediary means a person other than a transient lodging provider that facilitates the retail sale of transient lodging and:
- (1) Charges for occupancy of the transient lodging;
- (2) Collects the consideration charged for occupancy of the transient lodging; or
- (3) Receives a fee or commission and requires the transient lodging provider to use a specified third-party entity to collect the consideration charged for occupancy of the transient lodging.
- (c) Transient Lodging Tax Collector means a transient lodging provider or transient lodging intermediary.
- ~~(e) Occupancy means the use or possession, or the right to use or possession, for lodging or sleeping purposes, of any space in transient lodging for dwelling, lodging or sleeping purposes for less than 30 days room in a hotel, or space in a mobile home or trailer park or portion thereof.~~
- ~~(d) Operator means the person who is proprietor of a hotel in any capacity and, where the operator performs the operator's functions through a managing agent other than an~~

~~employee, the managing agent who shall have the same duties and liabilities as the managing agent's principal. Compliance with the provisions of sections 3.772 to 3.804 of this Code by either the principal or the managing agent shall be considered to be compliance by both.~~

(e) Occupant means any individual who exercises occupancy or is entitled to occupancy in transient lodging for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days.

(e) Person means any individual, firm partnership, joint venture, ~~limited liability company,~~ corporation, ~~limited liability partnership,~~ association, ~~host,~~ social club, fraternal organization, fraternity, sorority, public or private dormitory, joint stock company, ~~corporation,~~ estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

~~(f) Cash accounting means a system of accounting in which the operator does not enter on the operator's records the rent due from a transient until the rent is paid.~~

~~(g) Accrual accounting means a system of accounting in which the operator enters on the operator's records the rent due from a transient when the rent is earned, whether or not it is paid.~~

(h) Rent means the consideration ~~paid or payable~~ charged, whether or not received by the operator ~~an occupant,~~ for the occupancy of space in ~~transient lodging~~ a hotel whether or not valued in money, goods, labor, credits, property, or other consideration ~~valued in money, without any deduction.~~ If a separate fee is charged for services, goods or commodities and the fee is optional, that fee is not included in rent.

~~(i) Rent package plan means the consideration charged for both food and rent where a single rate is made for the total of both. The amount applicable to rent for determination of the transient room tax under section 3.772 of this Code shall be the same charge made for rent when not a part of a package plan.~~

(h) Short-Term Rental means a house, duplex, multi-plex, apartment, condominium, houseboat, trailer or other residential dwelling unit where a person rents a guest bedroom or the entire residential dwelling unit for transient lodging occupancy. Generally, a short-term rental is zoned residential or has a building occupancy that only allows for residential use.

(i) Short-Term Rental Hosting Platform means a business or other person that facilitates the retail sale of transient lodging by connecting occupants with transient lodging providers, either online or in any other manner. Short-term rental hosting platforms are transient lodging intermediaries.

(j) Tax administrator means the finance director of the City of Eugene ~~or its designee, which may include the Oregon Department of Revenue.~~ If the city utilizes the Oregon Department of Revenue as its tax administrator, it will comply with ORS 305.620 in that it will follow the rules adopted by the Department of Revenue regarding the administration, collection, enforcement and distribution of transient lodging taxes.

(k) Transient Lodging or Transient Lodging Facilities means:(1) Hotel, motel, and inn dwelling units that are used for temporary overnight human occupancy;(2) Spaces used for overnight parking of recreational vehicles or placement of tents during periods of human occupancy; or(3) Houses, cabins, condominiums, apartment units or other dwelling units, or portions of any of these dwelling units that are used for temporary human occupancy.

~~Transient means any individual who exercises occupancy or is entitled to occupancy in a hotel for a period of less than 30 consecutive calendar days, counting portions of calendar days as full days. The day a transient checks out of the hotel shall not be included in determining the 30-day period if the transient is not charged rent for that day by the operator. Any individual so occupying space in a hotel shall be deemed to be a transient until the period of 30 days has expired, unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. A person who pays for lodging on a monthly basis, irrespective of the number of days in the month, shall not be deemed a transient.~~

(l) TLT or tax means the transient lodging tax.

~~Tax means either the tax payable by the transient, or the aggregate amount of taxes due from an operator during the period for which the operator is required to report the operator's collections.~~

Section 2. Section 3.772 of the Eugene Code, 1971, is amended to provide as follows:

3.772 Transient ~~Room~~ Lodging Tax – ~~Levy~~ Tax Imposed.

(1) Effective October 1, 2022, each occupant shall pay a TLT in the amount of four and one-half percent (4.5%) of the rent. The occupant shall pay the TLT with the rent to the transient lodging tax collector. TLT amounts shall be rounded down to the nearest cent. The transient lodging tax collector shall maintain records of all rent charged and TLT payments received. If rent is paid in installments, a proportionate share of the TLT shall be paid by the occupant to the transient lodging tax collector with each installment unless the occupant pays the entire amount with the first payment.

(2) Bills, receipts or invoices provided to occupants shall list the TLT separately and must accurately state the amount of tax. All amounts listed as TLT on invoices, bills or receipts must be reported as TLT and, after collection, must be turned over to the city, provided that the transient lodging tax collector may withhold five percent (5%) of the net tax due as an administrative charge for the transient lodging tax collector's expense in collection and remittance of the tax.

~~For the privilege of occupancy in any hotel each transient shall pay a tax of four and one-half percent (4.5%) of the rent charged by the operator for the occupancy. The tax shall constitute a debt owed by the transient to the city and be extinguished only by payment to the operator or the city. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. The operator shall enter the tax on the operator's records when the rent is collected, if the operator keeps the operator's records on the cash accounting basis, and when earned, if the~~

~~operator keeps the operator's records on the accrual accounting basis. If the rent is paid in installments, a proportionate share of the tax shall be paid by the transient to the operator with each installment. If for any reason the tax due is not paid to the operator of the hotel, the tax administrator may require that the tax be paid directly to the city. In all cases the rent paid or charged for occupancy shall exclude amounts received for the sale of goods, services or commodities, other than the furnishing of rooms, accommodations, and parking space in mobile home parks or trailer parks.~~

Section 3. Section 3.774 of the Eugene Code, 1971, is amended to provide as follows:

3.774 Transient ~~Room~~ Lodging Tax – Collection of Tax by Transient Lodging Tax Collector.

- (1) Every transient lodging tax collector shall collect the TLT at the time rent is paid, unless an exemption applies. If payment is by credit card, for purposes of this section, payment is made at the time credit card information is provided to the transient lodging tax collector, not when the transient lodging tax collector ultimately receives credit for the transaction. While holding the payment in trust for the city, a transient lodging tax collector may commingle the tax proceeds with the transient lodging tax collector's funds, but the transient lodging tax collector is not the owner of tax proceeds, except that, when a return is filed, the transient lodging tax collector becomes the owner of the administrative fee authorized to be retained. Transient lodging tax collectors may choose to file returns and remit payment based on amounts accrued but not yet collected. The transient lodging tax collector is liable for any TLT that should have been collected from the occupant, except in cases of nonpayment of rent by the occupant.
- (2) Upon request of the city, transient lodging tax collectors must provide all physical addresses of transient lodging facilities within the city limits and the related contact information, including the name and mailing address, of the general manager, agent, owner, host or other responsible person for the location.
- ~~(1) Every operator renting a room in this city, the occupancy of which is not exempted under the terms of section 3.778 of this Code, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.~~
- ~~(2) In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.~~
- ~~(3) The tax administrator shall enforce sections 3.772 to 3.804 of this Code and may adopt rules and regulations consistent with those sections and necessary to aid in the enforcement.~~

Section 4. A new section 3.775 is added to the Eugene Code, 1971, to provide as follows:

3.775 Transient Lodging Tax – Short-Term Rental Hosting Platform Fees.

A hosting platform for short-term rentals may collect a fee for booking services in connection with short-term rentals only when those short-term rentals are lawfully registered as operators with the city and possess a certificate of authority at the time the short-term rental is occupied.

Section 5. Section 3.776 of the Eugene Code, 1971, is amended to provide as follows:

3.776 Transient ~~Room~~Lodging Tax – ~~Operator's Duties~~Liability for Tax.

Transient lodging providers who receive any portion of the rent for transient lodging and transient lodging intermediaries that provide booking service are both transient lodging tax collectors and are jointly and severally liable for the tax.

~~Each operator shall collect the tax imposed by section 3.772 of this Code on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator's records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded.~~

Section 6. Section 3.778 of the Eugene Code, 1971, is amended to provide as follows:

3.778 Transient ~~Room~~Lodging Tax – Exemptions.

No ~~tax~~TLT may be imposed upon:

- (a) A dwelling unit in a hospital, health care facility, long-term care facility or any other residential facility that is licensed, registered or certified by the Oregon Department of Human Services or the Oregon Health Authority;
- (b) A dwelling unit in a facility providing treatment for drug or alcohol abuse or providing mental health treatment;
- (c) A dwelling unit that is used by members of the general public for temporary human occupancy for fewer than 30 days per year;
- (d) A dwelling unit, the consideration for which is funded by a government agency directly or through a voucher, and the purpose of which is to provide emergency or temporary shelter;
- (e) A dwelling unit at a nonprofit youth or church camp, nonprofit conference center or other nonprofit facility;

(f) A dwelling unit that is leased or otherwise occupied by the same person for a consecutive period of 30 days or more during the year. The requirements of this subsection are satisfied even if the physical dwelling unit changes during the consecutive period, if:

1. All dwelling units occupied are within the same facility; and
2. The person paying consideration for the transient lodging is the same person throughout the consecutive period.

(g) A dwelling unit is leased on a monthly basis, irrespective of the number of days in the month; or

(h) A dwelling unit whose rent is of a value less than \$2.00 per day.

~~(a) Any occupant for more than 30 successive calendar days;~~

~~(b) Any person who pays for lodging on a monthly basis, irrespective of the number of days in the month;~~

~~(c) Any occupant whose rent is of a value less than \$2.00 per day;~~

~~(d) Any person who rents all or a portion of a private home, vacation cabin or like facility from any owner who rents out the facility incidentally to the owner's own use thereof, and who does not rent out the facility on a regular or continuous basis.~~

~~(e) Any occupant whose rent is paid for a hospital room or to a medical clinic, convalescent home, or home for aged people.~~

~~(f) Any occupant whose rent is paid by a local agency, either directly or through a voucher, in response to a local disaster or declared emergency.~~

Section 7. Section 3.780 of the Eugene Code, 1971, is amended to provide as follows:

3.780 Transient ~~Room~~ Lodging Tax – Registration of Transient Lodging Provider; Form and Contents; Execution; Certification of Authority.

(1) Every person engaging or about to engage in business as an transient lodging provider ~~operator of a hotel in this city shall~~ provide a complete register ~~registration form to with~~ the tax administrator ~~on a form provided by the tax administrator~~ within 15 calendar days after commencing the business. ~~Nonregistration under this section shall not relieve any person from the obligation to pay the tax.~~ The registration form shall require the transient lodging provider to provide ~~set forth~~ the name of the business, any separate business addresses, and other information ~~under which the operator transacts or intends to transact business, the location of the operator's place or places of business, and such other information to facilitate the collection of the tax~~ as the tax administrator may ~~requires to implement this Chapter. Transient lodging providers who own or operate transient lodging facilities in Eugene shall provide the address of the lodging facility.~~ The registration form shall be signed by the transient lodging provider operator. The tax administrator shall, within 40-15 days after the registration, issue without charge a certificate of authority to ~~the registrant to collect the tax~~ TLT ~~from the occupants of the hotel, together with a duplicate thereof for each~~

~~additional place of business of the registrant.~~ The transient lodging provider's obligation to collect the TLT is imposed once rent for transient lodging is paid, even if the registration form has not been filed or if the certificate has not been issued. If the rent transaction is facilitated online, the certificate of authority must be able to be viewed by the occupant by clicking on a link to the certificate of authority at a reasonable place during the payment transaction.

(2) Such a certificate shall be non-assignable and non-transferable and shall be surrendered ~~immediately~~ to the tax administrator ~~upon the cessation of~~ when the business is sold or transferred or when a transient lodging provider ceases to operate at the location ~~named specified in the registration form.~~ on the certificates or upon sale or transfer of the business. Each ~~such~~ certificate issued to a transient lodging provider for a specific lodging facility and duplicate thereof shall state the place of business to which it is applicable and shall be prominently displayed at the lodging facility and include: ~~so as to come to the notice readily of all occupants and persons seeking occupancy therein.~~ The certificate shall, among other things state the following:

- (a) The name of the ~~operator~~ transient lodging provider;
- (b) The address of the ~~hotel~~ transient lodging facility;
- (c) The date ~~when~~ the certificate ~~is~~ was issued; and
- (d) The certificate number as assigned by the tax administrator. ~~"This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the transient room tax ordinance of the City of Eugene by registration with the tax administrator for the purpose of collecting from transients the city's room tax and remitting the tax to the tax administrator. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, or to operate a hotel without strictly complying with all local applicable laws, including, but not limited to, those requiring a permit from any board, commission, department or office of the city. This certificate does not constitute a permit."~~

Section 8. Section 3.782 of the Eugene Code, 1971, is amended to provide as follows:

3.782 Transient ~~Room~~ Lodging Tax – Remittances and Returns.

- (1) Transient lodging tax collectors must submit a completed tax return form to the tax administrator on or before the last day of the month following the end of each calendar quarter, reporting the amount of tax due during the quarter and accompanied by remittance of all tax collected, less the optional withholding of the administration fee. The return shall be filed in such form as the tax administrator may prescribe. The tax administrator if they deem it necessary in order to insure payment or facilitate collection by the City of the amount of taxes in any individual case, may require returns and payment of the amount of taxes on other than monthly periods.
~~The tax imposed by section of this Code shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding month and are delinquent on the last day of the month in which they are due.~~

- (2) The transient lodging tax collector is entitled to the administration fee. If a transient lodging facility has multiple owners, they are not entitled to retain additional fees.
~~On or before the fifteenth day of the month following each month of collection by an operator, he or she shall file a return for that month's tax collections with the tax administrator. The return shall be filed in such form as the tax administrator prescribes.~~
- (3) Remittances are delinquent if not made by the last day of the month in which they are due.
- (34) ~~A~~ Returns shall show the gross rents ~~amount of tax~~ collected, taxable rents, ~~or otherwise due for the period for which the return is filed. The total amount of TLT rentals upon which the tax is collected and the amount of the administrative fee retained by the transient lodging tax collector. Returns shall also show the exempt and excluded rents and the basis for exemptions and exclusions.~~
~~or otherwise due, gross receipts of the operator for the period, and an explanation in detail of any discrepancy between such amounts, and the amount of rents exempt, if any.~~
- (45) The person required to file the return shall deliver the return, together with ~~the~~ remittance payments of the amount of the tax due, with the tax administrator, to the appropriate ~~at the tax administrator's office,~~ either by personal delivery, or by mail, or by electronic tax return filed through a reporting and payment portal furnished by the tax administrator, or its designee. If the return is mailed, the postmark shall be considered the date of delivery.
- (56) ~~For good cause, t~~ he tax administrator may extend the time for ~~not to exceed one month the time for making any return or payment remittance of the tax by up to 30 days.~~ No further extension may be granted, except by the city manager or city manager designee. Any ~~operator-transient lodging collector~~ to whom an extension is granted shall pay interest at the rate of one percent (1%) per month on the amount of tax due remittance due, without proration for a fraction of a month. If a return is not filed, and the tax remittance and interest due is not paid by the end of the extension granted, then the interest shall become a part of the tax for computation of penalties ~~prescribed in section 3.784 of this Code.~~
- (6) ~~The tax administrator, if he or she deems it necessary in order to insure payment or facilitate collection by the city of the amount of taxes in any individual case, may require returns and payment of the amount of taxes for other than monthly periods.~~

Section 9. Section 3.784 of the Eugene Code, 1971, is amended to provide as follows:

3.784 Transient Room Tax – Penalties and Interest.

- (1) Interest shall be added to the overall tax amount due at the same rate established under ORS 305.220 for each month, or fraction of a month, from the time the return to the tax administrator was originally required to be filed to the time of payment.
- (2) If a transient lodging tax collector fails to file a return or pay the tax as required, a penalty shall be imposed in the same manner and amount provided under ORS 314.400.
- (3) Every penalty imposed, and any interest that accrues, becomes a part of the financial obligation required to be paid and remitted to the tax administrator.

(4) The tax administrator shall deposit all taxes, interest, and penalties collected under this section to the credit of the fund receiving lodging tax revenues.

- ~~(1) Any operator who has not been granted an extension of time for remittance of tax due and who fails to remit any tax imposed by section 3.772 of this Code prior to delinquency shall pay a penalty of ten percent (10%) of the amount of the tax due in addition to the amount of the tax.~~
- ~~(2) Any operator who has not been granted an extension of time for remittance of tax due, and who fails to pay any delinquent remittance on or before a period of 30 days following the date on which the remittance first becomes delinquent shall pay a second delinquency penalty of fifteen percent (15%) of the amount of the tax due plus the amount of the tax and the ten percent (10%) penalty first imposed.~~
- ~~(3) If the tax administrator determines that the nonpayment of any remittance due under section 3.772 of this Code is due to fraud or intent to evade the provisions thereof, a penalty of twenty-five percent (25%) of the amount of the tax shall be added thereto in addition to the penalties stated in subsections (1) and (2) of this section.~~
- ~~(4) In addition to the penalties imposed, any operator who fails to remit any tax imposed by section 3.772 of this Code shall pay interest at the rate of one half of one percent per month or fractions thereof, without proration for portions of a month, on the amount of the tax due, exclusive of penalties, from the date on which the remittance first becomes delinquent, until paid.~~
- ~~(5) Every penalty imposed and such interest as accrues under the provisions of this section shall be merged with, and become a part of, the tax required to be paid.~~

Section 10: Section 3.786 of the Eugene Code, 1971, is amended to provide as follows:

**3.786 Transient ~~Room~~ Lodging Tax – ~~Deficiencies~~ Deficiency Determination;
Fraud, Evasion, Local Tax Trustee Delay.**

- (1) Deficiency Determination. ~~If t~~The tax administrator may review ~~determines that a tax~~ returns and adjust the amount due based on the information in the return, on information obtained during a review or audit of records, or on the basis of other evidence. In the event of a deficiency, the tax administrator shall provide notice of the deficiency to the transient lodging tax collector, who shall remit deficiencies within 10 business days of the deficiency notice. Notice may be by personal delivery or certified or registered mail. ~~required by section 3.782 of this Code is incorrect, the tax administrator may compute and determine the amount required to be paid, upon the basis of the facts contained in the return or returns or upon the basis of any information within the tax administrator's possession. One or more deficiency determinations may be made of the amount due for one or more periods, and the amount so determined shall be due and payable immediately upon service of notice as herein provided, after which the amount determined shall be delinquent. Penalties on deficiencies shall be applied as set forth in section 3.784 of this Code.~~
- (a) In reviewing and adjusting tax returns, ~~making a deficiency determination~~ the tax administrator shall ~~may~~ offset any amount received in excess of the remittances due

~~overpayments, if any, which may have been previously made against any shortages in remittances, underpayment for a subsequent period or periods, or against penalties, and interest, on the underpayment. The interest on underpayment shall be computed in the manner set forth in section 3.784.~~

~~(b) The tax administrator shall give to the operator or occupant a written notice of the tax administrator's determination. The notice may be served personally or by mail; if by mail, the notice shall be addressed to the operator at the operator's address as it appears in the records of the tax administrator. In case of service by mail of any notice required by this section, the service shall be complete at the time of deposit in the United States Post Office.~~

~~(c) Except in the case of fraud or intent to evade the TLT, LTL, sections 3.772 to 3.804 of this Code or rules and regulations pursuant to it, notice of every deficiency determinations shall be issued made and notice thereof mailed within three years of the after the last day of the month following the close of the monthly period for which the deficiency determination is made is proposed to be determined or within three years after the return is filed, whichever period expires the later.~~

(c) The time to remit deficient payment amounts under this section shall be extended if the local tax trustee timely requests a redetermination.

~~(d) Any deficiency determination shall become due and payable immediately upon receipt of notice by the operator and shall become final within ten days after the tax administrator gives notice thereof, but the operator may petition for redemption and refund if the petition is filed before the determination becomes final.~~

- (2) Fraud – Refusal to Collect – Evasion. If any transient lodging tax collector operator fails or ~~refuses to collect, report or remit~~ the tax or to make, within the time as required by section 3.782 of this Code, any report and remittance of the tax or any portion thereof required by section 3.722 of this Code, or makes submits a fraudulent return, or otherwise violates or willfully attempts to violate this chapter evade section 3.772 of this Code, the tax administrator shall estimate the tax due, and calculate the amount owing from the transient lodging tax collector for tax remittance, interest and penalties and provide notice to the transient lodging tax collector of the assessment. ~~proceed in such manner as the tax administrator deems best to obtain facts and information on which to base an estimate of the tax due. As soon as the tax administrator determines the tax due from any operator who has failed or refused to collect the same and to report and remit said tax, the tax administrator shall proceed to determine and assess against the operator the tax, interest, and penalties provided for by sections 3.772 and 3.784 of this Code. In case such a determination is made, the tax administrator shall give a notice, in the manner prescribed by section 3.786(1) of the amount so assessed.~~ The determination and notice shall be made and mailed within three years after discovery by the tax administrator of ~~any fraud, intent to evade, or failure or refusal to collect the tax, or failure to file a required return~~ the violation. The Any deficiency determination is shall become due and payable immediately upon receipt of the notice and shall become final within 10 days after date notice was delivered if no petition for redetermination is filed. ~~the tax administrator gives notice thereof. The operator may, however, petition for redemption and refund if the petition is filed before the determination becomes final as provided in subsection (1) of this section.~~

- ~~(3) If the tax administrator believes that the collection of any tax or any amount of tax required to be collected and paid to the city by section 3.772 of this Code is jeopardized by delay, or if any deficiency determination made under this section is jeopardized by delay, the tax administrator shall thereupon make a determination of the tax or amount of tax required to be collected, noting the fact upon the determination. The amount so determined as provided in this section shall be immediately due and payable, and the operator shall immediately pay the determined amount to the tax administrator after service of notice thereof. The operator may petition, however, after payment is made, for redemption and refund of the determination, if the petition is filed within 10 days from the date of service of notice by the tax administrator.~~

Section 11. Section 3.788 of the Eugene Code, 1971, is amended to provide as follows:

3.788 Transient ~~Room~~ Lodging Tax – Redeterminations.

- (1) Any person ~~affected by~~ against whom a deficiency determination ~~may file a~~ is made under section 3.786 of this Code or any person directly interested in the determination may petition for ~~a~~ redetermination with the tax administrator and redemption and refund, within 10 business days of service of notice of the tax deficiency. ~~the time required in section 3.786 of this Code. If a petition for redetermination and refund is not filed within the time required in section 3.786, the~~ A determination becomes shall become final if a petition for redetermination is not timely filed. at the expiration of the allowable time.
- (2) If a petition for redetermination ~~and refund~~ is filed within the allowable time period, the tax administrator shall reconsider the determination, and, ~~if the person has so requested in the person's petition, shall~~ grant ~~the person~~ an oral hearing if requested. The petitioner and shall be allowed at least give the person 10 20 business days to prepare for the hearing ~~notice of the time and place of the hearing. The tax administrator may continue the hearing from time to time as necessary.~~
- (3) After considering the petition and all available information, the tax administrator shall issue a redetermination decision and mail the decision to the petitioner. During the redetermination process, the tax administrator may agree to a compromise of the amount due if there is a good faith dispute over the amount owing. ~~The tax administrator may decrease or increase the amount of the determination as a result of the hearing, and if an increase is determined, the increase shall be payable immediately after the hearing.~~
- (4) The ~~order or~~ decision of the tax administrator ~~upon a petition for on~~ redetermination ~~and redemption and refund shall~~ becomes final and payment is due 10 business days after the decision is mailed unless the petitioner files an appeal to the city manager or the city manager's designee within that time. ~~service upon the petitioner of notice thereof, unless appeal of such order or decision is filed with the city manager within the 10 days after service of such notice.~~ The appeal shall be filed with the tax administrator. The decision of the city manager or the city manager's designee shall be final when reduced to writing and mailed to the petitioner and all amounts due must be paid within 10 business days of mailing of the decision.
- ~~(5) No petition for redetermination and redemption and refund or appeal therefrom shall be effective for any purpose unless the operator first complies with the payment provisions hereof.~~

Section 12. Section 3.790 of the Eugene Code, 1971, is amended to provide as follows:

3.790 Transient ~~Room~~ Lodging Tax – ~~Security for Collections~~.

- (1) ~~The tax administrator, whenever he or she deems it necessary to insure compliance with sections 3.770 to 3.788 of this Code, may require any operator subject to the transient room tax to deposit with the tax administrator such security in the form of cash, bond, or other assets as the tax administrator determines. The amount of the security shall be fixed by the tax administrator but shall not be greater than twice the operator's estimated average monthly liability for the period for which the operator files returns, determined in such manner as the tax administrator deems proper, or five thousand dollars (\$5,000), whichever amount is the lesser. The amount of the security may be increased or decreased by the tax administrator subject to the limitations herein provided.~~
- (2) ~~At any time within three years after any tax or any amount of tax required to be collected becomes due and payable, or at any time within three years after any determination by the tax administrator under sections 3.772 to 3.804 of this Code becomes final, the tax administrator~~ The city may bring legal an action in the courts of this state, or any other state, or of the United States, in the name of the city, to collect the amount delinquent, together with penalties and interest on any amounts owed to the city under this chapter within three years after remittance is due to the city or within three years after any determination becomes final.
- (2) The city is entitled to collect reasonable attorneys' fee in any legal action brought to collect on amount owed to the city under this chapter.

Section 13. Section 3.792 of the Eugene Code, 1971, is amended to provide as follows:

3.792 Transient ~~Room~~ Lodging Tax – Liens.

The city may record a lien in the city's lien docket against any real property owned by a transient lodging provider who receives any portion of the rent from a transient lodging facility located within the city as to any delinquent remittances by the transient lodging provider.

~~The tax imposed by section 3.772 of this Code, together with the interest and penalties provided by section 3.784 and the filing fees paid to the Department of Records of Lane County, Oregon, and advertising costs which may be incurred when the tax becomes delinquent under section 3.782 shall be, and until paid remain, a lien from the date of its recording with the Department of Records of Lane County, Oregon, and superior to all subsequent recorded liens on all tangible personal property used in the hotel of an operator within Eugene and may be foreclosed on and sold as necessary to discharge the lien, if the lien has been so recorded. Notice of lien may be issued by the tax administrator whenever the operator is in default in the payment of the tax, interest and penalty, and shall be recorded with the Department of Records and a copy sent to the delinquent operator. The personal property subject to the lien and seized by any deputy of the tax administrator may be sold by the tax administrator at public auction after 10 days' notice thereof published in a newspaper in the city.~~

~~Any such lien as shown on the records of the Department of Records shall, upon the payment of the taxes, penalty and interest for which the lien has been imposed, be released by the tax~~

~~administrator when their full amount has been paid to the city. The operator or person making the payment shall receive a receipt therefor stating that the full amount of the taxes, penalties, and interest have been paid and that the lien is thereby released and the record of lien satisfied.~~

Section 14. Section 3.794 of the Eugene Code, 1971, is amended to provide as follows:

3.794 Transient Room Tax – Refunds.

- (1) Refunds by City to Transient Lodging Tax Collector. If the transient lodging tax collector remits more tax, penalty or interest than is due, the transient lodging tax collector may file a claim in writing stating the facts relating to the claim, within three years from the date of remittance. If the claim is approved by the tax administrator, the excess amount shall be either refunded or credited on any amount due from the transient lodging tax collector.
- (2) Refunds by City to Occupant. A transient lodging tax collector may file a claim for refund by filing a claim in writing within three years of payment providing the facts relating to the claim for refund. If the tax administrator determines that the tax was collected and remitted to the city and the occupant was not required to pay the tax or overpaid, the city shall issue a refund to the occupant.
- (3) Refunds by Transient Lodging Tax Collector to Occupant. If an occupant has paid tax to a transient lodging tax collector but stays a total of 30 or more consecutive days in the same transient lodging facility, the transient lodging tax collector shall refund to the occupant any tax collected for any portion of the continuous stay. The transient lodging tax collector shall account for the collection and refund to the tax administrator. If the transient lodging tax collector has remitted the tax prior to the refund or credit to the occupant, the transient lodging tax collector shall be entitled to a corresponding refund or offset if the claim for refund is filed within three years from the date of collection.

- (4) Burden of Proof. The person claiming the refund shall have the burden of proving the facts that establish the basis for the refund.

~~Whenever the amount of any tax imposed under section 3.784 has been paid more than once or has been erroneously or illegally collected or received by the tax administrator, it may be refunded, provided a verified claim in writing therefor, stating the specific reason upon which the claim is founded, is filed with the tax administrator within three years from the date of payment. The claim shall be made on forms provided by the tax administrator. If the tax administrator approves the claim, the excess amount collected or paid may be refunded or may be credited on any amounts then due and payable from the operator from whom it was collected or by whom paid, and the balance may be refunded to the operator, or the operator's administrators, executors or assignees. All refunds shall be charged to the fund receiving room tax revenues.~~

Section 15. Section 3.798 of the Eugene Code, 1971, is amended to provide as follows:

3.798 Transient ~~Room~~ Lodging Tax – Administration.

- ~~(1) The tax administrator shall deposit all money collected pursuant to section 3.772 to 3.792 of this code to the credit of the fund receiving room tax revenues.~~

- (21) Records Required from Local Tax Trustee. Every local tax trustee operator shall keep ~~guest records of each transaction involving rent and/or collection of TLT of room rentals and accounting books and records of the rentals.~~ All ~~these records the operator~~ shall be retained for at least three years and six months ~~after they come into being.~~
- (32) Examination of Records – Investigations. The tax administrator or agent ~~or any person authorized in writing by the tax administrator~~ may examine all records of a local tax trustee relating to receipt of rent and TLT and remittance of tax during normal business hours and may obtain copies of the records to audit returns ~~the books, papers, and accounting records relating to room rentals of any operator liable for the tax, after notification to the operator and may investigate the business of the operator in order to verify the accuracy of any return made, or if no return is made by the operator, to ascertain and determine the amount required to be paid by the operator.~~
- (3) Authority of Tax Administrator. The tax administrator shall have the power to enforce this chapter, conduct audits, and to adopt rules, regulations and forms consistent with this chapter. Rules and regulations of general application shall be mailed to all registered transient lodging providers. The tax administrator may also issue written interpretations on request of a transient lodging tax collector. As to the transient lodging tax collector to whom the interpretation is issued, the city will act consistently with the interpretation until it is withdrawn, and the city shall provide 30 days' written notice of withdrawal of an interpretation.
- (4) Confidential Character of Information Obtained – Disclosure Unlawful. The city shall maintain the confidentiality of information provided by transient lodging tax collector. Nothing in this subsection shall be construed to prevent:
~~Neither the tax administrator nor any person having an administrative or clerical duty under sections 3.776 to 3.804 of this Code may make known in any manner whatever the business affairs, operations, or information obtained by an investigation of records and equipment of any person required to obtain a transient occupancy registration certificate, or pay a transient room tax, or any other person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth in any statement or application, or permit any statement or application, or copy of either, or any book containing any abstract or particulars thereof, to be seen or examined by any person. Nothing in this subsection shall prevent, however:~~
- (a) The disclosure to, or the examination of records and equipment by another City of Eugene official, employee, or ~~tax-collecting agent~~ for collection of taxes for the ~~sole~~ purpose of administering or enforcing any provisions of this chapter or collecting city business license fee ~~the tax.~~
- (b) ~~The disclosure, after the filing of a written request to that effect, to the taxpayer or the taxpayer's receivers, trustees, executors, administrators, assignees, and guarantors, if directly interested, of information as to any such tax paid, any such tax unpaid or the amount of any such tax required to be collected, together with interest and penalties thereon provided the city attorney approves each such disclosure. The tax administrator may refuse to make any such disclosures referred to in this paragraph when in the tax administrator's opinion the public interest would suffer thereby.~~
- (b) Disclosure of information to the transient lodging tax collector and the transient lodging tax collector's agents.

- (c) The disclosure of the names and addresses of any persons to whom ~~transient occupancy registration~~ certificates of authority have been issued.
- (d) The disclosure of general statistics regarding taxes collected or business done in the city.

(e) Disclosures required by ORS Chapter 192.

(f) Disclosures required by ORS Chapter 297.

Section 16. Section 3.800 of the Eugene Code, 1971, is amended to provide as follows:

3.800 Transient ~~Room~~ Lodging Tax – Appeals s to City ~~Manager~~.

Any person aggrieved by any decision of the tax administrator may appeal to the city manager or the city manager's designee by filing ~~a notice of written~~ appeal with the tax administrator within 10 business days of the serving or mailing ~~of the notice~~ of the decision being appealed. The city manager shall schedule the hearing and provide the appellant notice of the hearing at least 10 business days before the hearing. The city manager or the city manager's designee may agree to a compromise of the amount of tax remittance if there is a good faith dispute over the amount owing. Any person may appeal the issuance of a rule or regulation issued by the tax administrator to the city manager or the city manager's designee by filing a written appeal within 10 business days of the mailing of the notice of the regulation. ~~The tax administrator shall fix a time and place for hearing the appeal and shall give the appellant 10 days' written notice of the time and place of the hearing.~~

Section 17. Sections 3.796, 3.802, and 3.804 of the Eugene Code, 1971, are deleted in their entirety.

~~3.796 Transient Room Tax – Collection Fee.~~

~~Every operator liable for the collection and remittance of the tax imposed by section 3.772 of this Code may withhold five per cent (5%) of the net tax due to cover the operator's expense in the collection and remittance of the tax.~~

~~3.802 Transient Room Tax – Appeal to Council.~~

~~Any person aggrieved by any decision of the city manager under section 3.800 of this Code may appeal to the council by filing a notice of appeal with the tax administrator within 10 days of the serving or the mailing of the notice of the decision given by the city manager. The tax administrator shall transmit the notice together with the file of the appealed matter, to the council, who shall fix a time and place for hearing the appeal. The council shall give the appellant not less than 10 days written notice of the time and place of hearing of the appeal.~~

~~3.804~~ Transient Room Tax – Violations.

~~No operator or other person required to do so may fail or refuse to register as required by section 3.780 of this Code or to furnish any return required to be made under section 3.782 or to furnish a supplemental return or other data required by the tax administrator. No person may render a false or fraudulent return under section 3.782. No person required to make, render, sign, or verify any report regarding the transient room tax may make any false or fraudulent report.~~

Section 18. Section 2.170 of the Eugene Code, 1971, is amended to provide as follows:

2.170 Transient Room Tax – Expenditure.

Net proceeds from the transient-~~room~~ lodging tax may be expended only for the acquisition, construction, operation, and maintenance of recreational, cultural, convention and tourist related facilities and for recreational, cultural, convention and tourist related services.

Section 19. Subsection (2) of Section 3.350 of the Eugene Code, 1971, is amended to provide as follows:

3.350 Short-Term Rental.

- (2) *Transient ~~Room~~ Lodging Tax.* Transient-~~room~~ lodging tax shall be collected and remitted to the city for each short-term rental, in coordination with transient lodging intermediary if utilized, as set forth in EC 3.770 through EC ~~3.804~~ 3.800.

Section 20. The definition of “Person” in subsection (1) of Section 3.810 of the Eugene Code, 1971, is amended to provide as follows:

3.810 Patron User Fee.

- (1) For purposes of sections 3.810 and 3.812, the following words and phrases mean:

Person. As defined in subsection (~~e~~f) of section 3.770 of this chapter.

Section 21. Section 3.997 of the Eugene Code, 1971, is amended to provide as follows:

3.997 Transient ~~Room~~ Lodging Tax – Penalties.

Any person willfully violating any provision of sections 3.772 to ~~3.804~~ 3.800 of this Code shall be guilty of a misdemeanor and be punishable therefor by a fine of not more than \$500.00 or by

imprisonment for not more than six months or by both such fine and imprisonment.

Section 22. 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.

Section 23. Notwithstanding the effective date of ordinances as provided in the Eugene Charter of 2002, this ordinance shall become effective on October 1, 2022, or 30 days from the date of passage by the Eugene City Council and approval by the Mayor, whichever is later.

Passed by the City Council this

___ day of _____, 2022

City Recorder

Approved by the Mayor this

___ day of _____, 2022

Mayor

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Discussion regarding Irkutsk, Russia Sister City

Meeting Date: July 18, 2022
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Jason Dedrick
Contact Telephone Number: 541-682-5033

ISSUE STATEMENT

This work session is an opportunity for council to receive a brief overview of the Sister City program and to discuss potential changes to Eugene's Sister City relationship with the City of Irkutsk, Russia including the city's level of support for the Eugene-Irkutsk Sister City Committee.

BACKGROUND

Program Overview

The sister cities program has been part of City of Eugene government since 1961, when Chinju (Jinju), South Korea became Eugene's first sister city. Eugene also has sister city relationships with Kathmandu, Nepal (1975), Kakegawa, Japan (1979) and Irkutsk, Russia (1988), each of which were created by a Council-approved Resolution (see Attachment A for Resolution No. 4070 establishing the relationship with Irkutsk). The sister cities movement supports cooperative agreements between towns and cities (and sometimes counties) in geographically and politically distinct areas to promote cultural and commercial ties. There are over 500 sister city programs throughout the United States linked with over 140 countries around the world.

Each Sister City is represented locally by a Sister City Committee that enters into a contract with the City of Eugene. These groups help to coordinate volunteer efforts, assist with inbound and outbound official delegation visits and informal translation services. The City of Eugene has provided varying levels of support to sister city efforts over the decades. Funding for FY22 included up to \$10,000 for each of the four sister city programs plus an additional \$12,000 held in reserve by the City for use on Sister Cities International membership dues and other program expenses as necessary, such as delegation visits, larger events, etc.

Examples of recent expenditures by the four Sister City Committees include the following:

- Costs associated with delegation visits (lodging, meals, gifts, etc.)
- Host family stipends (hosting youth from the sister cities)
- Outreach events/celebrations (supplies and materials)
- Meeting materials/printing fees
- Website fees
- Bank fees (checking accounts, etc.)
- Legal fees (501c3 certification, by-laws, etc.)

The City of Eugene also has a “Friendly City” relationship with Ogaki City, Japan (2015), however there is no contract or funding associated with this relationship and it did not require formal Council action.

Eugene-Irkutsk Sister City Committee

Originally formed in 1988, this committee functions similarly to other committees in the sister city program in terms of activities and expenditures. One important committee activity has been supporting several delegation trips between Eugene and Irkutsk officials over the past thirty years. The most recent visit from Irkutsk officials was in 2018 and the most recent Eugene visit to Irkutsk was in 2006.

Discussions Regarding Potential Changes to Sister City Relationship

Council discussed the City’s sister city relationship with Irkutsk and concerns about the Russian invasion of Ukraine at the February 28 City Council meeting. Since this meeting, the Mayor sent a letter to the Mayor of Ukraine condemning the invasion of Ukraine (Attachment B).

Subsequently, Mayor Vinis shared that the Consul General of Ukraine in San Francisco sent a letter asking that Eugene address our sister city in Russia, and President Zelenskyy of Ukraine implored mayors to terminate relationships with sister cities in Russia during the U.S. Conference of Mayors. Several U.S. cities have terminated or suspended their relationships with Russian cities.

Related Work Sessions

[February 28, 2022 City Council Meeting](#)

Discussion about the Russian invasion of Ukraine and potential implications on the sister city relationship with Irkutsk occurred during Committee Reports and Items of Interest and following Public Forum, where testimony was received on this topic.

[March 14, 2022 City Council Meeting](#)

Mayor Vinis provided an update that she sent a letter to the Mayor of Irkutsk condemning the Russian invasion of Ukraine. The mayor shared that she also received a letter from the Consul General of Ukraine in San Francisco and provided a response.

[June 13, 2022 City Council Meeting](#)

Discussion during Committee Reports and Items of Interest regarding scheduling a work session to consider the City of Eugene’s ongoing relationship with the Sister City of Irkutsk. Mayor Vinis shared that President Zelenskyy of Ukraine asked mayors to sever their relationships with Russia during the US Conference of Mayors.

PREVIOUS COUNCIL DIRECTION

This is the first Council Work Session on this topic.

COUNCIL OPTIONS

Based on previous Council discussions, there are several possible options:

1. Terminate the sister city relationship with Irkutsk
2. Suspend the sister city relationship with Irkutsk including withholding FY23 funding
3. Take other action
4. Request that staff bring back additional information

POSSIBLE COUNCIL MOTIONS

1. Move to repeal Resolution No. 4070 and to terminate the sister city relationship with Irkutsk.

OR

2. Move to suspend the sister city relationship with Irkutsk and direct the City Manager to withhold FY 23 funds from the Irkutsk Sister City Committee.

ATTACHMENTS

- A. Resolution No. 4070
- B. Mayor Vinis March 7, 2022 Letter to Mayor of Irkutsk

FOR MORE INFORMATION

Staff Contact: Jason Dedrick
Telephone: 541-682-5033
Staff E-Mail: jdedrick@eugene-or.gov

RESOLUTION NO. 4070

SUBJECT

A resolution of the Council of the City of Eugene, Oregon extending and invitation to the City of Irkutsk, USSR, to become a sister city and inviting the people of Irkutsk, USSR, to participate in said program.

Submitted December 9, 1987

Passed 12/9/87

Rejected _____

Deferred To _____

COUNCIL MINUTES

Vol. _____ **Page** _____

RESOLUTION No. 4070

RESOLUTION OF THE COUNCIL OF THE CITY OF EUGENE, OREGON
EXTENDING AN INVITATION TO THE CITY OF IRKUTSK, U.S.S.R.,
TO BECOME A SISTER CITY AND INVITING THE PEOPLE OF
IRKUTSK, U.S.S.R., TO PARTICIPATE IN SAID PROGRAM.

WHEREAS, the City of Eugene, Oregon believes firmly in the ability of humankind to improve the present and future world by increasing knowledge and appreciation of citizens in all countries; and

WHEREAS, a people to people program is acknowledged as a positive means to permit cultural, educational, scientific, professional, economic, technical, youth, and other enriching exchanges between nations; and

WHEREAS the City of Eugene is interested in affiliating with the City of Irkutsk, U.S.S.R., for purposes of initiating such programs and activities as will help create greater understanding, friendship, and appreciation between the peoples of our two cities and nations;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, OREGON:

THAT the Council expresses its most sincere intent to join with Irkutsk as a sister city.

BE IT FURTHER RESOLVED, that the warmest greetings and desire to build strong bridges of understanding be extended from the City Council of Eugene to the City Council and citizens of Irkutsk, U.S.S.R.

Copies of this resolution are to be sent to the Mayor and City Council of the city of Irkutsk, U.S.S.R., Sister Cities International in Washington, D.C., the Embassy of the Soviet Union in Washington, D.C., and the U.S. Embassy in the Soviet Union.

ADOPTED by the City Council this 9th day of December, 1987.



City Recorder



March 7, 2022

Ruslan Nikolaevich Bolotov
Mayor of Irkutsk
14 Lenin Street
Irkutsk, Russia
664025
Email: Post@admirk.ru

Dear Mayor Bolotov,

As Mayor of the citizens of Eugene, I wish to emphasize how much we value the cultural and educational exchanges that have been the hallmark of our Sister City relationship since its inception in 1988. Our delegations to Irkutsk have always returned with enthusiastic accounts of your extraordinary Siberian hospitality. In addition, it was always an honor to host Irkutsk delegations of all ages, occupations, and professions. We regret that events surrounding the Pandemic have prevented mutual exchanges.

At this time, I must express our condemnation of President Putin's invasion of Ukraine and unprovoked war against innocent victims which he initially justified as protection of the Donbas Region. The global community is seeing news footage of escalating military attacks on major Ukrainian cities, schools, public buildings, residential areas, and nuclear plants.

We understand that as Mayor, you and your city are not responsible for this action, but as our Sister City, Irkutsk is our closest diplomatic connection to the Russian government. Because of our long mutual history, we need to emphasize that our Sister City relationship must not be interpreted as approval or complacency in the face of this inexcusable war and loss of life on both sides.

We are proud to witness the many Russian citizens who are openly opposing the invasion and we urge you to permit them to protest peacefully without penalty. We also hope that if citizens have been arrested or detained for a peaceful protest, they can be released.

With sincere wishes for peace,

Mayor Lucy Vinis
Eugene, Oregon

CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: 5th Street Market District Expansion Project Update

Meeting Date: July 18, 2022
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Will Dowdy
Contact Telephone Number: 541-682-5340

ISSUE STATEMENT

Obie Companies is planning an expansion of the 5th Street Market District. At this work session, staff will provide a project update and identify expected future decisions for City Council. No action is proposed; this item is for information only.

BACKGROUND

The 2004 Downtown Plan identified the “County Elections block” (between 5th and 6th Avenues, Oak and Pearl Streets) and the “Train depot area” (between the railroad tracks and 5th Avenue, at the terminus of Oak Street) as first and second on a list of Development Opportunity Areas.

In 2018, Obie Companies, in partnership with Homes for Good and Lane County, expanded the 5th Street Market District to the west side of Oak Street, adding new housing units, retail, hotel rooms, and office space to downtown Eugene. At that time, City Council enabled the project to be developed as envisioned by approving land use code amendments for building height and roof sign standards, approving a Multi-Unit Property Tax Exemption (MUPTE), and approving an alley vacation.

Obie Companies has a new proposal to expand the 5th Street Market District in the County Elections block and Train depot area. The project has the potential to achieve the following objectives from the 2004 Downtown Plan:

- Redevelop two identified Development Opportunity Areas
- Expand the 5th Avenue Area (a *Special Place* and a *Great Street* in the Downtown Plan)
- Stimulate multi-unit housing in the downtown core and on the edges of downtown.

Project Status

Obie Companies is in the planning and design stage of future expansion of the 5th Street Market District, which will provide more retail, restaurants, and housing along the 5th Avenue corridor in downtown. The first phase of the new expansion is planned for the parking lot immediately east of the Oregon Electric Station building, at the north terminus of Oak Street. The second phase of the expansion is the half block on the south side of 5th Avenue, adjacent to the new Gordon Lofts and Gordon Hotel. (See Attachment A.) Obie Companies has envisioned these buildings as 7-story

structures, like the Gordon Lofts, with ground-floor retail and a combined residential count of approximately 325 new units.

The Skinner Butte Height Limitation Area (EC 9.6715) applies to properties between the Willamette River, 6th Avenue, Washington Street, and Coburg Road. It restricts buildings and accessory roof structures and architectural features to a specified height (either 500 feet above sea level or 40 feet tall, whichever is greater; except for those properties within a half block of 6th Ave., which may extend up to 530 feet above sea level). The subject properties that Obie Companies proposes to develop have an existing ground elevation of approximately 430 feet above sea level, creating an effective height limit of approximately 70 feet (including rooftop equipment and architectural features). The current design for the Market District expansion is dependent on an amendment to the Land Use Code to allow 7-story buildings in these locations. Obie Companies has indicated that the envisioned height of these buildings allows for increased density (additional housing units) beyond what would otherwise be allowed by the code, and this additional density is what makes the project economically feasible.

The properties are currently zoned I-2 (Light-Medium Industrial), which has no height limit when not subject to the Skinner Butte Height Limitation. Other properties in downtown Eugene have height limits of 120 ft. for properties in the C-2 (Community Commercial) zone and 150 ft. for properties in the C-3 (Major Commercial) zone, with roof structures and architectural features allowed an additional 18 feet of height. The current design is contingent on rezoning of the property from I-2 to C-2, for which Obie Companies has submitted a zone change application.

Additionally, Obie Companies has indicated interest in the Multi-Unit Property Tax Exemption (MUPTE) program, which requires approval by Council. At this time, they have not submitted a MUPTE application.

Connection to the Housing Implementation Pipeline (HIP)

The Overall Housing Supply category of the HIP has 5-year goals that include 1) issuing permits for the construction of 6,000 housing units city-wide, and 2) increasing the amount of housing downtown by 50% from 2021. The proposed Market District expansion projects would account for 5% and 25% progress, respectively towards these goals.

Next Steps

Any updates to the City's Land Use Code require City Council to initiate the process, which does not infer support for any proposed changes. Council will have an opportunity to initiate the Code Amendment at the July 25 Council meeting.

The formal adoption process for an amendment to the land use code includes notice to the Oregon Department of Land Conservation and Development and interested parties, a public hearing before the Planning Commission who provides a recommendation to City Council, a public hearing before the City Council, and action by the City Council. This process typically takes at least 3-4 months for an amendment of this nature.

PREVIOUS COUNCIL DIRECTION

[July 23, 2018 meeting](#) – Council deliberated on actions related to the previous expansion of the 5th Street Market District. Councilor Clark, seconded by Councilor Taylor, moved to adopt Council Bill 5192, an Ordinance Concerning the Skinner Butte Height Limitation Area. The motion passed 8:0. Councilor Clark, seconded by Councilor Taylor, moved to adopt Council Bill 5193, an Uncodified Ordinance Concerning the Gordon Hotel Sign. The motion passed 8:0. Councilor Clark, seconded by Councilor Taylor, moved to adopt Council Bill 5194, an ordinance vacating the portion of E. 5th Alley, and a portion of Pearl Alley, and providing for an effective date. The motion passed 8:0.

[April 9, 2018 meeting](#) – Council deliberated on the initiation of Land Use Code changes related to the 5th Street Market expansion project. Councilor Clark, seconded by Councilor Taylor, moved to initiate a code amendment creating a tiered height limit in the Skinner Butte Height Limitation Area and moved to initiate an uncodified ordinance waiving height requirements for roof signs on the proposed Gordon Hotel site. The motion passed 8:0.

COUNCIL OPTIONS

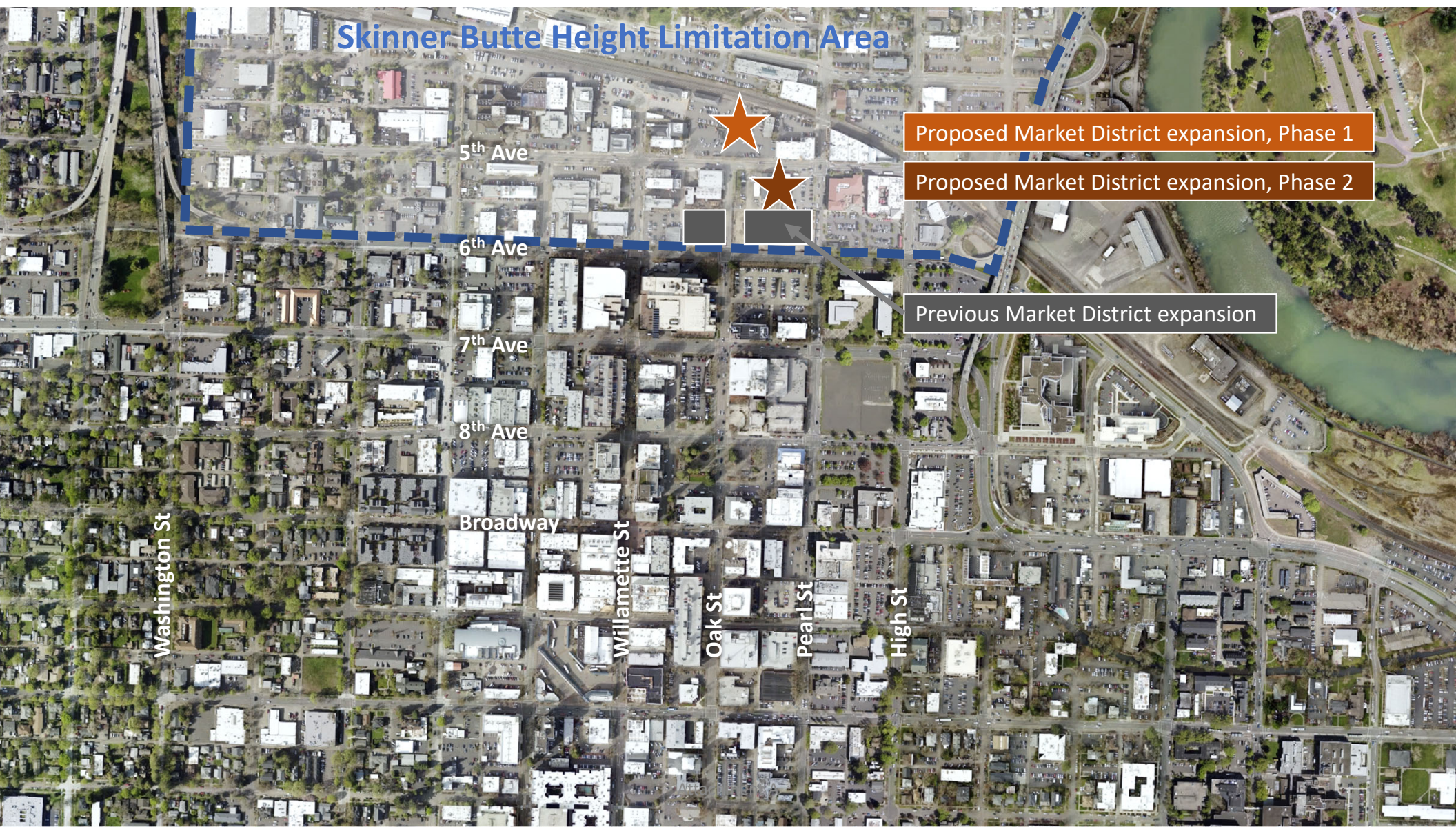
No action; information only.

ATTACHMENTS

Context Map of project site within Skinner Butte Height Limitation Area

FOR MORE INFORMATION

Staff Contact: Will Dowdy
Telephone: 541-682-5340
Staff E-Mail: WDowdy@eugene-or.gov



EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: City Manager Compensation

Meeting Date: July 18, 2022
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 5
Staff Contact: Keri Beraldo
Contact Telephone Number: 541-682-5765

ISSUE STATEMENT

The employment contract with City Manager Sarah Medary stipulates that the City Council will, at the time of the annual performance evaluation, consider increasing Medary's compensation. However, it was generally decided that consideration of increasing Medary's compensation will occur *subsequent* to the annual performance evaluation, not simultaneous with the annual performance evaluation. The annual performance evaluation was completed on December 15, 2021 and today's work session is to discuss options for considering an increase in Medary's compensation.

BACKGROUND

City Manager Medary was hired on June 15, 2020, and, at the time of hire, a market review was conducted to inform the compensation package. Medary's annual salary at the time of hire was set at \$218,000. Her employment contract provides that she will receive cost of living/market adjustment pay at the same time each year and at the same percentage given to the non-represented employee group. Based on these adjustments, Medary's current annual salary is \$232,169.

Under the previous City Manager's employment contract, merit-based adjustments were determined through a rating system that was part of the Councilor's annual evaluation process. Specifically, as part of Councilors' performance evaluation of the prior City Manager the Councilors rated the City Manager on a scale of 1 to 5. These individual Councilor ratings were compiled, resulting in a weighted average that determined whether the City Manager was eligible to receive a merit increase of 0%, 3%, or 5%. The current employment contract with Medary provides that the Council will annually consider a merit increase to her compensation, however, there is not any associated rating factor that dictates what that compensation increase should be.

Currently, the City Council does not have a salary range established for the City Manager position. Establishing a salary range for the City Manager position, and then setting Medary's salary within that range, instead of establishing a single compensation number for Medary, will benefit the Council's future discussions regarding merit increases for Medary. Additionally, establishing a salary range for a position and placing the individual within that range is consistent with the City's overall practice.

Attachment A to this AIS is market data intended to inform Council's discussion and establishment of a salary range for the City Manager position. The attached market data includes some of the same comparable jurisdictions that were used in 2020 when Medary was hired. While not all of the jurisdictions included in Attachment A had a salary *range* for the manager/director position, a salary range based on the median minimum and median maximum salaries set forth in Attachment A, would put the salary range for the City Manager position at \$220,000 - \$281,760. However, the City Council is free to establish whatever salary range for the City Manager position that it deems appropriate.

Once Council establishes the salary range for the City Manager position, Medary will need to be placed within that range. As noted earlier, Medary's current salary is \$232,169. The executive recruitment firm SGR has previously stated that, generally, a city manager's salary will be at least 10% higher than the highest paid executive position in the organization; a salary 10% higher than the salary of the highest paid City executive would be \$252,013. As discussed below, the Council can either set Medary's salary within the established salary range or authorize the Council President to negotiate with Medary a salary within the established salary range.

COUNCIL OPTIONS

This work session is an opportunity for the City Council to discuss and approve a salary range for the City Manager position and then either place Medary within that range or authorize the Council President negotiate that placement with Medary.

POSSIBLE MOTIONS:

Move to authorize the Council President to execute an amendment to City Manager Sarah Medary's employment contract establishing a City Manager salary range of [_____] to [_____] annually, setting Medary's compensation at [_____] effective July 17, 2022, updating "market adjustment pay" (or MAP) references to read "cost of living allowance" (or COLA) for purposes of annual salary and position range adjustments consistent with non-represented staff, and updating the schedule for Medary's annual performance evaluation and merit compensation increases.

or

Move to authorize the Council President to execute an amendment to City Manager Sarah Medary's employment contract establishing a City Manager salary range of [_____] to [_____] annually, setting Medary's compensation within the established salary range effective July 17, 2022, updating "market adjustment pay" (or MAP) references to read "cost of living allowance" (or COLA) for purposes of annual salary and position range adjustments consistent with non-represented staff, and updating the schedule for Medary's annual performance evaluation and merit compensation increases.

ATTACHMENTS

A. Market data

FOR MORE INFORMATION

Staff Contact: Keri Beraldo

Telephone: 541-682-5765

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

ATTACHMENT A: MARKET DATA

City Manager Market Jurisdictions												
Jurisdiction	Pop.	Reg.# EEs	Annual City Budget	Job Title	Min Salary	Max Salary	Deferred Comp	Auto Allowance	Cell Phone Allowance	City Paid Employee Portion 6% to PERS	Misc.	Total Comp
¹ Salem, OR	175,535	1,290	\$ 784.5	City Manager	\$220,000	\$ 250,000	\$ 15,000	\$ 6,000	\$ -	\$ 16,260		\$ 287,260
² Gresham, OR	114,247	613	\$ 725.7	City Manager		\$ 213,200	\$ -	\$ 6,000	\$ -	\$ 14,687	\$ 25,584	\$ 259,471
³ Hillsboro, OR	106,447	820	\$ 658.0	City Manager		\$ 225,993	\$ 13,800	\$ 5,700	\$ 900		\$ 5,520	\$ 251,913
⁴ Tacoma, WA	219,346	3,952	\$ 3,700.0	City Manager	\$227,281	\$ 291,470	\$ 19,000				\$ 1,516	\$ 311,986
⁵ Tempe, AZ	180,587	1,800	\$ 1,126.8	City Manager	\$210,269	\$ 281,760	\$ 24,357			\$ 34,121		\$ 340,238
⁶ Fort Collins, CO	169,810	1,600	\$ 734.4	City Manager	\$223,740	\$ 350,000	\$ 45,500	\$ 9,000	\$ 1,512			\$ 406,012
⁷ Bellevue, WA	151,854	1,316	\$ 850.0	City Manager		\$ 326,981	\$ 20,273	\$ 5,400	\$ 780	\$ 42,050		\$ 395,484
EWEB		523	\$ 329.0	General Manager		\$ 355,967	\$ 10,000		\$ 924	\$ 22,013		\$ 388,904
Lane County, OR	382,971	1,552	\$ 974.8	County Administrator	\$156,071	\$ 226,264	\$ 22,626	\$ 7,200	\$ 840	\$ 15,416		\$ 272,346
Average					\$207,472	\$ 280,182	\$ 18,951	\$ 6,550	\$ 708	\$ 24,091	\$ 10,873	\$ 323,735
Median					\$220,000	\$ 281,760	\$ 19,000	\$ 6,000	\$ 840	\$ 19,137	\$ 5,520	\$ 311,986

City of Eugene - City Manager Current Salary and Total Compensation

Eugene	176,654	1,546	\$ 793.7	Sarah Medary		\$ 232,169	\$ 15,000	\$ 5,980	\$ 780	\$ 15,236		\$ 269,165
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Footnotes:

Note: Oregon PERS Calculations: Include Base Salary, Auto, Cell and Deferred Compensation

¹Salem, OR: City Manager currently being recruited at \$220,000 - \$250,000. City cell phone is provided.

²Gresham, OR: Misc. - 1% of base salary in lieu of HRA/VEBA (it's paid in the same way as auto allowance so it is subject to PERS). No cell phone allowance.

³Hillsboro: City Manager pays own PERS. Misc. - 2% VEBA.

⁴Tacoma, WA: Misc. - Parking is provided, \$1,516/yr. Employee pays employee portion of retirement (in relation to retirement system).

⁵Tempe, AZ: No auto/cell provided. Arizona state retirement system is 12.11%.

⁶Fort Collins, CO: Employer contributes 10% in 401 plan and 3% in 457 plan, as note in deferred comp section.

⁷Bellevue, WA: DRS PERS at 12.86%.

DATA IN RED IS FROM 2020; PENDING RESPONSE FROM JURISDICTION