



To: Mayor Lucy Vinis and City Council
From: Jennifer Knapp, Urban Design Planner
Date: July 30, 2020
Re: Housing Tools and Strategies update

Mayor and City Councilors,

The Housing Tools and Strategies (HTS) team committed to providing you with quarterly updates on the progress of items that address the affordability, availability, and diversity of housing. This memorandum provides updates on projects since our last update, in the [April 2020 HTS update](#).

BACKGROUND

In 2018, Council directed staff to implement a process that would tie together the overlapping initiatives that address housing affordability, availability, and diversity of type. Staff implemented the Housing Tools and Strategies initiative to meet this Council directive.

In the fall of 2018, staff assembled a Working Group that identified over 80 recommendations to increase the availability, affordability, and diversity of housing in Eugene. Staff consolidated these recommendations into the HTS [Action Inventory](#), a document that is intended to serve as a working list of actions that the City can take.

The HTS team has maintained regular contact with the HTS Working Group and other interested parties, keeping them apprised of the progress on recommendations in the HTS [Action Inventory](#). Additionally, staff have met with key stakeholders for feedback and brainstorming. [The HTS website](#) continues to be updated with new information.

UPDATES

Middle Housing Code Amendments (Implementation of HB 2001)

The Oregon State Legislature passed House Bill 2001 in June 2019, a law that is intended to provide more opportunities for a variety of housing types in traditionally single detached neighborhoods, and to increase the overall housing supply in and around cities. The new law requires that, no later than June 30, 2022, the City of Eugene must amend its land use regulations to allow the following.

- A duplex on each lot or parcel: that is located within city limits; that is zoned for residential use; and on which the City's land use regulations allows the construction of a single detached dwelling.
- Triplexes, quadplexes, cottage clusters, and townhouses in residential zones within the City that allow single detached dwellings.

The City has received a \$150,000 grant from the Department of Land Conservation and Development (DLCD) to implement the law. The grant can fund code writing and public outreach. More information is available on the [Middle Housing Code Changes website](#).

Accessory Dwelling Units (ADU) Incentives

In response to a request from City Council, staff provided a summary of financial incentives that could be established in Eugene to encourage the production of ADUs. The potential incentives included: property tax exemption, waive or scale System Development Charges, waive building permit fees, waive land use application fees, and develop pre-approved building plans for ADUs. Some of these ideas came out of the Housing Tools and Strategies work.

Staff are working to create a library of building plans for ADUs and the first plan should be available by the end of the calendar year. The goal is to offer plans that have already been approved to meet Building Code criteria. Property owners would see reduced costs by avoiding design fees and some permitting fees.

River Road-Santa Clara Neighborhood Plan and River Road Corridor Study

The River Road-Santa Clara Neighborhood Plan is still in the Action Planning phase, which includes refining and prioritizing strategies to turn the neighborhood vision into a reality. The Community Advisory Committee (CAC) for the River Road-Santa Clara Neighborhood Plan met on [June 16th via Zoom](#) to discuss next steps for the Action Plan, which includes developing a strategy for ongoing plan implementation.

The project website has updated Topic Area pages with the latest draft vision statements, goals, policies, and actions with links to provide feedback or ask questions. Two new outreach reports from [Fall 2019](#) and [Winter 2020](#) summarize community input on the initial draft actions and River Road Corridor Study draft preferred zoning concept. This input is informing the CAC and project staff as they refine actions and begin to develop the components to be included in the neighborhood plan adoption package. There is also a new [River Road Corridor Study web map](#) to explore the draft preferred zoning concept in more detail. More detailed draft code language is being developed this summer, and the project team is working to understand how state rulemaking for HB2001 may impact the code.

For more information, visit the [project website](#) or sign up for the [project newsletter](#) for updates on next steps and opportunities for input.

Affordable Housing Trust Fund Advisory Committee

The Affordable Housing Trust Fund Advisory Committee advises City staff on the allocation of Affordable Housing Trust Fund resources. The Trust Fund comprises an initial \$500,000 from the City's General Fund and revenue generated from the [Construction Excise Tax](#). The Advisory Committee met four times in June and July and identified their priority as the creation of affordable housing. Two members of the committee accompanied staff to the [July 27 Council work session](#). At that work session, Council passed a motion that directed the City Manager to allocate \$300,000 of

the Affordable Housing Trust Fund resources for the creation of affordable housing, as recommended by the Advisory Committee, and \$500,000 for direct assistance to renters and homeowners that is to be released immediately through existing channels. The next committee meeting is scheduled for September 15, when the committee will begin discussing the Request for Proposals process. For more information, visit the [website](#).

Eugene-Springfield 2020 Consolidated Plan, Fair Housing Plan, and One-Year Action Plan

The Eugene-Springfield 2020 Consolidated Plan, Fair Housing Plan, and One-Year Action Plan were approved by the U.S. Department of Housing and Urban Development (HUD) on June 16. The Consolidated Plan and Fair Housing Plan will guide the work of HUD-funded affordable housing and community development for the next five years. The One-Year Action Plan allocates the use of federal funds in fiscal year 2021, including \$1,279,893 in HOME Investment Partnerships funds and \$1,427,820 in Community Development Block Grant (CDBG) funds. For more information on the 2020 Consolidated Plan, visit the project [website](#). For more information about the One-Year Action Plan, visit the [website](#).

In addition, the federal CARES Act (Coronavirus Aid, Relief, and Economic Security Act) included a special allocation of CDBG funding to help local communities respond to the impacts of coronavirus. This CDBG-CV funding is a separate grant from the entitlement CDBG grants received on an annual basis from HUD. The City of Eugene will receive a CDBG-CV entitlement allocation of \$839,940. The CDBG Advisory Committee reconvened in June and approved a draft allocation recommendation for identified uses. Identified uses include providing housing assistance, expanding homeless services, and fair housing as well as providing micro-enterprise training. On July 27th, staff presented that recommendation to Council and it was approved. Next, staff will complete and submit a Substantial Amendment to our 2020 Action Plan. Visit the [website](#) for more information.

Renters Protections Committee

The Renters Protections Committee is a subcommittee of the [Housing Policy Board](#). They identified key priority ideas to be renter and landlord education and rent and deposit assistance and presented their recommendations to the Affordable Housing Trust Fund Advisory Committee in December 2019. The Renters Protections Committee has paused its work and has the goal of making recommendations by the end of the year. More information is available on the [website](#).

Renters Resources

Governor Kate Brown signed Executive Order 20-11 in March, pausing evictions and no-cause or nonpayment-of-rent termination notices for 90 days. In June, the Oregon Legislature passed HB 4213, which extends the moratorium on evictions and nonpayment and no-cause terminations through September 30, 2020 and includes a 6-month grace period until March 31, 2021 for tenants to pay back the arrears accrued from April 1 to September 30, 2020. Landlords are also not allowed to add a late fee or any other penalty on a tenant's nonpayment during this period or report a tenant's nonpayment to any credit reporting agency.

In addition, federal and state emergency rent and utility assistance is being disbursed in our community through Lane County. Information on Housing Support related to coronavirus is available on the [website](#).

Mixed-Income Housing Development: 1059 Willamette Street

The City acquired 1059 Willamette in April 2020, using CDBG funds. The use of CDBG funds requires that at least 51% of the units are affordable to households at 80% of the Area Median Income.

The planned development is mixed-income housing, where 51% of the units meet the CDBG income requirements and the remaining 49% are available at any rent. For such a project to be financially feasible, some public funds will be required to fill a funding gap. The site is eligible for funds from the City's Downtown Urban Renewal District, and staff have been working to identify the appropriate financial support that can make a mixed-income housing development feasible. Using those Urban Renewal funds requires a Public Hearing, so that the public can provide input on the use of the funds for the project. City Council discussed the project at their [July 15, 2020 work session](#) and authorized staff to schedule a Public Hearing, now set for September 21. A Council work session is scheduled for September 30, so that Council can consider taking action on offering Urban Renewal funding assistance for the project. At this time, it is not known how much financial support from Urban Renewal will be available.

If approved, the City will offer the property to prospective developers through a Request for Proposals (RFP) process. An Evaluation Committee will score and rank submitted proposals, staff will ask the public for feedback, and City Council will decide which proposal to move forward with. City staff are working to issue the RFP this fall and select a developer by March 2021. Visit the [website](#) for more information.

Affordable Housing Development: Iris Place

The City-owned property on River Road acquired through the Land Acquisition for Affordable Housing program was transferred to St. Vincent de Paul in July. Construction of the 53-unit development begins in August 2020. The one, two- and three-bedroom apartments will be targeted to households earning no more than 50% of the Area Median Income.

FOR MORE INFORMATION

These little houses have been used throughout the HTS process and now serve to link initiatives to the goal of increasing housing affordability, availability, and diversity of type. These initiatives may be recommendations from the Working Group, existing projects or programs, or new approaches. By connecting programs, initiatives, plans, and projects we can begin to visually show the cumulative effect of these efforts. And, we can connect everything to the same narrative—that housing affordability, availability, and diversity of type is a wicked problem that crosses many departments and work groups; solutions take time, process change, and thoughtful balancing of values; and that all these items can contribute to the goals within HTS.



For more information and to keep up to date on progress, visit the HTS website at www.eugene-or.gov/housingtools. For questions, contact Jennifer Knapp at JKnapp@eugene-or.gov.