MINUTES

Eugene City Council
Council Chamber—City Hall
777 Pearl Street—Eugene, Oregon

May 21, 2012
7:30 p.m.

COUNCILORS PRESENT: George Brown, Pat Farr, Betty Taylor, Andrea Ortiz, George Poling, Mike Clark, Chris Pryor.

COUNCILORS ABSENT: Alan Zelenka.

Her Honor Mayor Kitty Piercy called the May 21, 2012, regular meeting of the Eugene City Council and the Eugene Urban Renewal Agency (URA) to order.

1. PUBLIC HEARING AND POSSIBLE ACTION:
An Ordinance Concerning Location of City Hall and Municipal Court; Amending Sections 1.010 and 2.772 of the Eugene Code, 1971; and Providing an Immediate Effective Date

City Manager Jon Ruiz introduced the item, a public hearing regarding minor code amendments that added a definition of City Hall to the Eugene Code clarifying that "City Hall" meant the offices of the Mayor and City Manager, and granting authority to the City Manager to establish where Municipal Court could be held.

Mayor Piercy opened the public hearing. There being no requests to speak, Mayor Piercy closed the public hearing. She invited council questions and comments.

Councilor Brown determined from City Manager Ruiz that the City Manager's Office and City Council would move to the Lane County Public Service Building and that the council would hold a work session on the subject of the future of City Hall before the summer recess.

Councilor Taylor was concerned that the council had not discussed the two reports it received regarding City Hall. She feared the building could be left empty for some time and advocated for a decision about the building before it was vacated. She determined from City Manager Ruiz that the council's summer discussion would encompass those reports. City Manager Ruiz reminded the council that the timeline for leaving the building was driven by the termination of steam heating downtown. He shared Councilor Taylor's concerns and assured her it was not his intent to leave the block vacant for an extended period of time.

Mr. Clark called the council's attention to a recent article in *The Register-Guard* discussing the Eugene Water & Electric Board's purchase of a property to serve as a possible new headquarters.

Mayor Piercy determined that no councilor objected to taking immediate action.

Councilor Brown, seconded by Councilor Farr, moved to adopt Council Bill 5071, concerning the location of City Hall and Municipal Court; amending sections of the

Eugene Code, 1971, and providing an immediate effective date. Roll call vote: The motion passed unanimously, 7:0.

Mayor Piercy asked that the council be provided with a timeline for the City's plans to vacate City Hall.

2. PUBLIC HEARING: An Ordinance Concerning the Rental Housing Code; Amending Section 8.440 of the Eugene Code, 1971; and Repealing the Rental Housing Code Sunset Date

City Manager Ruiz introduced the topic of the hearing, a code amendment to remove the sunset from the Rental Housing Code found in Section 8.440 of the Eugene Code and to provide for multi-year billing.

Mayor Piercy opened the public hearing.

David Russell, Ward 2, asked the council to retain the Rental Housing Code's sunset clause to allow the council an opportunity to consider issues related to the code. He believed in personal responsibility on the part of landlords and tenants and opposed governmental interference in that relationship.

Dennis Casady, Ward 2, served as a landlord representative on the subcommittee of the Housing Policy Board (HPB) charged to review the Rental Housing Code. He reported that the subcommittee recommended the program be extended for four years to accommodate a two-year billing process to save administrative costs and that the sunset be retained. Mr. Casady agreed about the sunset, suggesting its retention would help address the trust issues that existed between landlords and the City, highlighted by the council's April action to eliminate the sunset after the subcommittee and staff's recommendation to the contrary. He questioned the extent of the items proposed to be regulated by the code and said window screens were not a sign of habitability. He would no longer provide appliances to his tenants if they were regulated by the Rental Housing Code.

Robin Bloomgarden, Ward 7, asked what was done for tenants with the money raised by the Rental Housing Program and how she could find out how the money was spent. She understood that some councilors wanted to mandate licensed professional management for apartment units of ten or more and questioned why she would not be allowed to manage her properties as she chose. Such a requirement would cause her to raise her rents and make it harder for people to find decent places to live. She supported retention of the sunset.

Scott Smith, Ward 5, encouraged the council to retain the sunset and avoid adding additional requirements to the code. He did not think the complaints the City received rose to the level of need expressed by the original proponents of the code. The cost per complaint was very high compared to any benefit provided by the program. He believed the code worked against housing affordability and housing diversity. He encouraged the council to review the *Housing Wanted* section of Craigslist to see the types of low-income housing that people sought. Those residents' choices were further restricted by the code. He questioned the program's high administrative costs.

Vikki Perpinan, Springfield, advocated for the Rental Housing Code on behalf of low-income people because low-income people lacked access to legal services, were unaware of their rights under the law, and had few attorneys available to assist them.

Michael Steffen, Ward 2, Rental Owners Association of Lane County, was concerned that the council rejected the recommendations of City staff and the HPB subcommittee about the sunset. He said the

association had hesitated to participate in the subcommittee process because a lack of faith that its perspective would carry any weight with the council or staff. The association was assured by City staff that the council wanted its input. That did not appear to be the case as some councilors appeared to believe they knew better than the subcommittee. Mr. Steffen believed the sunset provision was the only leverage landlords had. He did not think a council discussion was an adequate substitute to protect landlords' interest. He asked that the sunset be retained.

John Van Landingham, Ward 7, a member of the HPB subcommittee, supported a four-year sunset as opposed to a mandatory council discussion as a way to build trust with landlords. He had supported a sunset at the subcommittee level for two reasons: 1) the subcommittee recommended some significant changes that would be worthwhile to revisit; and 2) the sunset was important to landlords and its retention would build trust. He recommended that the council not fight over process; the sunset was a process issue while the substance of the matter was the code.

Jim Welsh, Eugene Association of Realtors, said his organization favored a fair, equitable code that addressed real problems without overburdening the tenant or landlord. He believed the code addressed a problem that already had a solution provided by State law. He realized there were problem landlords that caused a problem for all, but he did not think that justified the code. He suggested that if the code was justified the program would not be carrying a surplus. He advocated for retention of the sunset.

Eric Hall, Ward 7, supported the recommendations of the HPB regarding the Rental Housing Code. He shared a graphic entitled "The Shelter Ladder" that illustrated a range of housing types to demonstrate that the code had hidden effects that could potentially cause some existing housing stock to become illegal and could reduce residents' housing options. Mr. Hall recommended that the code be revised to focus on conflict resolution rather than shelter standards.

Mayor Piercy closed the public hearing. She thanked those who offered testimony. She expressed support for the Rental Housing Code. She suggested the lack of complaints demonstrated that the code was working. Mayor Piercy said throughout history, people in position of making policy were asked to trade safety and justice for basic services. She maintained it was the council's job to ensure the most challenged of citizens had the same protections as others. She committed to looking carefully at the issue of the sunset.

Councilor Ortiz indicated she was reconsidering her earlier vote of support for eliminating the sunset and asked City Attorney Glenn Klein to prepare a motion reflecting that position.

Councilor Poling supported retention of the sunset clause. Speaking to further code revisions proposed by Councilor Zelenka, Councilor Poling said he believed the regulation of energy-efficient appliances was not related to the intent of the Rental Housing Code and observed that there often times when a repair could not logistically be completed within ten days. He called for ordinance language that recognized the latter fact.

Councilor Pryor concurred with the remarks of Mr. Van Landingham. He said the HPB had been interested in a compromise resolution. He believed that the Rental Housing Code was needed and emphasized the need for trust between the City and landlords as the basis for a good, enforceable code. He wanted to retain the sunset because it was the result of careful and thoughtful deliberation on the part of the subcommittee, HPB, and staff, and its retention did not compromise the value of the code but would restore trust with the community.

Councilor Farr indicated his concurrence with the remarks of Mayor Piercy, Councilor Ortiz, and Councilor Pryor and expressed appreciation for Mr. Van Landingham's testimony. He emphasized the negative impact that City actions adding to the cost of rental housing had on the community's supply of affordable housing.

Councilor Brown supported the Rental Housing Code and continued to support elimination of the sunset clause in favor of a mandatory council discussion about the code. He thanked Ms. Perpinan for her testimony on behalf of tenants, many of whom were afraid to complain for fear of reprisals from their landlord. He believed that a ten-day requirement for repairs could be imposed by the council with the understanding that emergencies happened.

Councilor Taylor recalled that the current Rental Housing Code was the result of the effort of many students who had since left the community. She said the residents who needed the code were not present at the hearing to voice their support. They did not have time to follow the council's actions and so were not present to advocate for elimination of the sunset. She thought it was important to eliminate the sunset so the code's proponents did not have to request its continuance every few years. She continued to question why the $10 fee per unit was considered a hardship by landlords.

Councilor Taylor suggested City standards for subsidized housing were too high and might need to be reconsidered.

Speaking to Councilor Taylor's remarks, Councilor Farr noted Mr. Van Landingham, who provided legal representation for low-income tenants and advocated on their behalf, spoke in support of the sunset.

3. **PUBLIC HEARING:**
Resolution 5058 Electing to Receive State Revenue Sharing Funds Pursuant to Section 221.770 of the Oregon Revised Statutes; Resolution 5059 Certifying that the City of Eugene Provides the Municipal Services Required by Oregon Revised Statutes Section 221.760 in Order to Receive State Shared Revenues; and Resolution 5060 Adopting the Budget, Making Appropriations, Determining, Levying and Categorizing the Annual Ad Valorem Property Tax Levy for the City of Eugene for the Fiscal Year Beginning July 1, 2012, and Ending June 30, 2012

City Manager Jon Ruiz introduced the item, a public hearing on a resolution adopting the budget for fiscal year 2013.

Mayor Piercy opened the public hearing.

Zachary Vishanoff distributed copies of an article from the May 12 edition of *The Register-Guard* entitled "Courts closed under bridge pending road repair." He questioned the suitability of the current location of the basketball courts in Washington-Jefferson Park for that or any purpose, including a skateboard facility, given the condition of the Washington-Jefferson Bridge. Mr. Vishanoff wanted the City Council to secure condition reports from the Oregon Department of Transportation regarding that bridge and the new I-5 bridge to gauge their suitability for a skate park and suggested that "Skate Eugene" be asked to study both sites.

Mayor Piercy closed the public hearing.

Councilor Brown, seconded by Councilor Farr, moved to adopt Resolution 5058 electing to receive State revenue sharing funds pursuant to Section 221.770 of Oregon Revised Statutes. Roll call vote: The motion passed unanimously, 7:0.

Councilor Brown, seconded by Councilor Farr, moved to adopt Resolution 5059 certifying that the City of Eugene provides the municipal services required by Oregon Revised Statutes Section 221.760.

Councilor Farr noted the Budget Committee's decision to retain an engine crew at Station 2 to ensure that response times and back-up response capacity were maintained.

Roll call vote: The motion passed unanimously, 7:0.

Councilor Brown, seconded by Councilor Farr, moved to adopt Resolution 5060 adopting the budget, making appropriations, determining, levying, and categorizing the annual ad valorem property tax levy for the City of Eugene for the fiscal year beginning July 1, 2012, and ending June 30, 2012. Roll call vote: The motion passed unanimously, 7:0.

Mayor Piercy thanked the Budget Committee and City staff for their work on the budget. She said the committee's decisions had not been easy but she believed the committee dealt responsibly with the organization's challenges. In spite of those challenges, the council, committee, and staff had managed to maintain an even course for the organization.

Mayor Piercy adjourned the council meeting and convened a meeting of the Urban Renewal Agency.

4. PUBLIC HEARING:
Resolution 1064 of the Urban Renewal Agency of the City of Eugene Adopting the Budget, Making Appropriations, and Declaring the Amount of Tax to be Certified for the Fiscal Year Beginning July 1, 2012, and Ending June 30, 2013

Mayor Piercy opened the public hearing. There being no requests to speak, she closed the public hearing.

Councilor Brown, seconded by Councilor Farr, moved to adopt Resolution 1065 of the Urban Renewal Agency of the City of Eugene adopting the budget and making appropriations for the fiscal year beginning July 1, 2012, and ending June 30, 2013. Roll call vote: The motion passed unanimously, 7:0.

Mayor Piercy adjourned the meeting at 8:26 p.m.

Respectfully submitted,

Beth Forrest

Beth Forrest
City Recorder

(Recorded by Kimberly Young)