AGENDA

Meeting Location:
Sloat Room—Atrium Building
99 W. 10th Avenue
Eugene, OR 97401

Phone: 541-682-5481
www.eugene-or.gov/pc

The Eugene Planning Commission welcomes your interest in these agenda items. Feel free to come and go as you please at any of the meetings. This meeting location is wheelchair-accessible. For the hearing impaired, FM assistive-listening devices are available or an interpreter can be provided with 48 hour notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hour notice. To arrange for these services, contact the Planning Division at 541-682-5675.

MONDAY DECEMBER 10, 2018 – REGULAR MEETING (11:30 a.m. to 1:30 p.m.)

A. PUBLIC COMMENT

The Planning Commission reserves 10 minutes at the beginning of this meeting for public comment. The public may comment on any matter, **except for items scheduled for public hearing or public hearing items for which the record has already closed.** Generally, the time limit for public comment is three minutes; however, the Planning Commission reserves the option to reduce the time allowed each speaker based on the number of people requesting to speak.

B. WORK SESSION: HOUSING TOOLS & STRATEGIES UPDATE

Staff: Anne Fifield, afifield@eugene-or.gov, 541-682-5451

C. WORK SESSION: CLEAR & OBJECTIVE UPDATE

Staff: Jenessa Dragovich, jdragovich@eugene-or.gov, 541-682-8385

D. ITEMS FROM COMMISSION AND STAFF

1. Other Items from Staff
2. Other Items from Commission
3. Learning: How are we doing?

Commissioners: Steven Baker; John Barofsky; Tiffany Edwards (Vice Chair); Lisa Fragala; Chris Ramey; William Randall; Kristen Taylor (Chair)

AGENDA ITEM SUMMARY
December 10, 2018

To: Eugene Planning Commission

From: Anne Fifield, City of Eugene Community Development Division

Subject: Housing Tools and Strategies Update

ISSUE STATEMENT

This work session is an opportunity to provide an update to the Planning Commission on the Housing Tools and Strategies project. No action is requested.

BACKGROUND

Housing affordability and availability is a long-standing and growing problem in Eugene. In May 2018, Eugene City Council passed a motion to have staff implement a process to identify barriers to housing affordability, availability, and diversity, and to suggest, evaluate, and recommend possible strategies and tools to address the barriers. The recommendations will be presented to Eugene City Council at a work session on December 10, 2018.

Goals

The goal of the Housing Tools and Strategies project is to produce a set of short and long-term recommended actions for the City Council to consider. The recommended actions should implement the *Provide Housing Affordable to All Income Levels* pillar of Envision Eugene by:

1. Identifying barriers to housing affordability, availability, and diversity of type, such as ADUs, duplexes, cottage clusters, row houses, and other missing-middle types.
2. Identifying tools and strategies to effectively address the barriers in order to increase the supply of housing across the city.
3. Engaging stakeholders in identifying solutions that can be supported by the broad community as well as decision makers, while also highlighting areas with varying viewpoints for City Council consideration.

Process Overview

A diverse group of stakeholders with broad perspectives in housing affordability, equity, development barriers, and community values was assembled as a working group. The working group met four times between September and November and had deliberative conversations about the 'wicked problem' of housing affordability, various interests held by different stakeholders, and options to advance as many interests as possible.

The group process and outcomes are described in the facilitator's report (**Attachment A**). Options were grouped into four strategies: 1) Remove land use code barriers; 2) Reduce cost and time burden for development of housing units; 3) Increase inventory of and access to

Affordable units; and 4) Additional options. An economics consultant offered information and high level analysis on the likely effectiveness of some of the options with high estimated impact on project goals, to help the group in their deliberations (**Attachment B**). Ultimately, each group member indicated their level of agreement with advancing the options, and staff is forwarding these results to Council along with staff recommendations for next steps.

The staff recommendations are outlined in the Council packet for the December 10 meeting. The packet may be found online on Friday December 7 at https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials.

COORDINATION WITH ONGOING INITIATIVES

The Housing Tools and Strategies process overlaps with and complements other local and statewide initiatives already underway and will be coordinated with these efforts:

- **Comprehensive Land Use Code Audit**, funded by a grant from the Oregon Department of Land Conservation and Development (DLCD). It is scheduled to be complete in June.
- **Clear and Objective Housing Criteria Approval Update**, which is in process and was presented to City Council in November 2018.
- **Accessory dwelling units (ADUs)** ordinance, which was intended to address the legal requirements of Senate Bill 1051 (requiring local governments to allow ADUs in residential areas.) The ordinance was appealed to the Oregon Land Use Board of Appeals (LUBA), which issued its opinion remanding the City's ordinance on November 29. The opinion may be found at: https://www.oregon.gov/LUBA/docs/Opinions/2018/11-18/18063-064.pdf

NEXT STEPS

City Council will meet on December 10 to hear about the working group process and recommendations. The Housing Tools and Strategies project includes a comprehensive project website with meeting materials, reports, and videos of each working group meeting.

PLANNING COMMISSION ACTION

This is an informational item. No action is requested. However, the Planning Commission plays a key role in implementing the Envision Eugene pillar on housing affordability, and will create recommendations for City Council on any legislative actions chosen to move forward, such as future land use code amendments.

ATTACHMENTS

A. Housing Tools and Strategies Working Group Final Report (Carrie Bennett)
B. Strategic Economics Report

FOR MORE INFORMATION

Staff Contact: Anne Fifield, Economic Strategies Manager
Telephone: 541-682-5451
Staff E-Mail: AFifield@eugene-or.gov

Attachment A

Housing Tools and Strategies Working Group

FINAL REPORT

Carrie W Bennett
LEARNING THROUGH DIFFERENCE, LLC

Executive Summary

This report includes results from the Housing Tools and Strategies working group, convened by the City of Eugene in fall of 2018. Working group members included thirty-six stakeholders representing three broad categories; housing affordability, development barriers and community values. Carrie Bennett, a neutral facilitator, managed the process using an interest based (collaborative) problem solving cycle and a consensus model of decision-making (see **Appendix A: Working Group Handbook**). A team of city staff and Strategic Economics provided technical and logistical assistance throughout the process. Community members outside the working group could view results of each meeting online and share their feedback via online forms and email. This community feedback was brought to the working group before their next meeting.

The working group met four times for 3 hours each. The focus of each meeting was as follows:

- **September 12**- Orientation to the purpose and process. Telling the "story" to understand the problem of housing affordability in Eugene.
- **October 4**- Continuation of the story, identification of interests, brainstorming of options to address the challenge, and identification of areas where more data or information would be useful.
- **November 14**- Prioritization of interests, data and information sharing, small group deliberation over the list of options, straw poll for initial preferences.
- **November 28**- Continued small group deliberation, additional data and information sharing, final discussion and voting.

Key Findings

Working group members agreed that the challenge of housing affordability in Eugene is indeed a problem and one which the City can and should act to address. The group agreed that the impacts of housing (un)affordability extends far beyond those experiencing the problem directly with negative impacts rippling throughout the community. In considering possible solutions, the group was particularly driven to find solutions that work, solutions that would put people in housing they could afford. Other top interests included equity, meeting community needs, livability, partnership, and sustainability.

The working group's full list of considered options as well as their recommendations are included in this report. The group reached unanimous agreement on one option; allowing for more multi-family development along key corridors. Eight options received support from over 90% of the Working Group and with no votes in opposition. Brief explanations for why working group members supported or opposed the listed options have also been included.

Reflections on the Process

Working group feedback on the process was very positive. Working group members lauded the civility and thoughtfulness of discussions. They appreciated the mix of people in the room and the time taken to address a complex topic. The greatest area of concern was that the group lacked time for more analysis. Additionally, working group members expressed concern that their recommendations would not be put into action and that Eugene's problems with housing affordability would continue to get worse.

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Process

Wicked Problem Mindset

In framing the discussion of housing affordability, working group members were asked to consider this challenge as a "Wicked Problem" (see **Appendix B: Wicked Problem Mindset**). Wicked problems, by their definition do not have technical solutions. Instead, underlying values are at tension with one another and addressing the problem to satisfy one value, inevitably has negative impacts on other values and priorities. Like a perpetual game of "whack-a-mole" solving one aspect of the problem begets other problems. Given these inevitable trade-offs, wicked problems can be very polarizing with competing sides escalating the conflict.

At the first working group meeting, the group worked to identify the underlying tensions and trade-offs that are inherent in housing affordability. A selection of these has been represented here. Considered in isolation, these values or interests tend to be shared throughout a group. Everyone wants safety, beauty, affordability, etc. It is in the tensions between these interests that communities find their values in tension or even in direct conflict with one another. There may be ways to both preserve beauty and nature (for example) while still increasing affordability. That said, some solutions to get more of one of these values may have a negative impact on another value. Depending on the level of "threat," to one value, the potential gain for another, and a community's cumulative prioritization of all the values, they may come to very different recommendations.

Given this, the "right" solution depends far more on people's values and a collective prioritization of these than on technical analysis. While data can be useful to inform whether a given option can indeed satisfy a given interest, it cannot dictate which interests are "right" or "most important." Through deliberative practices, communities can listen to one another's interests and, together, work to find a balance between them.

"Solutions" to wicked problems do not claim to solve the problem. Rather, they seek to improve upon the status quo in ways that best reflect an inclusive balance of inherently competing values. While some values may "win" over others, a deliberative process creates opportunity to minimize negative impact where possible and create shared responsibility and acknowledgement for negative impacts where necessary.

Key Principles of Deliberation

In supporting meaningful public deliberation over complex issues, the working group facilitator embraced the following key principles:

Impartiality

Facilitators support groups to do their best thinking together. Facilitators manage the process and the methods by which people explore ideas without trying to influence the content of the discussion. Meeting evaluation data has been detailed in **Appendix G: Process Evaluation** with average scores across meetings listed here. In post-meeting evaluations, working group members scored the facilitator's impartiality 4.65 (out of 5). When volunteer facilitators joined the group to support small group discussion, they were similarly evaluated to be neutral, scoring 4.87.

Intentional process design

Thoughtful planning and execution of deliberative tactics creates predictability, safety, and opportunity for participants. From carefully scripted and enforced ground rules to a mix of ways to share ideas and explore possibilities, process design matters. Effective process design ensures that individuals are able to share their ideas and feel that their ideas were respected. In evaluating these components (again, using a 5-point scale) working group members gave the following feedback:

- Working group's adherence to the ground rules 4.48
- Ability to share ideas 4.50
- Perception that ideas were respected 4.49

Self-determination

Within the process guidelines, participants in the working group controlled the content of the meetings. This included everything from telling the story to understand the nature of the problem to creating and evaluating the options that could be possible solutions to it. Participants themselves identified areas where they wanted more information, which ideas had merit, and which ideas lacked popular support.

In reviewing the working group's progress, some community members were dismayed to see ideas that, to them, were nonsensical, illegal, or too extreme. Some community members decried the process and its leadership for allowing these ideas to move ahead in any fashion. While staff and the facilitator may have agreed with some of these concerns, blocking any ideas would be a violation of the group's self-determination. Instead, the working group itself generated the ideas and, to its credit, the working group itself evaluated and, where appropriate, struck down ideas that had little merit. In other cases, ideas which some saw as too extreme were indeed broadly supported by others (typical with wicked problems). In these cases, the process supported both sides in being able to articulate their arguments for or against an idea without un-due meddling from the facilitator, technical experts, or staff.

Planned engagement with topic experts

Given the polarized nature of wicked problems, people often crave data and technical expertise to evaluate options and justify possible solutions. As previously discussed, data can be immensely helpful in understanding the nature and magnitude of a problem and in evaluating likely impacts of some options. That said, because the "right" path forward is ultimately a values-based decision, data cannot be a main driver of the process. Furthermore, over-reliance on experts and advocates can inadvertently fuel increased polarization and skepticism. For these reasons, and to keep within the project timeline, outside experts played a specific and discreet role in informing the working group.

Who Was in the Room

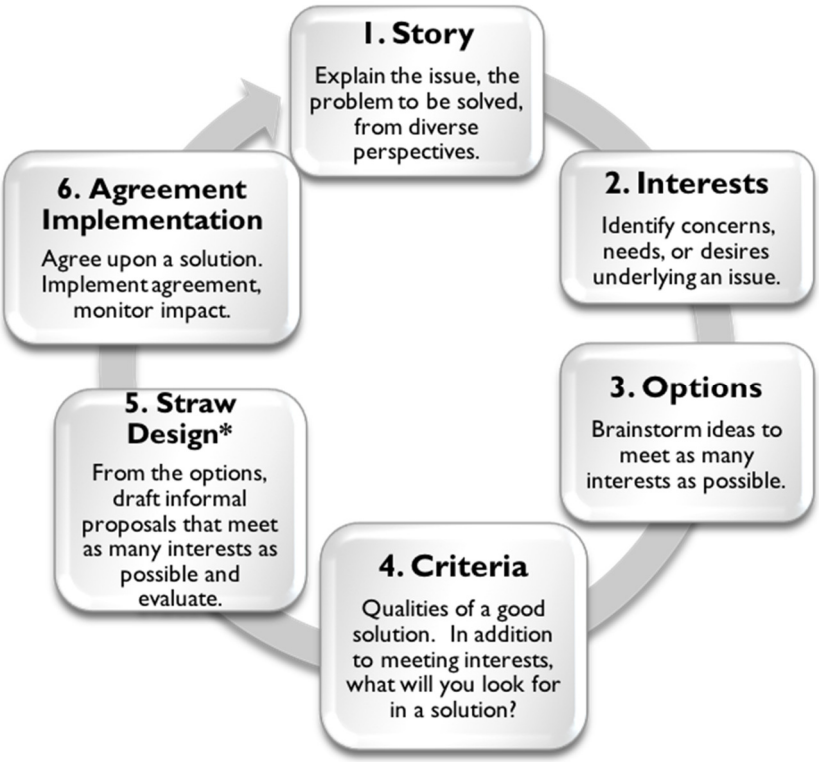
As with all public engagement, the people in the room matter! Getting just the right mix of people is one of the many wicked problems of public engagement. Working Group members for this effort represented three broad stakeholders: housing affordability, development barriers and community values (regular citizens). Beyond this, working group members were selected because they are:

- **Impacted**- having a stake in the problem be it as an industry professional, as an individual experiencing the challenge of housing (un)affordability, or as a person experiencing the latent consequences of housing affordability.
- **Representative**- matching the demographics of the entire population of Eugene.
- **Available**- able to attend all or nearly all of the four scheduled meetings.

Public engagement itself can be viewed as a wicked problem. Inclusivity and proportionality/ representativeness can be in tension with one another. Not everyone could participate if the group was to match, even approximately, Eugene's demographics. Similarly, representativeness and availability may have been in tension with one another as those who are often the most able and willing to engage tend to be older, whiter, and wealthier than the Eugene population as a whole. Multiple working group representatives felt that some groups were under-represented, but they disagreed on which voices were most excluded. Please see the demographic breakdown in **Appendix C: Demographics-Working Group, Voting Members & Online Feedback** for more information on this.

How They Worked

Working group members met four times beginning in September and ending in late November. Each meeting went from 5:30-8:30 PM at the Baker Center. Dinner was provided. Member and audience norms were posted and followed to maintain civility, balance participation, and deepen the discussion throughout.



First Meeting

Working group members received a handbook and training on the process they would use and how decisions would be made. These processes were reviewed as necessary throughout the four meetings. The group used an interest-based problem-solving cycle (left) and a consensus based decision-making rule. See **Appendix A: Working Group Handbook** for more on this. During all meetings, working group members engaged in large group, small group, and paired discussions. Groups were frequently shuffled to promote a mixing of people and ideas.

* In this phase, everyone works creatively to solve the problem in a way that meets as many interests as possible. At times, small sub-teams may work collectively to draft initial proposals for the larger group to review.

Second Meeting

Working group members finished telling the "story" of housing affordability, identified their interests in addressing the challenge, and brainstormed a master list of options. These options are all ideas of things the City could do to increase the availability, affordability, and diversity of housing in Eugene. Using this same raw list, the working group used colored dots (stickers) to identify which ideas they were most interested in learning more about.

Between the second and third meetings, the facilitator grouped this large list of options into three broad categories or "strategies" plus a fourth category of ideas that didn't fit nicely into the first three. These strategies included:

1. Removing land code barriers to housing.
2. Reducing the time and cost burden for development of housing units.
3. Increasing the inventory of and access to Affordable units.
4. Other- additional options that don't fit one of the other strategies.

After sorting the options into these categories, the facilitator, city staff, and Strategic Economics drafted information about each option to help build shared understanding and address the working group's identified areas of curiosity. Additional sub-options were added for options that could be enacted in multiple ways. For example, option #12 was to adjust Systems Development Charges (SDCs). SDCs could be adjusted in a multitude of ways so sub-options (12-A, 12-B, 12-C) were added to help provide more variety and choice. The detailed options can be found in **Appendix D: Options – Deliberative Framing**.

Third Meeting

Working group members worked in facilitated small-groups to consider the options one strategy at a time. During these small groups, they were prompted to identify benefits and drawbacks of each of the options, consider who it would benefit and who might feel disadvantaged, etc. During the small groups, individuals could suggest new options, and these were added for the larger group's consideration. Strategic Economics presented additional data to support the group's understanding of the problem. At the conclusion of this third meeting, participants indicated their initial preferences (support, uncertainty, or opposition) to options in the first three strategies with a straw poll (collected via paper ballot). Based on areas of high uncertainty (many yellow votes) the facilitator, City staff, and Strategic Economics again drafted information to help address questions and create shared understanding on the options. This document of additional information was shared with the working group members in advance of their fourth meeting and be found in **Appendix E: Options – Additional Information.**

Fourth Meeting

Participants again deliberated in small groups over the final "other" category of options. They indicated their initial preferences for this final group of options with a straw poll. From the combined straw poll results, (those from strategies 1-3 from the November 14 meeting and those from the final category from November 28) options were ranked with those enjoying the most support/agreement at the top. From here, beginning with the areas with most agreement, participants cast their final votes with added commentary for why they supported or opposed an idea. Final votes were cast by raising colored cards (green, yellow, and red) and tallied publicly. Comments were collected orally and on paper.

Time did not allow a final vote on all options. Where necessary, the level of agreement was carried over from straw poll results. See the results section for a more comprehensive explanation.

Results and Recommendations

In all, the working group discussed and evaluated 83 different options of ways that the City might increase the availability, affordability, and diversity of housing in Eugene. Results of the straw poll dictated the order in which options were discussed and voted-on at the November 28 meeting with the highest scoring options getting voted on first. This order was adjusted with the sub-options under 20 (ways to fund Affordable housing) and 12 (adjustments to SDCs) so people could consider these interrelated sub-options together.

The working group was able to vote on 33 options at their final meeting. An additional 20 items have been included here because more than half of the working group supported the idea in the straw poll. These are marked with an * in the agreement column. The complete list of options as well as arguments in support or opposition can be found in **Appendix F: Full Results.**

Strategy 1: Remove Land Code Barriers to Housing

Option #	Option	Support	Uncertain	Oppose	% Agreement
5	Enable more multi-family development along key corridors. (See glossary for a map of Eugene's key corridors.)	28			100%
3 -B	Enable by-right housing options along key corridors.	26	2		93%
5 -A	Create a 'key corridor overlay' (with design standards), which allows multi-family development on all key corridors.	26	2		93%
50	Add pre-approved ADU plans.	26	2		93%
53	Revisit/revise land use code to allow for more tiny homes/tiny communities.	25	2		93%
4 -A	Improve the adjustment review process for adaptive re-use.	25	3		89%
9	Complete land use code audit of *regulatory* barriers to housing.	25	3		89%
11	Align Zoning map with Comprehensive Plan map (currently *Metro Plan's* Plan Diagram).	24	3		89%
52	Allow for additional housing units on major streets.	24	3		89%
3 -A	Enable by-right housing options, including duplexes, triplexes, cottage clusters, and smaller homes on smaller lot sizes in all single-family zones.	24	1	3	86%
1	Revise land use code to encourage Accessory Dwelling Units (ADUs) in all single-family zones.	23	3	2	82%
3	Revise land use code to allow for development of more diverse "missing middle" housing types.	23	0	5	82%

4	Revise land use code to ease development standards for adaptive re-use (converting an existing non-residential building—such as a church—into residential).	23	4	1	82%
5 -B	Reduce parking requirements for certain multi-family housing types along key corridors	19	5	3	70%*
3 -C	Enable more missing middle in green fields or large subdivisions.	11	6	3	55%*

Strategy 2: Reduce the Time and Cost Burden for Development of Housing

Option #	Option	Support	Uncertain	Oppose	% Agreement
16	Streamline/speed up the permitting process. Prioritize staff dedicated to the building and land use permitting processes for certain housing types.	26	2		93%
12 -A	Delay the collection of SDCs until a property is ready to receive its certificate of occupancy.	25	2	1	89%
15	Improve the Clear and Objective standards.	25	3		89%
18	Complete land use code audit of *process* barriers to housing production.	25	0	3	89%
19	Provide funding assistance to connect infrastructure to residential land identified in Eugene's Buildable Lands Inventory.	19	8	0	70%*
12 -B	Reduce SDCs for multi-family developments in the downtown and along key corridors.	19	9		68%
12 -C	Reduce SDCs for ADUs.	18	8	1	67%*
14 -A	Extend the MUPTE boundary to include key corridors (see glossary).	17	7	2	65%*
12	Adjust System Development Charges (SDCs) program to reduce development costs for market-rate housing that are smaller and lower cost.	18	8	2	64%
12 -F	Scale SDCs to the size and impact of what's built.	17	11		61%
14 -B	Simplify the criteria that must be met to receive an exemption.	15	9	2	58%*
13	Revise the land use appeal process, with shared costs for recovery of legal fees by the prevailing party.	15	7	5	56%*
17	Advocate to change Oregon law to reduce liability requirements for condominium projects.	14	10	2	54%*

Strategy 3: Increase Inventory and Access to Affordable Units

Option #	Option	Support	Uncertain	Oppose	% Agreement
20	Identify new Revenue sources for Affordable housing units.	26	2		93%
27	Expand Eugene's land banking program for Affordable housing. Identify more flexible funding sources.	25	2		93%
24	Help low and moderate-income households purchase a home, such as navigators to support the purchase process and down-payment assistance, (help people move up the housing ladder).	24	4		86%
20 -C	Use local government bonds to fund the construction of Affordable housing developments.	23	4	1	82%
25	Help low and moderate-income households keep their homes safe or stay in their home, such as emergency home repair and foreclosure assistance (homeowner assistance).	21	5		81%*
21	Increase density bonus for qualified Affordable housing	22	3	3	79%
20 -E	Charge a CET on a sliding scale by the size of the development (especially residential) (*variation on 20-B)*	21	4	3	75%
28	Create a community land trust as a tool to provide Affordable, ownership housing.	15	6	1	68%*
20 -B	Charge a construction excise tax (CET) to raise resources for Affordable housing developments.	19	5	4	68%
31	Waive System Development Charges (SDCs) entirely for qualifying Affordable units.	14	2	5	67%*
30	Loan guarantees-use City funds as backing for loans to help fund Affordable housing developments.	15	9		63%*
22 -B	Voluntary IZ—Make IZ optional but create incentives (Ex: SDC waivers, density bonus) to encourage market-rate developers to include Affordable units.	15	12		56%*
20 -A	Shift money from the City's General Fund, which would shift funding from other City services, to support Affordable Housing.	15	6	7	54%
26	Establish a community fund to help new renters.	13	12	1	50%*

Strategy 4: Other

Option #	Option	Support	Uncertain	Oppose	% Agreement
43	Use data to improve decisions and understand impacts.	27	1		96%
35A	Encourage participation in Neighborhood Associations so they are more representative of the people living in the neighborhood.	25	2	1	89%
42	Allow for more types of temporary housing.	25	3		89%
39	Create a housing action plan.	24	4		86%
41	Develop a homeless shelter	24	4		86%
35	Modify Neighborhood Associations.	6	2	0	75%*
40	Create promotional materials for assistance programs/make information on process more readily available.	19	8		70%
44	Protect renters and availability of rental properties.	13	5	1	68%*
34	Encourage employer-assisted housing programs.	13	7	2	59%*
48	Preserve “naturally occurring” affordable housing.	15	7	5	56%*
44A	Advocate to State for stronger tenant protections (rent stability, eviction protections)	14	8	5	52%*
44B	Support and expand landlord/ tenant arbitration/mediation.	14	10	3	52%*

Process Evaluation

Recommendations from this working group are only as strong as the process that was used to generate them. Participant evaluation data have been included to that end. At the conclusion of each meeting, participants offered feedback on the process and content of the meeting. At the September meeting this was more informal with people writing what worked and what they would want to see changed on an index card. Adjustments were made to the process based on this initial feedback. Evaluations of subsequent meetings were more formalized and quantifiable. Summaries of all of the evaluations from meetings 2, 3, and 4 have been included in **Appendix G: Process Evaluation**.

Overall, feedback was very positive with participants expressing high levels of satisfaction with the group's adherence to ground-rules, the facilitator, their ability to share their ideas, and the perception that their ideas were respected. The civil and thoughtful tone was consistently noted as was the diversity of voices represented. Participants appreciated the multiple modes by which they could engage (mixing of large and small group discussions, etc.) and the focused nature of the work.

Aside from improvements to dinner offerings, participants' critique of the process fell into two main themes. First, many wished they had more time to delve more deeply into the options. Several noted the difficulty of tackling an issue with such complexity and technicality with the time allowed. There was a mix of feedback regarding data provided from Strategic Economics and the ideal amount of data/outside expertise that people wanted. While some wished for more information and earlier in the process, others found it difficult to understand. This is unsurprising given the diverse levels of familiarity and expertise represented in the working group. It was indeed challenging for those who are experts in navigating housing affordability (through their lived experiences) to engage on an equal playing field with those who work in the realm of housing policy and economics professionally. Supporting documents were written in accessible language wherever possible and shared with working group members in advance of meetings to help with this. In small groups and outside of the working group meetings, participants helped educate one another regarding what different options meant and their possible impacts. In spite of all of this, more time would have been helpful to collectively deepen the group's understanding and more thoroughly evaluate all of the many options. While more time may not have significantly changed outcomes, it may have helped the group feel more confident in their list of recommendations.

The final common theme in participant feedback, albeit more minor, focused on the working group composition. Some felt that neighborhood association leadership lacked adequate representation while others noted the lack of representation from renters and people of color. Please see the demographics of the City as compared to the demographics of the working group and online feedback in **Appendix C: Demographics-Working Group, Voting Members & Online Feedback** to make your own assessment of these critiques.

Public Comment

After each working group meeting, materials were published online (https://www.eugene-or.gov/3960/Housing-Tools-and-Strategies) for public review. Thanks to volunteer videographer Todd Boyle, a video of the full meeting proceedings was also available. Community members were invited to submit feedback via online survey or by emailing HousingTools@eugene-or.gov. In advance of each meeting, the facilitator synthesized public feedback into a document that was included in the Working Group's next meeting materials. Because of the sheer length of emailed comments, this feedback was also synthesized with full text available for viewing online.

Summaries of the community's feedback (from the online form and email) are included in **Appendix H: Community Feedback.**

Next Steps

Now that the working group has completed their task, it is up to Council to decide where and how to act on their recommendations. Some recommendations can be put into action quickly while others will need more study to evaluate. The recommendation to develop a comprehensive plan (supported by 86% of the working group) is one way by which the City could coordinate implementation of top ideas. Given the "wicked" nature of housing affordability, many actions are likely to have trade-offs. Council will have to weigh these against potential gains and against the consequences of doing nothing.

While many working group members felt more time and data would be useful, many also expressed a sense of urgency to act. Overall, the group showed low confidence that Council would take action (2.7 on a 5-point scale with 3 being neutral) and expressed dismay at this reality. Concerns were expressed that demands for more study and more process would delay solutions that the working group firmly support. In this, Council will have to decide which ideas do indeed more study and where they can take decisive action.

For "final thoughts" from the working group, please see the **Participant Evaluation from 11/28/18 Meeting**. It's particularly telling to read individual comments regarding hopes for Council and what people will tell community members about the process. A word cloud of people's "message out" has been included here.

About the Facilitator

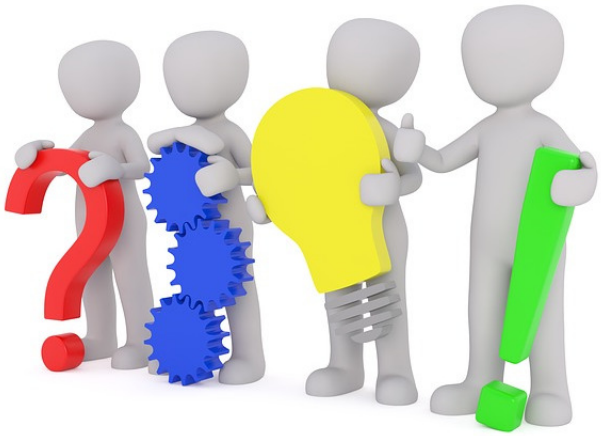
Carrie Bennett has a Masters in Conflict and Dispute Resolution from the University of Oregon School of Law. As part of her graduate training, Carrie held internships through the National Policy Consensus Center at Portland State University, Healthy Democracy, and Neighbor to Neighbor Mediation. She has been a small-claims court mediator in Lane, Linn, and Benton Counties. Aside from this formal education and practice, Carrie apprenticed for two years under Susan Sparks, an interest-based facilitator in Colorado. Through Susan, Carrie gained dispositions and strategies passed down from Bob Chadwick.

Carrie actively participates in a housing affordability learning community with fellow facilitators and conveners through the National Coalition for Dialogue and Deliberation. This group includes professionals from across the country and multiple top-tier universities. Carrie's past clients include the United States Forest Service, Colorado State University, the University of Wyoming, the City of Fort

Collins, as well as multiple school districts and nonprofits. Carrie has served the City of Eugene for three other unrelated projects over the last three years.

Housing Tools and Strategies Working Group

Collaborative Problem-Solving Handbook



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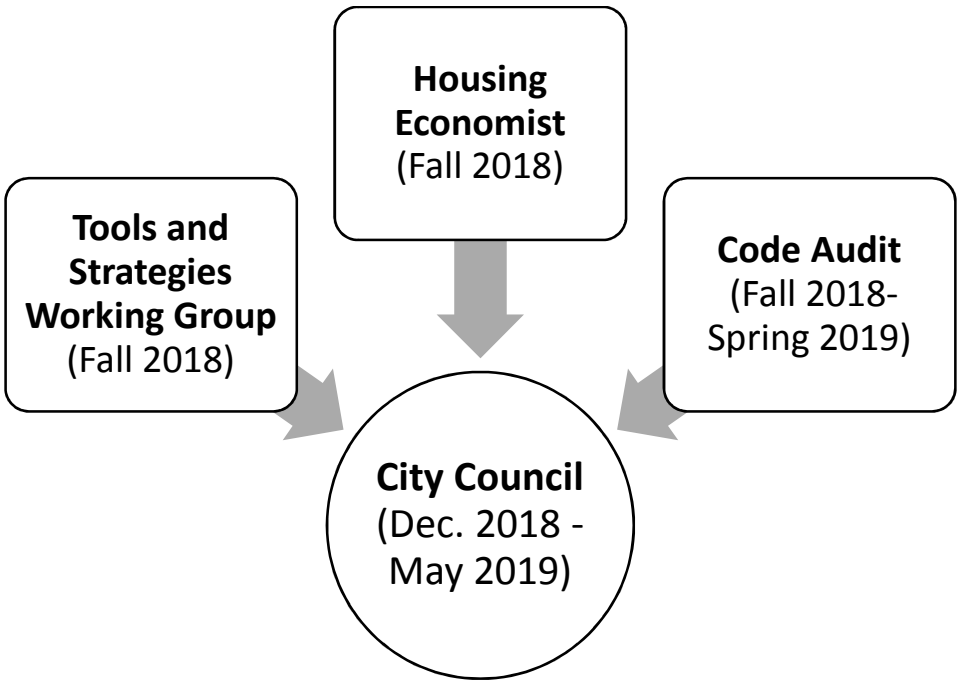
Working Group Purpose

Eugene consistently ranks high on lists of the best places to live in America. From abundant recreation opportunities to economic and civic vitality, the Emerald City is truly a gem! Given this sparking reputation, it's no surprise that an estimated 34,000 new residents are likely to move to Eugene in the next 20 years. With a strong urban growth boundary and commitment to environmental sustainability, accommodating current residents and planning for future growth will take careful planning!

In spite of the high quality of life and economic opportunities in Eugene, many individuals and families struggle to find housing they can afford. Currently, 54% of renters and 32% of homeowners in Eugene spend more than 30% of their monthly income on housing. Approximately 66% of households in Eugene cannot realistically afford to purchase a home leaving the dream of home ownership out of reach. Living outside the City and commuting in for work helps some but adds to traffic congestion, parking challenges, and increased carbon emissions that negatively impact everyone.

Given its commitment to the Envision Eugene Pillars, City Council would like to take action to address housing affordability now and in the future. Council would like to incentivize the construction of diverse housing options that are affordable across income levels. To do so, they have enlisted a mix of professional expertise and local knowledge and values.

This Housing Tools and Strategies Working Group will provide City Council with local knowledge and values. It has been assembled to share information and think deeply together about the above challenges. Based on this rich information and deliberative thinking, the Working Group will generate a list of ideas for actions the City can take that will affect (improve) housing affordability. In addition, the group will share their feedback regarding how effective those tools might be in Eugene.



The Working Group will use a collaborative problem-solving format and consensus-based decision making. Recommendations from the Working Group will go to City Council for their consideration at the December 10 meeting.

Stakeholder Agreements

Welcome and thank you for joining the Eugene Housing Tools and Strategies Working Group. Your service to this team and to the City as a whole is a tremendous gift and one that has the potential to improve the quality of life for Eugene residents in many ways.

Consistent participation is critically important to the success of the group. Working Group members are expected to personally attend all four meetings (no backups or substitutes please). Dinner will be provided. Childcare is available upon advance request. If an emergency arises and you cannot attend a meeting, we will send you a meeting summary, so you can be prepared for the next one.

We will meet from 5:30-8:30 PM at the Baker Center (975 High St, Eugene) on the following dates:

- **Wednesday, September 12**
- **Thursday, October 4**
- **Wednesday, November 14**
- **Wednesday, November 28**

Working Group representatives have a tough but rewarding job of balancing their own personal views with broader, community needs and perspectives. To make the team's work as productive, transparent, and efficient as possible, all representatives are asked to:

- **Participate in good faith.** Working Group representatives are expected to bring diverse perspectives to the table. That said they are also united in the belief that housing affordability is a problem and are jointly committed to creating and advocating for impactful solutions.
- **Embrace a learning mindset.** Listen deeply and consider perspectives you may not have thought of or fully understood before.
- **Maintain civility and respect** towards all other team members and the process. Strong feelings are expected. We expect people to disagree at times but to do so agreeably.
- **Minimize distractions**. Please limit your use of electronic devices and side conversations during the Working Group meetings. The team needs your full attention to do its best work.
- **Protect the integrity of the team and the process**. Eugene residents, members of the press, and others may want to talk with you about the Working Group to share their ideas or get information to share with others. Consider how these voices might impact the work of the Working Group. It is important to stay open to new perspectives. It is equally important to avoid skewing the discussion because of a few vocal advocates. Residents will be able to comment on the Working Group's work online.

If you have questions, concerns, or need anything along the way, please contact one of us:

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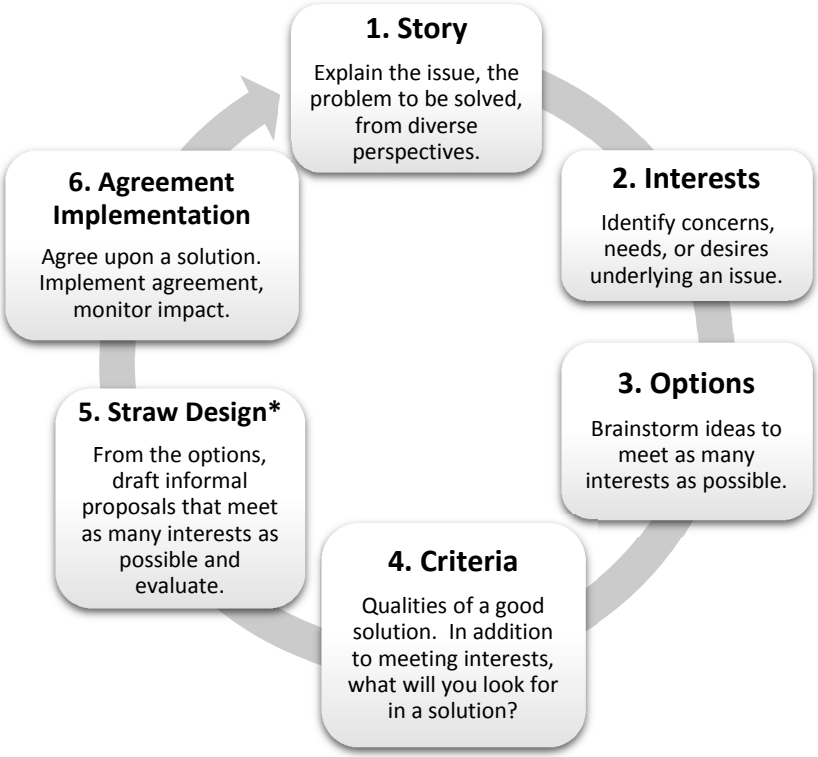
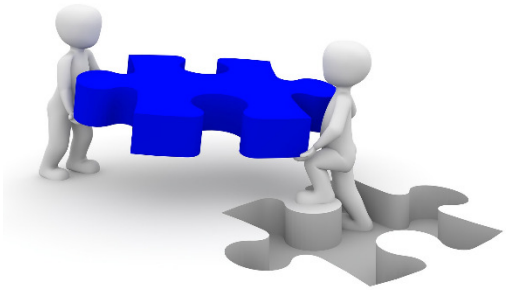
Collaborative Problem-Solving Cycle

The Working Group will work through identified challenges using the process outlined below. While this cycle is a reliable roadmap for solving problems together, it may not always follow a perfectly linear order. In some cases, multiple issues will be taken through the first three phases before applying criteria and straw design take place. This allows for more creative solutions that may resolve more than one issue. In addition, the straw design phase may need multiple iterations before the group is able to reach agreement. During these iterations, it is important to look back to the interests and options as a source of ideas.



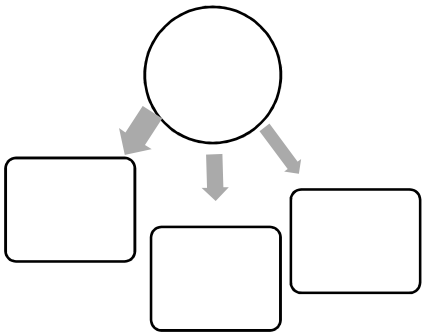
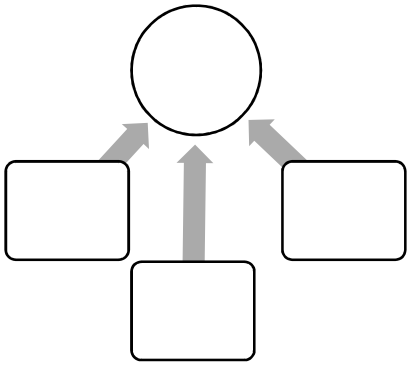
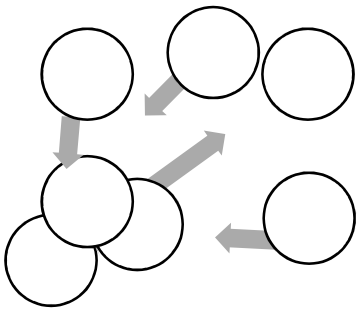
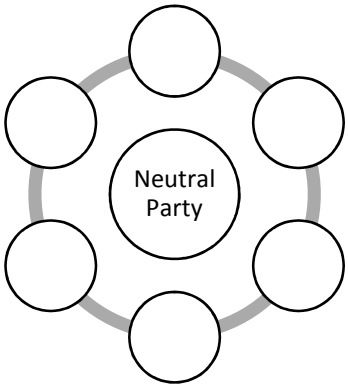
* In this phase, everyone works creatively to solve the problem in a way that meets as many interests as possible. At times, small sub-teams may work collectively to draft initial proposals for the larger group to review.



Phases of Collaborative Problem Solving in Detail:

	Explained	Central Questions	Key Skills
Story	Share history and content of the issue, the problem to be solved. This includes background information, multiple perspectives and diverse understanding of the issue.	What? What happened? When? Who is involved? How does this affect people?	• Seek out and honor different perceptions. • Describe without blame. • Clarify and seek understanding. • Record for group memory.
Interest	Identify concerns, needs, and desires underlying an issue. Could be one person's or mutual interests.	Why? What's most important to us in solving this issue?	• Separate interests (underlying needs and motivations) from options (solutions). • Record and note mutual interests.
Options	Brainstorm ideas to meet as many interests as possible. Don't fall in love with (or dismiss) any one idea at this phase.	How? What are all the ways we might solve this problem (or aspects of it)?	• Avoid judgment and screening of ideas. Do not discuss. • Aim for quantity. • Imagine creative opportunities. • Build off of one another's' ideas. • Record for group memory.
Criteria	Identify qualities of a solution. What will you look for in an end solution? What will help you narrow the options for value and appropriateness?	In addition to our interests, what else is important to us in this decision?	• Clarify the meaning of each criteria. • Begin to evaluate the options against the interests and criteria.
Straw Design & Evaluation	Draft proposals that meet the identified criteria and as many interests as possible. Recognize limitations and shortcomings. Build on the best available options.	Could this work? What do we like? How could it be improved? Does this meet our criteria and as many interests as possible? What else could we add or take away to improve on the idea?	• Amend, combine, eliminate or develop new options. • Listen, pay attention, and encourage participation. • Avoid arguing blindly. Offer constructive feedback to improve. • Seek mutual gains and work towards consensus.
Agreement	Document the end agreement (when the group agrees the solution is as good as it can be given current realities). Make a plan to implement and monitor the impact of the decision.	Who, what, when, where, etc. documented in clear language. How will we know if it's working? When can we convene again to reevaluate and revise if necessary?	• Write down the specifics of the agreement and actions needed from participants.

Rules for Decision-Making: Benefits, Disadvantages, and Effects

	**Person-in-Charge Decides *Without* Group Discussion** This rule gets group members in the habit of doing what they're told. At meetings, they mostly listen passively to the person talking. This rule is useful when a decision needs to be made quickly, when the person in charge has the necessary expertise and authority to make the decision alone.
	**Person-in-Charge Decides *AFTER group Discussion*** The person in charge solicits feedback but remains control as the final decision-maker. Participants see the decision-maker as the person who needs to be convinced. Participants direct comments to the person in charge. This rule is useful when there is some, but not a lot of time to make a decision. It can help inform the person-in-charge and may build some buy-in from the group members. Participants may feel some sense of control. They may also feel frustrated if they have made a suggestion that is not ultimately reflected in the decision.
	**Majority Vote** With this rule, the goal is to obtain 51% agreement. Participants work to convince one another, it is essentially a battle for the undecided center. Once a majority has been established, the opinions of the minority can be disregarded. This rule is a familiar procedure that is applied to many situations. It gives people and some opportunity to be heard although they may or may not listen deeply to one another. Can be polarizing.
	**Consensus (OR Unanimous Agreement)** The group works to build understanding and a mutually agreeable solution. Depending on the group, every member (or nearly every member) must be able to support a decision. Since everyone has some power to "block" a decision, each participant can expect his or her perspective to be taken into account. This puts pressure on members to work towards mutual understanding. This rule creates shared ownership and responsibility for solutions and implementation. This rule works when participants are mutually interdependent and where minority views matter for the wellbeing of the whole. It can take longer and is more difficult than the other rules. A neutral party can help facilitate for efficiency and fairness.

Adapted from Sam Kaner's Facilitator's Guide to Participatory Decision-Making, 2007

Reaching a Decision By Consensus:

Susan Sparks Many, Organizing for Success: Negotiation Handbook

Consensus Means:

- All participants contribute resources including time, ideas, and information and encourage use of one another's resources and opinions.
- The team has considered a variety of perspectives and views these differences as helpful rather than as a hindrance.
- Everyone has a shared understanding of the issue these from multiple perspectives.
- Everyone has a chance to describe the way the issue impacts him/her.
- In a potential solution, those who disagree propose acceptable modifications with which they would agree. Those who disagree can ask the group for help in making possible modifications.
- Those who continue to disagree see the will of the group and indicate that they are willing to go along or try a solution for prescribed period of time. Consider balanced ways to monitor the impact of the decision if implemented and revise the solution later using this data.
- **All share in the final decision and recommendation. The group can agree that the solution is the result of their best, creative problem solving even if the end result is still imperfect.**

Values and Behaviors For Reaching Consensus

- We balance power and create shared ownership by providing time and opportunity for investigation, reflection and dialogue
- We value clarity and explicit communication
- We use interactive processes to support our effectiveness.
- We share how to arrive at decisions with the entire group and describe when and how we will make decisions.

Consensus Doesn't Mean:

- Everyone thinks the end idea is perfect.
- Simply giving in. Reservations and concerns need to be voiced so the group can consider creative alternatives.

Tools for "temperature checks" for consensus around idea- "Testing the Will of the Group"

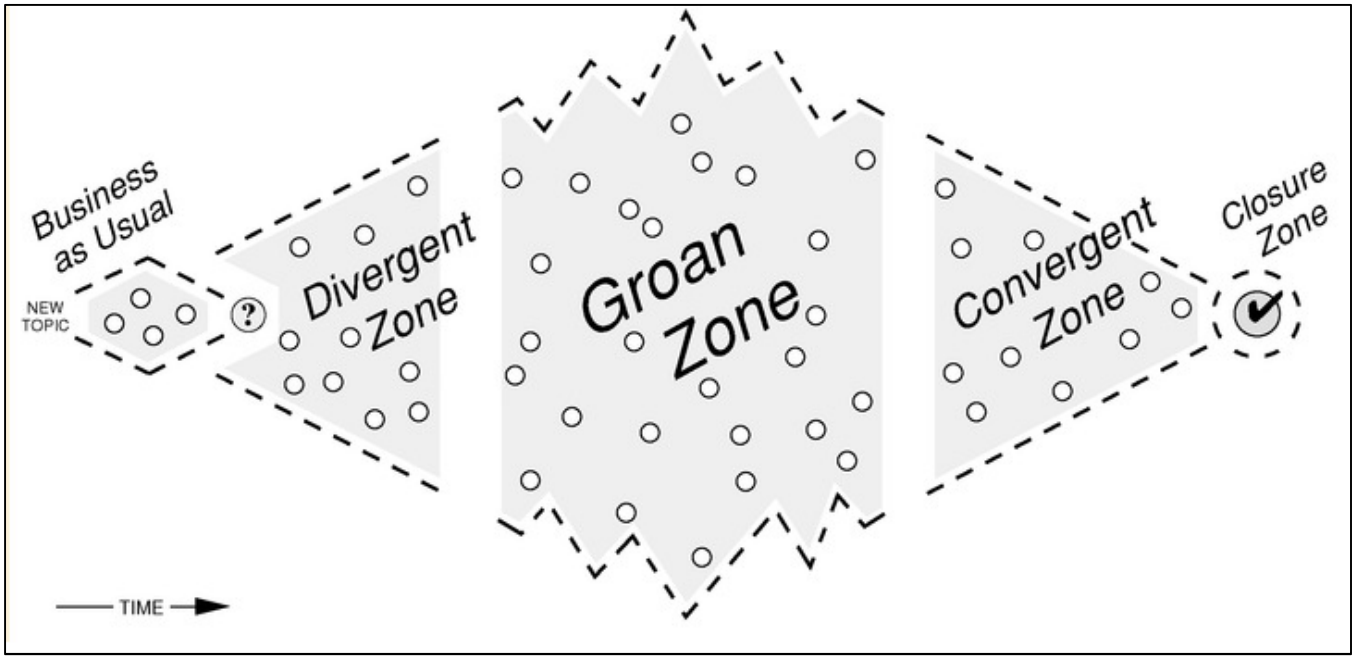
YES	**SO-SO**	**NO**
Although this may not be my first choice I support it. This solution meets our criteria and satisfies as many interests as possible at this time.	I have some reservations or would like more discussion and/or minor adjustments. I will not block this decision if it's the will of the group.	I'm struggling. I need to talk about this more before I can consider supporting it.

Possible "Thresholds" for Consensus Based Decision-Making

1. **Unanimous Agreement**- 100% of the team says "yes" (green).
2. **Agreement**- The vast majority of the group is in support. A small portion (1-3 members) feel "so-so" (yellow) about the solution but are willing to support the will of the group.
3. **Partial Agreement**- Possible thresholds include:
    a. 85% or more of the group supports the idea. 15% of the group may feel "so-so" (yellow) or oppose (red) the solution. The group cannot come up with any acceptable modifications to improve the solution.
    b. 66% or more of the group supports the idea. 33% of the group may feel "so-so" (yellow) or oppose (red) the solution. The group cannot come up with any acceptable modifications to improve the solution.
    c. A simple majority of the group supports the idea. The remaining group members may feel "so-so" or oppose the solution. The group cannot come up with any acceptable modifications.
4. **Considered Without Agreement-** The idea has been considered but less than half the group can support the idea going forward.

Diamond of Participatory Decision-Making

AKA: Why making decisions in a group is so darn difficult!



Sam Kaner, Lenny Lind, Catherine Toldi, Sarah Fisk and Duane Berger.
The Facilitator's Guide to Participatory Decision-Making, 2011

Phase	Characteristics	Needs
Business As Usual	People propose "obvious" solutions to obvious problems. Tone of the conversation is often friendly but superficial. Some needs may be overlooked in quick solutions.	Test for agreement. If the solution actually does work for everyone, great! If not, probe to understand the situation more deeply and explore other options.
Divergent Zone	Curiosity and discovery. Exploration of perspectives and experiences.	Deep listening and suspended judgment. To really understand a topic, people have to be able to speak freely and feel heard.
Groan Zone	Competing frames of reference. Individuals have to wrestle with foreign concepts. Frustration, confusion, anxiety, and exasperation are common.	Patience, perseverance, tolerance. Stay open to different perspectives and creative solutions. The wisdom to solve the problem will emerge from the group!
Convergent Zone	People understand each other and find inclusive alternatives. Ideas can be synthesized and refined. The team feels a shared sense of imagination, focus, eagerness, and clarity.	Creativity and inclusive thinking help the group early on. As the team gets closer to a decision point, it will need increasing clarity.
Closure	Team experiences high levels of suspense, alertness, satisfaction, and completion.	Clear decision-making rules.

Communication Skills For Collaboration

1. Pausing
Pausing before responding or asking a question allows time for thinking and enhances dialogue, discussion, and decision-making.

2. Paraphrasing
Using a paraphrase starter that is comfortable for you – "So…" or "As you are…" or "You're thinking…" – and following the starter with an efficient paraphrase assists members of the group in hearing and understanding one another as they converse and make decisions.

3. Posing Questions
Two intentions of posing questions are to explore and to specify thinking. Questions may be posed to explore perceptions, assumptions, and interpretations, and to invite others to inquire into their thinking. For example, "What might be some conjectures you are exploring?" Use focusing questions such as, "Which students, specifically?" or "What might be an example of that?" to increase the clarity and precision of group members' thinking. Inquire into others' ideas before advocating one's own.

4. Putting Ideas on the Table
Ideas are the heart of meaningful dialogue and discussion. Label the intention of your comments. For example: "Here is one idea…" or "One thought I have is…" or "Here is a possible approach…" or "Another consideration might be…".

5. Providing Data
Providing data, both qualitative and quantitative, in a variety of forms supports group members in constructing shared understanding from their work. Data have no meaning beyond that which we make of them; shared meaning develops from collaboratively exploring, analyzing, and interpreting data.

6. Paying Attention to Self and Others
Meaningful dialogue and discussion are facilitated when each group member is conscious of self and of others, and is aware of what (s)he is saying <u>and</u> how it is said as well as how others are responding. This includes paying attention to learning styles when planning, facilitating, and participating in group meetings and conversations.

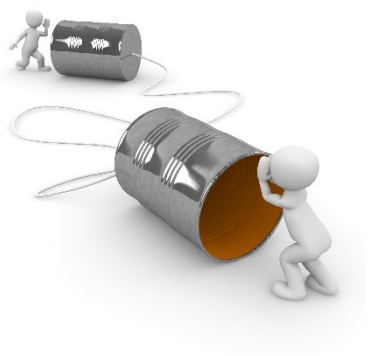
7. Presuming Positive Intentions
Assuming that others' intentions are positive promotes and facilitates meaningful dialogue and discussion, and prevents unintentional put-downs. Using positive intentions in speech is one manifestation of this norm.

© Center for Adaptive Schools

"Human conversation is the most ancient and easiest way to cultivate the conditions for change – personal change, community, and organizational change." Margaret Wheatley (2002)

Listening: What does an effective listener say and do?

Paraphrasing: A rewording of the thought or meaning expressed in something that has been said or written.



Principles of Paraphrasing

- Attend fully.
- Listen with the intention to understand.
- Capture the essence of the message.
- Reflect the essence of voice, tone, and gestures.
- Make the paraphrase shorter than the original statement.
- Paraphrase before asking a question.
- Use the pronoun "you," instead of "I."

Garmston & Wellman. (1999). The Adaptive School: A Sourcebook for Developing Collaborative

Norms for Dealing with Conflict:

- Breathe deeply. Conflict is a natural outcome of working together.
- Stay focused on one issue at a time.
- One person speaks at a time. Don't interrupt. Create space for understanding.
- Listen to understand. Use paraphrasing, pausing, and probing. Take time to really hear (and demonstrate your understanding of) the other side's perspective before stating your own.
- All voices are respected and heard. Remember that each person's perspective is that person's truth.
- Notice your own behaviors of advocating or inquiring.
- Pay attention to and listen for interests. Ask, "What's the interest behind this idea?" to help uncover potential common ground.
- Be hard on problems but easy on the people. Focus on issues, not personalities.
- Call for a time-out if needed. Don't continue the conversation at the break.
- Maintain norms of confidentiality. What is said in the room stays in the room.
- Look for common ground and possible areas of agreement.

Inquiry and Advocacy

Inquiry
Inquire into others' ideas, listen, request more information.

The Structure of Inquiry

- Ask others to make their thinking visible
- Use non aggressive language and approachable voice
- Use pattern of pause, paraphrase, pause and probe
- Use exploratory language
- Inquire about values, beliefs, assumptions
- Explain your reason for inquiring
- Invite introspection

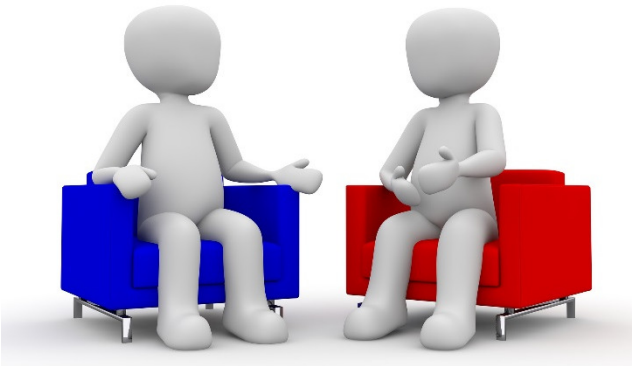
Advocacy
Verbal statement for a cause or position, promote

The Structure of Advocacy

- Make your thinking and reasoning visible
- State your assumptions
- Describe your reasoning
- Describe your feelings
- Distinguish data from interpretation
- Reveal your perspective
- Frame the wider context that surrounds the issue
- Give concrete examples

Graceful transitions from Inquiry into Advocacy

- Here is a related thought…
- I hold it another way…
- Hmmm, from another perspective…
- An additional idea might be… An assumption I am exploring is…



Adapted from Garmston, R. & Wellman, B. The Adaptive School: A Sourcebook for Developing Collaborative Groups, Christopher-Gordon Publishers, Inc. Norwood, MA. 2009.

Quotes to ponder…

"In one of our concert grand pianos, 243 taut strings exert a pull of 40,000 pounds on an iron frame. It is proof that out of great tension may come great harmony." -- Theodore E. Steinway

"Conflict isn't negative, it just is." -- Thomas Crum

"Under normal conditions, most people tend to see what they want to see, hear what they want to hear, and do what they want to do; in conflicts, their positions become even more rigid and fixed." – Marc Robert

"Embracing conflict can become a joy when we know that irritation and frustration can lead to growth and fascination." -- Thomas Crum

"It is hard to change our point of view in a conflict. Most often, it is because we are not nearly as interested in resolving the conflict and possibly creating a new 'pearl' as we are in being right." -- Thomas Crum

"In a conflict, being willing to change allows you to move from a point of view to a viewing point – a higher, more expansive place, from which you can see both sides." -- Thomas Crum

"Conflict is inevitable, but combat is optional." -- Max Lucade

"Conflict is the gadfly of thought. It stirs us to observation and memory. It instigates to invention. It shocks us out of sheep like passivity, and sets us at noting and contriving." – John Dewey

"You can't shake hands with a clenched fist." -- Indira Gandhi

"Peace is not the absence of conflict but the presence of creative alternatives for responding to conflict -- alternatives to passive or aggressive responses, alternatives to violence." -- Dorothy Thompson

"It is not necessary to understand things in order to argue about them." -- Pierre Beaumarchais

"Beautiful light is born of darkness, so the faith that springs from conflict is often the strongest and the best." -- R. Turnbull

"Conflict can be seen as a gift of energy, in which neither side loses and a new dance is created." -- Thomas Crum

"Through conflict we get to unity." -- Dean Tjosvold

"Our lives are not dependent on whether or not we have conflict. It is what we do with conflict that makes the difference." -- Thomas Crum

Susan Sparks Many, Organizing for Success: Negotiation Handbook

To be of use

The people I love the best
jump into work head first
without dallying in the shallows
and swim off with sure strokes almost out of sight.
They seem to become natives of that element,
the black sleek heads of seals
bouncing like half-submerged balls.

I love people who harness themselves, an ox to a heavy cart,
who pull like water buffalo, with massive patience,
who strain in the mud and the muck to move things forward,
who do what has to be done, again and again.

I want to be with people who submerge
in the task, who go into the fields to harvest
and work in a row and pass the bags along,
who are not parlor generals and field deserters
but move in a common rhythm
when the food must come in or the fire be put out.

The work of the world is common as mud.
Botched, it smears the hands, crumbles to dust.
But the thing worth doing well done
has a shape that satisfies, clean and evident.
Greek amphoras for wine or oil,
Hopi vases that held corn, are put in museums
but you know they were made to be used.
The pitcher cries for water to carry
and a person for work that is real.

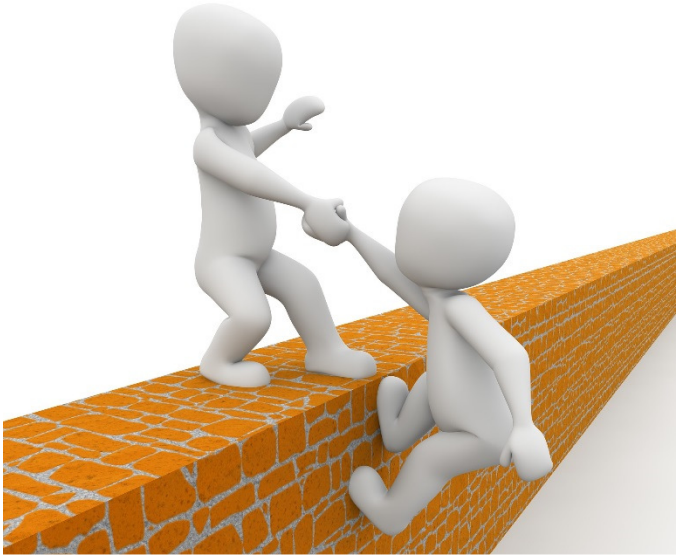
Marge Piercy from *Circles on the Water*

Acknowledgements

I am indebted to the mentors and colleagues who have established and refined best practices for collaborative problem solving. Beyond their contributions to the best practices in this handbook, they have mentored and guided me in my own journey to implement them and continue to innovate for improvement.

Thanks to Annie Bentz, Anita Engiles, Carrie Hetzel, and Jon Townsend for giving me a sound foundation in listening, reframing, and gently challenging parties to keep working. Thank you to Dean Michael Moffitt and Professors Jennifer Reynolds and Elizabeth Tippett of the University of Oregon School of Law.

Finally, thanks to Susan Sparks Many for setting me on this path as an eager participant in negotiations and then welcoming me to it as a colleague and thought partner in facilitation.



Appendix B: Wicked Problem Mindset

FEATURE *By Martín Carcasson, Colorado State University Center for Public Deliberation*

TACKLING WICKED PROBLEMS THROUGH DELIBERATIVE ENGAGEMENT

A REVOLUTION IS BEGINNING TO occur in public engagement, fueled by the growing distrust and cynicism in our communities, the increasing limitations of more traditional communication models and problem-solving processes that are no longer up to the task, and the growing realization that we can do much better. Currently, there are two dominant models of public problem-solving: One focuses on expertise, the other on advocacy.

Communities often have significant resources for expert problem-solving, including municipal staff, as well as ample capacity for adversarial politics, such as the trappings of partisan party politics, interest groups (which can now spring up overnight due to social media), and influential activists. Such experts and activists are critical resources for community problem-solving, but they are not sufficient, particularly for the growing class of problems that practitioners have labeled "wicked problems."

In important ways, over-reliance on experts and advocates can often make tackling these problems even more difficult, fueling a negative feedback loop of the polarization, cynicism, and apathy that have unfortunately come to define our political culture.

The age of wicked problems

Wicked problems have no technical solutions, primarily because they involve competing underlying values and paradoxes that require either tough choices between opposing goods or innovative ideas that can transcend the inherent tensions. Addressing them well also often requires adaptive change — changes in behavior or culture from a broad range of potential actors — that neither expert nor adversarial processes tend to support.

Wicked problems cannot be solved through research, particularly research that attempts to divide them into manageable, disciplinary parts. Research certainly can provide more clarity about the tough choices that need to be made, but cannot make those choices self-evident. Adversarial tactics, especially those that rely on strategic communication framed around narrow key values and "good-versus-evil" or "us-versus-them" frameworks, often create mutual misunderstanding and undue polarization, and tend to make wicked problems even more diabolical, primarily because they often avoid the reality of tough choices and rely on magic bullets or affixing blame for the problem on opposing devil figures. Such tactics are simplistic and counterproductive to community problem-solving.

Wicked problems actually cannot be "solved" in the sense that a solution can be implemented that would serve in the long term to overcome the tensions. The inherent tensions between key American values such as individual responsibility, equality, justice, safety, and freedom for current and future generations cannot be resolved — only negotiated in better or worse ways. Likewise, the tensions between economic, environmental, and social goods will always be uneasy. Every complex issue has its own set of underlying competing values. Taken one at a time, each value is generally broadly supported, but the issue is not whether people hold particular individual values or not (is anyone really "anti-freedom" or "anti-safety"?), it is how they rank the values and address the tensions among them. Unfortunately, public discourse hardly ever focuses on the tensions, which are the real issue. Instead, we tend to hear disconnected voices narrowly espousing the different values talking past each other.

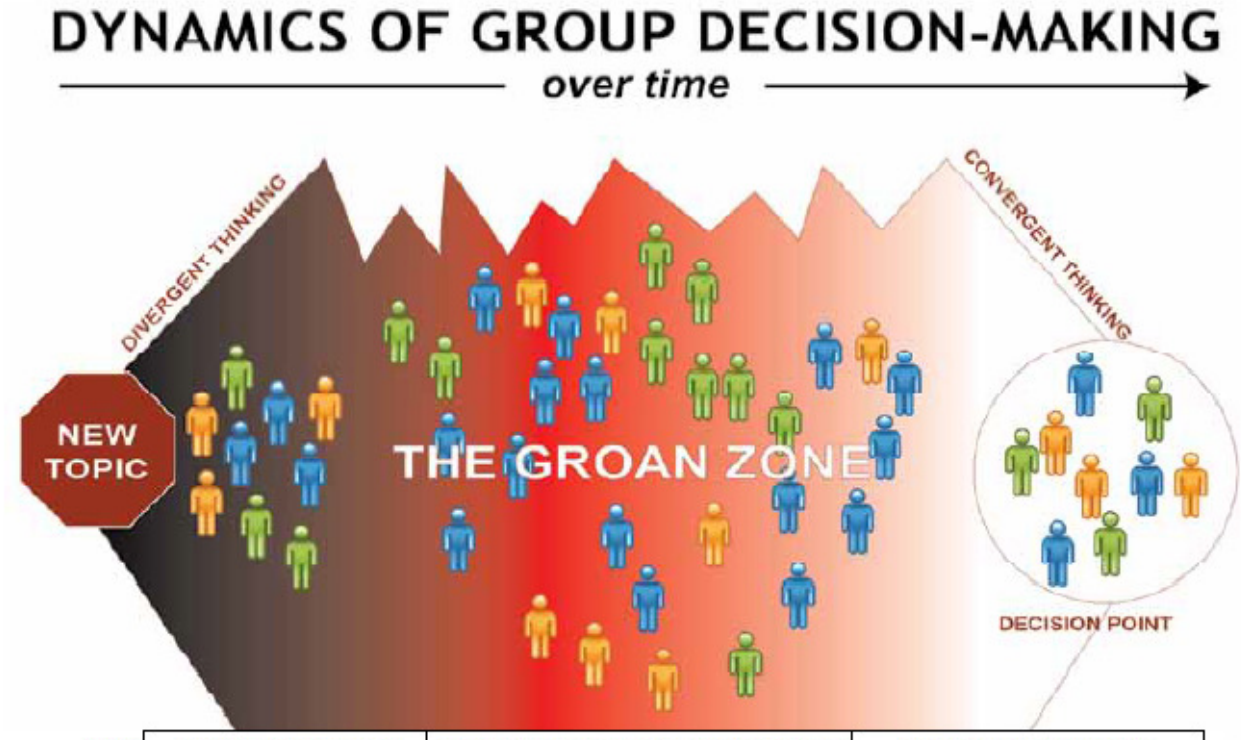
Addressing wicked problems calls for a third type of public problem-solving: *deliberative engagement*. Deliberative

engagement begins with the recognition of the underlying values inherent to public problems, and focuses on developing mutual understanding and genuine interaction across perspectives, which then provides a base to support the constant adjustment, negotiation, and creativity required to tackle wicked problems. This constant process of adjustment represents the essence of a 21st-century democracy. Such a perspective envisions democracy as an ongoing collaborative process of constant communication and negotiation focused on solving common problems, rather than an adversarial zero-sum exercise between stable, competing interests, or a technocratic world of experts searching for the best solutions. It offers a much more effective model to address wicked problems and handle the complexities of diverse democracies, but it requires rather extensive community capacity as well as a cultural shift away from an over-reliance on either expert or adversarial processes. Said differently, such a vision requires high-quality communication about difficult issues, and the current quality of our public communication and civic engagement often falls woefully short. The bottom line is that due to the prevalence of wicked problems, the quality of our local communities will be directly related to the quality of our public discourse, and we know of much better ways to handle public discourse.

Working through "The Groan Zone"

Consider, for example, the work of Sam Kaner and his associates, who developed the "diamond of group decision-making" in their *Facilitator's Guide to Participatory Decision Making*. They argued that ideally a difficult decision-making process must go through three stages, each with its own barrier to overcome and strategy for engagement (see below).

The first stage calls for divergent thinking. Too often, processes squelch dissent or do not allow enough voices in the room, and decisions are therefore weakened as *false consensus* can develop. Or publics are engaged too late, so the issue is already artificially narrowed. To defend against that, municipalities need processes that can help ensure sufficient divergent thinking from the beginning. The good news is that there are currently plenty of community resources to support this stage. Whether it is citizen comment during city council meetings, public hearings, emails to lawmakers, local newspapers, or the growing number of blogs, the free speech tradition in the United States tends to naturally allow for broad divergent thinking. Whether decision-makers fairly consider all the voices may be a different story, but the main point here is that currently most communities handle this stage adequately.



Stage	DIVERGENT THINKING	WORKING THROUGH "THE GROAN ZONE"	CONVERGENT THINKING
Barrier to overcome	False consensus	False polarization	Paralysis by analysis
Engagement strategy	Public input, citizen comment, focus groups, surveys, email	Dialogue and deliberation; structured, small group discussions	Prioritization, innovation, collaborative planning

Municipalities should consider three ways to build deliberative capacity: increase the deliberative nature of internal city processes; work to make official city public engagement processes more deliberative and interactive; and help build capacity within the broader community.

The problem is that if you successfully allow sufficient divergent thinking, you face the problem of having many voices and perspectives in play, which can be difficult to handle. Kaner aptly labeled this "The Groan Zone." The second stage — *working through the groan zone* — requires a very different form of communication than the first. People need to interact and listen to each other. They need to develop an understanding of the issue as a wicked problem. They need to ask good questions, and be provided with good information that frames the issue productively. Most importantly, they need to engage the tensions, and struggle with the best way to address them.

Without sufficient interaction and understanding among broad perspectives, the pitfall of *false polarization* can occur. Public discourse becomes a loud cacophony of voices with everyone shouting, but no one listening. Unfortunately, the dominant public engagement processes communities often rely on tend to work pretty well for divergent thinking, but very poorly for working through. How much listening or productive interaction occurs during citizen comment? At public hearings? Open houses? Online? How many genuine conversations are sparked where real learning occurs?

Working through tends to require smaller groups, ideally arranged in a circle, working with a facilitator and through material specifically prepared to nurture deliberative engagement. It also tends to require engagement earlier in the process, so participants can be a part of framing the problem itself and discovering potential treatments, rather than simply supporting or opposing a specific solution. Such engagement requires more preparation and a broad range of skill sets, such as issue framing, convening, process design, and facilitation. It also requires that organizers give up some control of the message, symbolizing what the International Association of Public Participation has termed the move from PR (public relations) to P2 (public participation).

A third obstacle can arise on the back end of the groan zone. The third stage — *convergent thinking* — requires people to prioritize, work toward a decision, and move to action. Once understanding begins to develop during the working-through stage, participants let go of their simplistic "good versus evil" frames and recognize the inherent complexity of the issue. Such learning also has the effect of making decision-making more difficult. Groups can now fall into *paralysis by analysis*. One advantage of simplistic frames is that they motivate behavior and keep people engaged. Without such a frame, the move to action is much more difficult, but we cannot simply talk forever. This third stage thus requires a set of engagement processes that can help communities react to the tensions by prioritizing, innovating, and sparking collaborative action. Recall that wicked problems often require adaptive changes from a broader range of actors. Ideally, the convergent stage includes many of those actors, and opens up discussion to creative means that cut across individual, public, private, and nonprofit lines.

Application to municipal governance

Due to the reality of wicked problems, communities need to build capacity for deliberative engagement to assist with all three stages. Municipal government is obviously a key player in such capacity, but due to the nature of wicked problems, the conversation must also range beyond them. Policy changes and city budget allocations are only a couple of options in a vast range of potential actions to address wicked problems; therefore, conversations need to be framed much more broadly than "What should city government do?" Municipalities should consider three ways to build deliberative capacity: increase the deliberative nature of internal city processes; work to make official city public engagement processes more deliberative and interactive; and help build capacity within the broader community.

The first shift would impact both council deliberations and how municipal staff researches, infusing both with a recognition of wicked problems, a recognition of the limits of expert and adversarial models, and the need for robust deliberation. Many cities and towns may already do this well. Indeed, some councils may see themselves as the entity that must "work through" the groan zone and make the tough decisions, not the public. From this perspective, the fact that most public engagement focuses only on the divergent opinion stage — gathering input from multiple sources — is not problematic because the council itself serves as the deliberating body. For many, expecting the public to do the

The challenge to municipalities now will be to build

a culture of engagement in their communities so that they can

attract broader audiences, not just the advocates

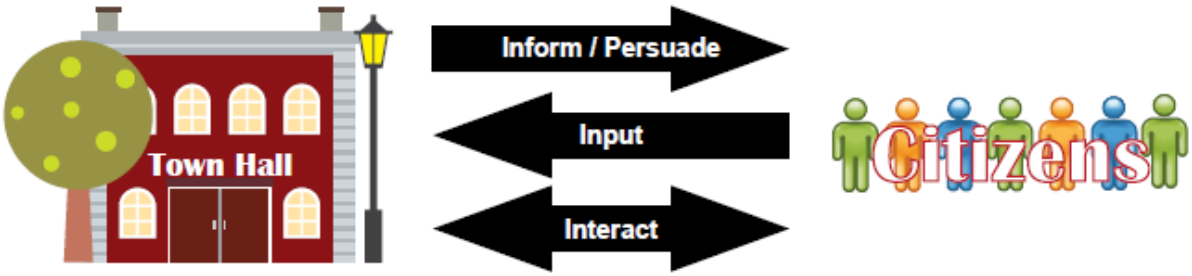
for particular positions.

working through seems unrealistic. In general, this perspective has merit. It is the basis for representative government, and can work on certain issues when the public trusts the council. Due to the wickedness of problems, however, issues arise at all three stages when we leave most of the work to representative bodies, regardless of how well they may deliberate themselves. In the first stage, not enough divergent opinion may be considered by the council if concerted efforts are not made to seek out voices and respect dispersed expertise. At the second stage, if they do not bring the public along during the working-through process, council decisions may not be understood or considered legitimate, especially with polarizing issues. Most importantly, if too much of the heavy lifting is left to experts or the council, the third stage — convergent thinking — is woefully limited. The adaptive changes and broad range of actions so critical to addressing wicked problems require shared responsibility and ownership by the public. Those cannot be dictated to them by the council. If citizens simply provide their opinions on the front end and then hear the final decision on the back end, without going through the groan zone themselves, problems will ensue.

The second shift involves ranging beyond the traditional forms of public engagement that tend to focus on one-way exchanges of information (see below). Public engagement of wicked problems needs to involve a broader range of *stakeholders interacting with each other*, not just given a chance to express their individual opinions. Most traditional forms of engagement primarily attract the usual suspects or those with already entrenched opinions, leaving the vast majority in the middle disengaged. Citizens rarely approach the microphone at council or board meetings or write letters to the editor to explain that they have sympathy for various approaches to the issue and are still trying to work through the implications and negotiate the tensions. Instead, the voices that are heard are those with a clear — but often simplistic and at times scripted by others — view of the matter. Again, alternative voices simply talk past each other without significant interaction or mutual understanding. The challenge to municipalities now will be to build a culture of engagement in their communities so that they can attract broader audiences, not just the advocates for particular positions. The good news is that deliberative engagement has been shown to create a positive feedback loop, increasing trust, decreasing cynicism, and making it more likely that people will return. Involving citizens earlier in the process to help define the issue and imagine potential responses also engages them as problem-solvers and innovators — roles many will relish — rather than simply as supporters or complainers. People are yearning for genuine, meaningful engagement, something that traditional forms of engagement rarely deliver.

The third way to build capacity ranges beyond municipal government. Just shifting official public engagement processes to a more deliberative model is not enough. Addressing wicked problems requires a broad range of treatments, adaptive changes, and collaborations across public, private, and nonprofit lines. Municipal government can therefore serve as a catalyst or a convener of these broader processes, but often they will need to give up some control and simply be part of a broader

TRADITIONAL FORMS OF MUNICIPAL PUBLIC PARTICIPATION



conversation. Fortunately, there has been a growing movement that cities and towns can tap into to build their capacity in deliberative engagement at all three of these levels.

The deliberative democracy movement

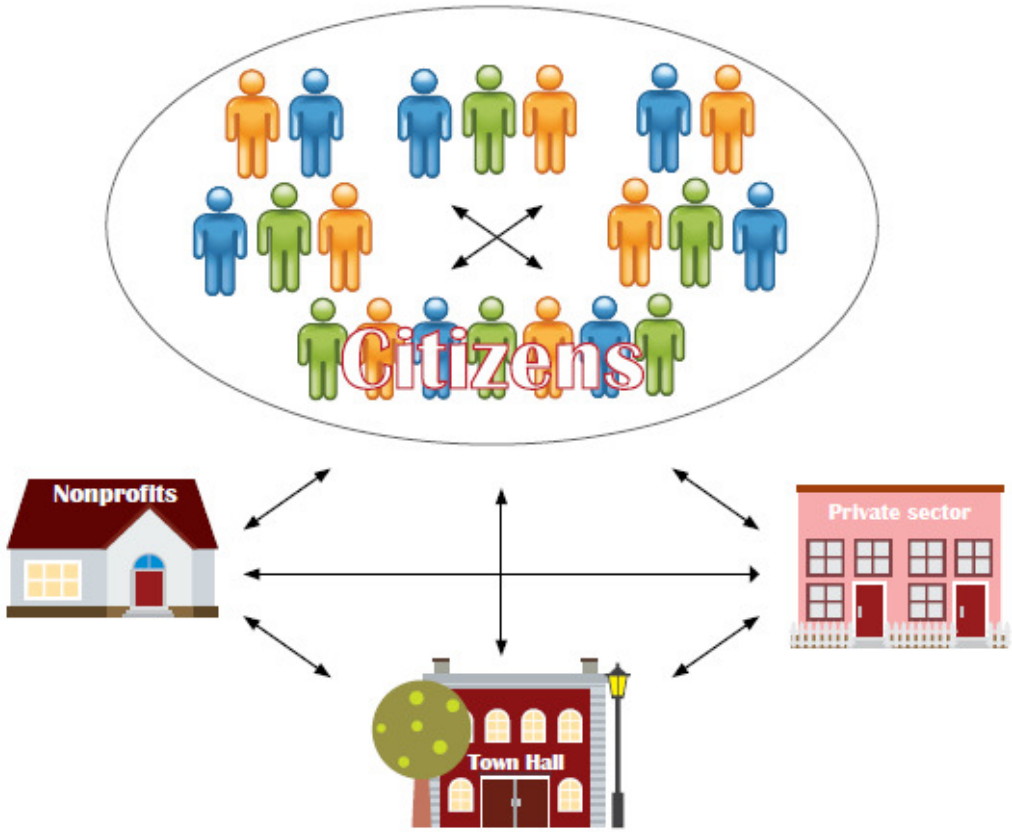
The deliberative democracy movement is a conglomeration of academics, practitioners, civic entrepreneurs, and national and international organizations dedicated to developing the capacity to support deliberative practice and infuse our communities with genuine opportunities to tackle wicked problems, "work through" tough issues, form more nuanced public judgments, and support more inclusive civic action and public policies. These individuals and organizations are essentially resources for "passionate impartiality." They are passionate about democracy, about solving problems, and about improving their communities, but nonetheless take a more impartial, process-oriented, and supportive stance on how that may be accomplished. They are focused on improving the conversation and bringing people together, rather than advocating for particular points of view.

The National Coalition for Dialogue and Deliberation (*www.ncdd.org*) serves as an umbrella organization for this sort of work, while organizations like Public Agenda, the Kettering Foundation, Everyday Democracy, AmericaSpeaks, the International Association of Public Participation, and the Deliberative Democracy Consortium all readily provide useful resources (see author's note at end of article). Numerous trainings are available. The National League of Cities, the Institute for Local Government, and the Alliance for Innovation also have produced material specifically targeted for municipal use. For a list of key deliberative engagement resources for municipalities, visit *www.cpd.colostate.edu/cmlresources.pdf.*

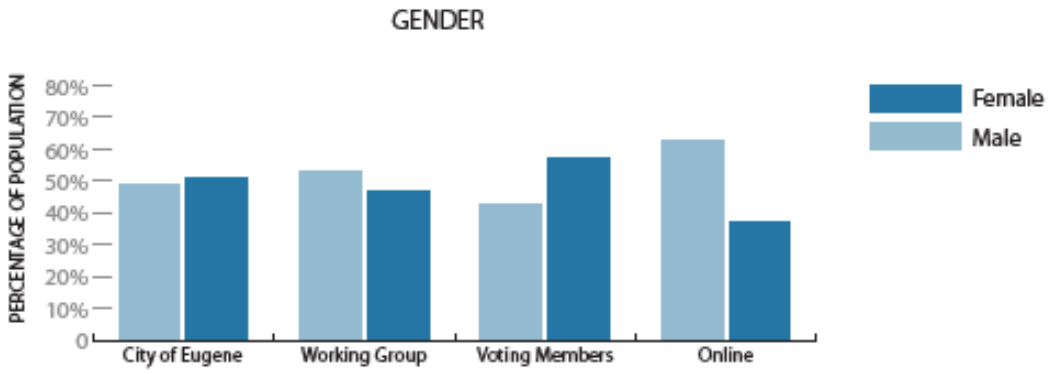
In local communities, there are a number of places where deliberative capacity is being built. Organizations like the United Way, community foundations, and public libraries are often great resources for passionate impartiality. More and more nonprofit firms, such as Civic Results in Denver, provide these services. Lastly, there is a growing number of centers and institutes tied to this work at colleges and universities across the country, such as the Institute for the Common Good at Regis University, and the Center for Public Deliberation at Colorado State University.

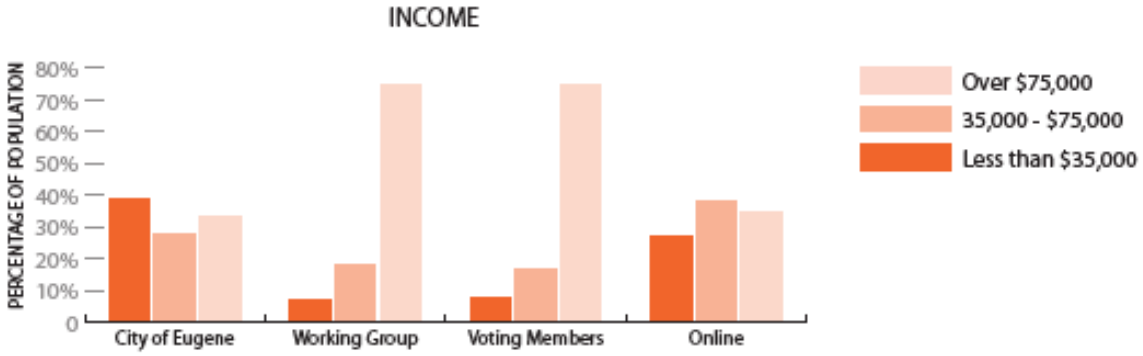
Author's note: I oversee the Center for Public Deliberation (CPD) at Colorado State University (CSU), which trains undergraduate students as small group facilitators, then designs and runs various deliberative projects for local cities, school districts, and community organizations, providing critical capacity for deliberative engagement. We also are partnering with CSU's extension program, as well as other institutions of higher learning, to build such capacity across the state. As the state's land grant university, CSU has a mission to serve Colorado, and the CPD hopes to serve as a statewide hub and resource for deliberative engagement, with the goal of making Colorado the most democratically advanced state in the nation.

DELIBERATIVE ENGAGEMENT: THE NEW PUBLIC PARTICIPATION

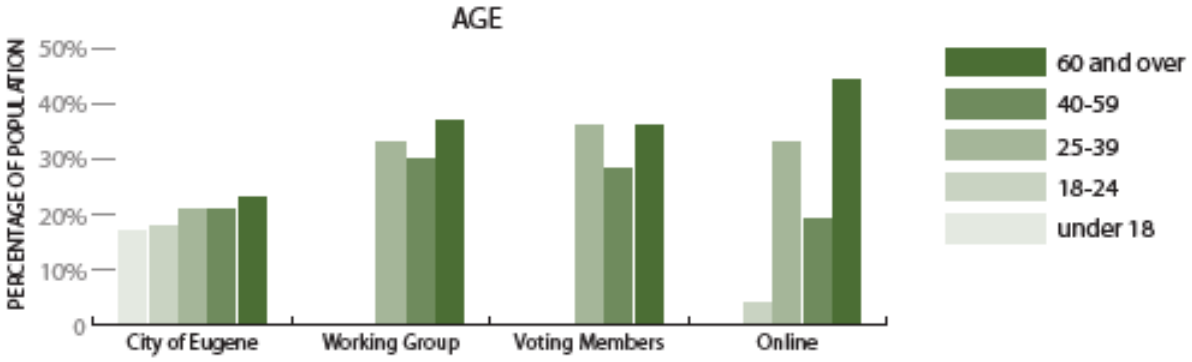


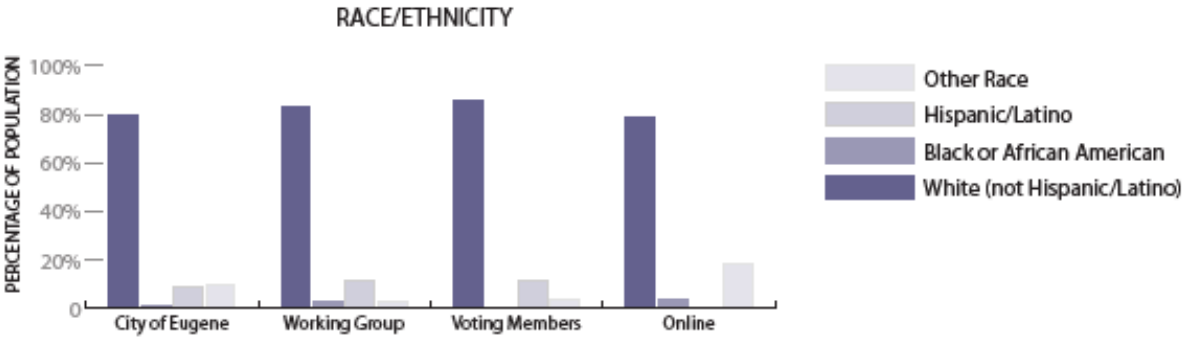
Appendix C: Demographics-Working Group, Voting Members & Online Feedback

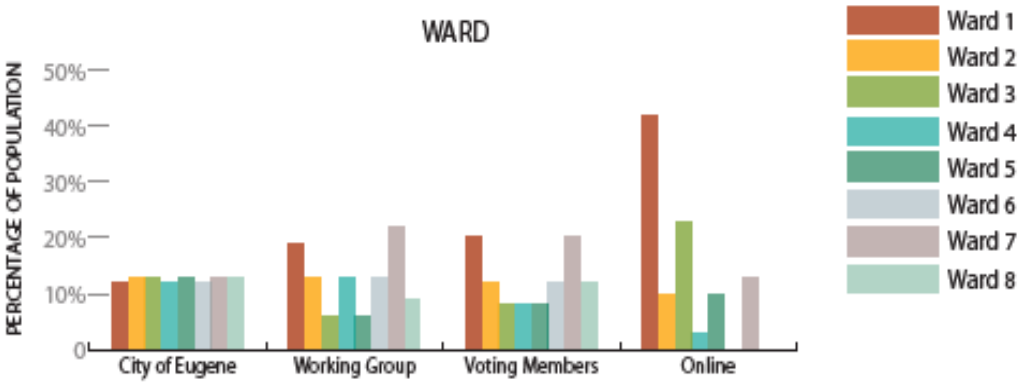




Note: "Online" demographics are an accumulation of all online survey feedback throughout the process.







Note: "Online" demographics are an accumulation of all online survey feedback throughout the process.

Appendix D: Options – Deliberative Framing

How can we increase housing affordability availability and diversity?

While Eugene is consistently ranked as a top place to live, many people struggle to find housing they can afford. Currently, 54% of renters and 32% of homeowners in Eugene spend more than 30% of their monthly income on housing. Approximately 66% of households in Eugene cannot realistically afford to purchase a home. Living outside the City and commuting in for work helps some, but adds to traffic congestion, parking challenges, and increased carbon emissions that negatively impact everyone. How can our community increase *affordability*, *availability*, and *diversity* in Eugene, so individuals and families can better afford to live here?

This handout presents four strategies for deliberation, along with options for implementation.

At the October 4 meeting, the Working Group identified options that mostly fell into 3 main categories, that we will call strategies. You will be asked to consider each one of them, as well as a list of other options that didn't fit into the main strategies.

Strategy	Key	Rationale
1: Remove land use code barriers		To increase housing units while preserving these qualities, land within the Urban Growth Boundary needs to be used more strategically and intensively.
2: Reduce cost and time burden for development of housing units		Builders are key partners in making more housing available. To help them build more, make it easier, faster, and cheaper to build new housing units. Reduce or remove financial and regulatory barriers to housing (reduce fees and streamline processes). With more housing supply to meet the demands of our growing city, costs may not rise so much.
3: Increase inventory of and access to Affordable units		Ensuring that people are safely housed creates a multitude of public benefits including increased public safety, increased wellbeing for children and families, and decreased carbon emissions from out-of-town commuters.
4. Additional options		Some ideas didn't fit into the main strategies, but may still be impactful.

This handout was prepared by Carrie Bennett of Learning Through Difference, LLC in cooperation with Strategic Economic and the City of Eugene For more information about the Housing Tools and Strategies Working Group go to www.eugene-or.gov/3960/housing-tools-and-strategies

Strategy 1: Remove land use code barriers.

Background: Housing Composition in Eugene

- **Eugene's housing stock is largely made up of single-family homes, but it's more diverse than other places in Oregon.** Single family homes are estimated to make up about 55% of Eugene housing units, compared to 63% in Lane County and 64% in the State of Oregon as a whole. Apartments are estimated to make up 26% of housing units in Eugene. "Missing Middle" housing types, such as duplexes, townhomes, triplexes and fourplexes, are estimated to make up just 16% of Eugene's housing stock.
- **The share of apartments has been increasing in recent years, but production of other Missing Middle housing types is lagging.** Permits for new single-family homes in Eugene have made up 34% of all housing unit permits since 2008, while permits for apartments have accounted for 55% of the total. Missing Middle housing types accounted for just 9% of permitted units from 2008-2017. For every Missing Middle unit permitted in Eugene, four single family units are permitted. In addition, permits for ADUs appear to have significantly fallen off beginning in 2015.

What We Heard: Barriers to Providing Diverse Housing Types

Strategic Economics interviewed people with experience developing a range of housing types in Eugene, including larger-scale housing developers, architects and contractors, and "amateur" developers building their first ADU. We also spoke with City of Eugene staff. What we heard:

- **The zoning code is too inflexible.**
- **While the City of Eugene prioritizes Missing Middle housing types in *Envision Eugene* and other long-range planning documents, in practice the City's planning priorities don't translate into enabling Missing Middle units.** The timelines are too long and there are too few financial incentives to build these housing types, which in the end made projects difficult to complete.
- **ADU production is severely impacted by zoning language that is ambiguous and site design requirements that are illogical and arbitrary.** Barriers include:
    - System Development Charges are based on unit count rather than unit size.
    - Design requirements do not take into account constraints on sloped lots, making it very difficult from a design perspective to make an ADU work on a slope.
    - ADUs can only be constructed if the property owner intends to occupy either the primary unit or the ADU. This was viewed as both arbitrary and discriminatory against renters.
    - ADUs cannot be taller than 15 feet, which makes it difficult to add a loft or second story.
    - Parking requirements for ADUs add to costs and can make it difficult to build.

Strategy 1: Remove land use code barriers

Option	Key	Explanation
1. Revise land use code to encourage Accessory Dwelling Units (ADUs) in all single-family zones.		An ADU is a secondary dwelling unit on a single-family residential lot. Sometimes called 'granny flats' or 'mother-in-law units', they include small free-standing units, converted garages, and separate space within the primary unit's structure. The City could encourage more ADU development specifically by removing or altering current regulations that require owner-occupancy of either the primary or accessory unit, an off-street parking space for the ADU unit, minimum lot sizes for a lot to be eligible for an ADU, and other regulations that make it difficult to convert existing structures into an ADU. A state law requires all cities in Oregon to allow ADUs in all single-family zones.
2. Revise land use code to allow Single-Room Occupancy (SROs) by-right in all residential zones.		SROs are single rooms without private kitchens or bathrooms (typically). They are affordable options for individuals with very low incomes. Currently, special permits are required in some zones.
3. Revise land use code to allow for development of more diverse "missing middle" housing types.		The current zoning code limits construction in many residential areas to single-family homes. If someone wants to build something different, they must go through a lengthy and complex land-use application process. One approach is that diverse housing types could be allowed by-right, meaning they are explicitly allowed to be built, and there is not opportunity for the permit to be appealed. Another option to encourage different building types, would be to reduce regulatory barriers such as minimum lot sizes and setback requirements, and simplify requirements for proposals under a certain number of units.
3-A. Enable by-right housing options, including duplexes, triplexes, cottage clusters, and smaller homes on smaller lot sizes in all single-family zones.		
3-B: Enable by-right housing options along key corridors.		
3-C:* Enable more missing middle in green fields or large subdivisions.		Missing middle housing types could be allowed in newly developing areas (greenfields–undeveloped/ vacant land). These types could also be allowed on development sites over a certain size, such as two acres.
4. Revise land use code to ease development standards for adaptive re-use (converting an existing non-residential building—such as a church—into residential).		Current code limits how much you can change the use of existing buildings. Certain rules determine how much space is required between a building and a

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

+ City of Eugene currently does this option, but could expand it.

☑ This option brought forward from Strategic Economics and/or City of Eugene staff

Strategy 1: Remove land use code barriers

Option	Key	Explanation
4-A. Improve the adjustment review process for adaptive re-use.	☑	property line. By changing these rules, builders would have more flexibility in design and construction.
5. Enable more multi-family development along key corridors. (See glossary for a map of Eugene's key corridors.)	Eugene +	Key corridors in Eugene are major roads that provide the backbone of connectivity. They have public transit stops and bring cars and buses from neighborhoods into and out of central areas. They typically include a mix of residential and commercial uses, including retail that serves the surrounding neighborhoods. Current zoning allows for denser residential development on some, but not all, of Eugene's key corridors.
5-A: Create a 'key corridor overlay' (with design standards), which allows multi-family development on all key corridors.		
5-B: Reduce parking requirements for certain multi-family housing types along key corridors		
6. Replace current code with a form-based code.		Traditional zoning codes separate specific uses (commercial, residential, etc.). Form-based codes focus on building form and how the building interacts with the public space (streets and sidewalks) around it. Form-based codes don't regulate what happens inside buildings, only how they look from the outside. Eugene has two form-based codes that apply to specific neighborhoods.
6-A: Create a city-wide form-based code, which would replace the current land use code.		
6-B: Create form-based codes in certain areas.	Eugene +	
7. Remove neighborhood-specific zoning.		Eugene has "special area zones" which allow for or prohibit special land uses in specific areas or neighborhoods.
7-A*: Review, evaluate, and adjust neighborhood-specific zoning.		Several areas of the city include zoning that was developed to apply to only a small portion of the city. Over time, the land use code has grown in size and complexity as more neighborhood-specific or special-area zones were completed. In some cases, these zones include barriers to housing production, such as more specific design and density requirements, that don't exist citywide. A review of these zones, through a code audit, could uncover barriers that would be worthwhile to consider removing. See Option 9.
8. Activate "Opportunity Siting" Program.		The City's Opportunity Siting Program was envisioned to proactively identify sites for multi-family development. It could increase successful multi-family housing in certain areas through collaborative design review (directly involving Neighborhood associations in the approval process) and apply incentives such as a density bonus or SDC reductions to those sites. In 2009, the Opportunity Siting task team made recommendations for this program.

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

Eugene City of Eugene currently does this option

Eugene + City of Eugene currently does this option, but could expand it.

☑ This option brought forward from Strategic Economics and/or City of Eugene staff

Strategy 1: Remove land use code barriers

Option	Key	Explanation
9. Complete land use code audit of *regulatory* barriers to housing.	Eugene ☑	An audit will identify barriers that are regulatory (i.e., size of setbacks). City received a state grant to conduct audit and is in process to get contract finalized.
10. Scrap the zoning code.		Remove all regulations regarding what can be built where.
10-A*: Re-write the zoning code.		It would be a monumental undertaking to re-write the entire zoning code. The end outcome could be as minor as changes to the code suggested as options throughout Strategy 1 or as comprehensive as changing to a citywide form-based code (Option 6)
11. Align Zoning map with Comprehensive Plan map (currently *Metro Plan's* Plan Diagram).	☑	The Comprehensive Plan map shows the intended future use of land in Eugene. The Zoning map shows what is currently allowed. The two maps are inconsistent as they were created at different times and have different levels of specificity; typically, the Zoning map allows less density than the Comprehensive Plan map. A builder must go through a land use process, a zone change, to build a structure that is allowed by the Comprehensive Plan, which adds cost, time, and uncertainty to the development process.
50*: Add pre-approved ADU plans.		ADUs can be built in a variety of styles and shapes to fit different lots in Eugene. A set of building plans for different styles could be developed and pre-approved by the City, reducing time and cost for individual property owners who would like to build an ADU. This option would likely have a small impact on the overall housing need, but would be a likely benefit to some individuals who want to build an ADU.
52*: Allow for additional housing units on major streets.		This is similar to Options 3a, 3b, and 5a, but would expand housing options on major streets that are not key corridors, for example Hilyard, 24th, Irvington, or Harlow. The additional housing types allowed could be duplexes, triplexes, fourplexes, rowhouses, cottage clusters, small apartments, or any subset of these options.
53*: Revisit/revise land use code to allow for more tiny homes/tiny communities.		Collections of tiny homes such as Emerald Village are restricted in where they may be placed, and must go through an appealable land use process such as a Planned Unit Development (PUD). A tiny home ordinance could be created that allows tiny homes or

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

+ City of Eugene currently does this option, but could expand it.

☑ Thing commission/Agenda Packet for 12/10/18 economics and/or City of Eugene staff

Strategy 1: Remove land use code barriers

Option	Key	Explanation
		tiny home communities (typically under 400 square feet) in more places and with less process. As single-family detached units, tiny homes consume more land per unit than multi-story dwelling units and require individual water and sewer connections, which can be costly.

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

+ City of Eugene currently does this option, but could expand it.

☑ This option brought forward from Strategic Economics and/or City of Eugene staff

Strategy 2: Reduce cost and time burden for development of housing

Background

In Eugene low vacancy rates for both rentals and ownership properties reflect strong demand for housing, and trends show production of some housing types has declined over the last several years. This decline is especially true for apartment projects and ADUs. It's not completely clear what has caused the drop-off, but barriers to housing production cited by developers in Eugene include:

- City fees, project delays and uncertainty in the City process caused by appeals, and
- High costs for building material, labor, and land.

The City can play a role in reducing or removing financial and regulatory barriers to housing, but tradeoffs include City revenues and financial resource constraints since fees imposed on new development provide revenue for Eugene's utility, transportation, and park networks, and for the fiscal sustainability of city service delivery. It should be noted that Eugene already waives System Development Charges for Affordable housing developments and has a centralized "one-stop-shop" model for all permitting requests.

What We Heard: Costs of Development

Strategic Economics interviewed developers and City of Eugene staff to understand costs and processes. What we heard:

- **Under current conditions it is very difficult to make a reasonable return building Missing Middle housing types, which is one reason why very few of them are being built.** Some developers are delivering these more innovative housing products under current regulations because they're personally invested in the end result (ex: building an ADU for a family member) or because their moral interest in delivering the product type outweighs the fact that the project resulted in a limited return or financial loss for them.
- **Building permits for townhome projects take too long.** Townhome permits and subdivision requirements are cumbersome and cause costly delays.
- **The Planned Unit Development (PUD) process has the potential to significantly delay projects.**
- **The Planned Unit Development (PUD) and appeals processes add delays and cost to multifamily developments with three or more units in many cases.** A PUD process is required of projects with 3 or more units in areas zoned "low-density residential" (R-1) in most cases. This process opens the project up to public appeal. Similarly, an adjustment makes a project appealable by the public.
- **SDCs for ADUs and other Missing Middle housing types are not scaled on building size.** Developers noted that SDC and permitting fees, along with EWEB requirements that each unit have separate water meters and sewer hookups, add significant costs to unit types that do not have the same revenue potential as single family.
- At least one developer noted a specific project that would not have worked without the Multi-Unit Property Tax Exemption (MUPTE) benefit.

Strategy 2: Reduce cost and time burden for development of housing

Option	Key	Explanation
12. Adjust System Development Charges (SDCs) program to reduce development costs for market-rate housing that are smaller and lower cost.		SDCs are fees imposed on new development. In Eugene, new development pays SDCs for transportation, parks, wastewater, stormwater, and water (water SDCs are collected by EWEB). A new development imposes new costs on these infrastructure systems. For example, a new 50-unit residential building will use capacity at the wastewater treatment facility. The treatment facility will not expand to accommodate that individual development, but it will add capacity in the future when enough new development has used up all existing spare capacity. The SDC is designed to cover the proportional cost of new construction. The City is in the process of updating the Transportation SDC, and staff have recommended that it have a lower fee for multi-family housing in the downtown and along key corridors.
12-A: Delay the collection of SDCs until a property is ready to receive its certificate of occupancy.		
12-B: Reduce SDCs for multi-family developments in the downtown and along key corridors.	☑	
12-C: Reduce SDCs for ADUs.	☑	
12-D. Reduce SDCs for all "missing middle" housing types.	☑	
12-E*: Place a cap on the SDC waiver.		
12-F*: Scale SDCs to the size and impact of what's built.		
13. Revise the land use appeal process, with shared costs for recovery of legal fees by the prevailing party.		Eugene's land use code allows any party to appeal a land use decision. If a housing project requires a land use application, there is an opportunity to appeal that decision. The appeal process adds time, legal fees, and uncertainty for the developer. The City's local laws allow for reduced appeal fees from the appealing party if it is a City-recognized Neighborhood association but only for decisions made at the local level (at the Hearings Official and Planning Commissions levels). The appealing party covers their own legal fees. The developer must cover legal fees, without any cost reduction, to defend the appeal. There are no negative financial consequences for the appealing party if the appeal has no legal merit.
14. Revise the Multi-Unit Property Tax Exemption (MUPTE) program for market-rate housing.	Eugene ☑	Eugene has a property tax exemption program that allows new multi-family units (5 or more units) to be exempt from property taxes on the value of new residential construction for up to 10 years. The MUPTE lowers the new development's operating costs, which could impact the financial feasibility. The property
14-A. Extend the MUPTE boundary to include key corridors (see glossary).	☑	

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

Eugene City of Eugene currently does this option

Eugene+ City of Eugene currently does this option, but could expand it.

☑ This option brought forward from Strategic Economics and/or City of Eugene staff

14-B. Simplify the criteria that must be met to receive an exemption.	☑	continues to generate taxes for the land value during the exemption period. The program is currently available in the downtown, but its boundary has shifted over the last 3 decades. The program currently requires the applicant show the development has green building features, makes a 'moderate income housing' contribution, shows that local subcontractors are being considered for use, and that the project would not be financially feasible without the property tax exemption.
15. Improve the Clear and Objective standards.	Eugene +	Eugene's land use code includes a "Clear and Objective" path to approval for land use applications for housing. This is a set of approval criteria that are intended to be objective and measurable, which is useful for straightforward developments that don't require flexibility. The City is working in 2018 to revise the Clear and Objective housing approval criteria to ensure they are working effectively and efficiently.
16. Streamline/speed up the permitting process. Prioritize staff dedicated to the building and land use permitting processes for certain housing types.	☑	The City issues land use and building permits in the order the applications come in. The time required to review and approve a permit depends on the volume of applications and staff capacity. To reduce the approval time for missing-middle types, the City could explicitly move those applications to the 'front of the line.' This would move other non-prioritized projects further back in the line.
17. Advocate to change Oregon law to reduce liability requirements for condominium projects.		Current liability laws for faulty construction for condominiums (that is, owner-occupied multi-family) are viewed by developers as onerous. They have increased the cost of insurance and developer risk for ownership multi-family projects, which results in less development.
18. Complete land use code audit of *process* barriers to housing production.	Eugene ☑	An audit will identify barriers that stem from processes, such as allowed appeals. The City received a state grant to conduct an audit and is in process to get the contract finalized.
19. Provide funding assistance to connect infrastructure to residential land identified in Eugene's Buildable Lands Inventory.	☑	Eugene's Buildable Land Inventory was an analysis of land identified as 'developable' in Eugene. Some of these parcels are not served by urban infrastructure (such as roads, water, and sewer). The cost to serve some of the areas is so large that it makes development uneconomical.

51*: Change state law regarding SUPTE		Single Unit Property Tax Exemption. A property tax exemption for new single-family development, similar to MUPTE, Option 14. State laws allow the City to enact a property tax exemption for multi-family housing; it does not allow an exemption for single-family housing.

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

+ City of Eugene currently does this option, but could expand it.

☑ This option brought forward from Strategic Economics and/or City of Eugene staff

Strategy 3: Increase inventory of and access to Affordable Housing.

Background Information: Defining Housing Affordability in Eugene

Housing is generally considered "affordable" if monthly housing costs account for 30% or less of a household's income. For households that cannot afford market-rate housing, federal, state, and local governments may provide assistance in two ways:

- **Government subsidies:** Several government funding sources provide funding to cover the gap between what qualifying households can pay, and the cost of providing Affordable housing. In general, new Affordable housing development requires a contribution from a local government in addition to state and federal funding. Most subsidies target households with incomes at or below 60% of Area Median Income for rental housing and 80% of Area Median Income for homeownership.
- **Requirements or incentives for private-sector contributions:** Local governments can create requirements or provide incentives for private development to contribute towards Affordable housing. For example, local governments may require private development to pay a tax towards to support Affordable housing (the construction excise tax), require a percentage of new units to remain Affordable to low- or moderate-income households (an inclusionary zoning requirement), or allow development at a greater height or density in exchange for Affordable units (density bonus).

These two methods are often combined in projects. Units that are produced through either of these two methods are typically subject to a deed restriction or covenant under which the property owner agrees to restrict the units to households in certain income categories for a given amount of time, and to limit monthly rents or purchase prices.

- Eugene has 3,406 protected affordable rental units with deed restrictions that specify income requirements. These units are funded through a variety of sources, including federal low-income housing tax credits, HOME project funds, Section 8, and others, and are owned primarily by non-profit organizations and the Lane County housing authority – Homes for Good. A smaller number of units are owned by private entities.
- These units are largely reserved for very low-income households (with household incomes under 50% of area median income).
- These units make up approximately 5% of total units in Eugene, while one-third of Eugene households have annual incomes less than $25,000, which is around 50% area median income for a 2-person household.

What We Heard: Barriers to Building Affordable Housing in Eugene and Strategies for Overcoming Them

- Federal funds for Affordable housing have been in decline for many years.
- Construction costs are rising for multifamily product types.
- Developers are concerned that a Construction Excise Tax (CET), and other additional fees/ taxes on development, may negatively impact project feasibility for market rate units.
- Developers responded very favorably to incentives for providing protected affordable units, such as density bonuses, SDC and permit fee reductions or waivers, or flexible parking requirements.

Strategy 3: Increase inventory of and access to Affordable Housing units

Option	Key	Explanation
20. Identify new Revenue sources for Affordable housing units.		
20-A. Shift money from the City's General Fund, which would shift funding from other City services, to support Affordable Housing.		No local funds directly support the development of Affordable housing. The City offers exemptions to Affordable housing developments, for SDCs and a 20-year property tax exemption. Money could be shifted from other parts of the City budget and applied directly for the development of Affordable housing efforts.
20-B. Charge a construction excise tax (CET) to raise resources for Affordable housing developments.		A CET is a tax on new development. Oregon law allows local governments to impose a CET on new development projects to generate funding to support Affordable housing projects. The CET can be up to 1% of the construction value for residential projects and there is no limit for commercial and industrial projects. Funds can be used to pay for incentives for developers to create and preserve Affordable housing, rental assistance, and home-ownership assistance programs. Eugene's Housing Policy Board recommended that the City Council authorize a CET, and Council has delayed a decision until it hears recommendations from the Housing Tools and Strategies Working Group.
20-C. Use local government bonds to fund the construction of Affordable housing developments.		Local government bonds are a way that local governments can raise money to pay for special projects. A bond is essentially a loan taken out by a government agency. To use a bond, a City's voters must approve a bond (for some dollar amount) and the City borrows that dollar amount. The City's taxpayers pay off the bond through property taxes. Oregon voters passed Measure 102 on November 6, which enables local governments to issue bonds for Affordable housing developments that may be owned by non-governmental entities.
20-D. Charge an Affordable housing impact fee.		Charge a fee (similar to SDCs) when builders create market-rate housing. The amount of the fee is calculated based on the increased demand for affordable housing generated by the development of market-rate housing. Fees are typically charged on a per unit or per square foot basis and revenue may be

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

+ City of Eugene currently does this option, but could expand it.

Thinking Community Economics and/or City of Eugene staff

		deposited to an Affordable housing fund. May require legislative action at the state level to implement.
20-E*: Charge a CET on a sliding scale by the size of the development (especially residential) (*variation on 20-B)*		See Option 20-B. Establish a CET structure that charged a higher percentage of larger homes and a smaller percentage of smaller homes.
20-F*: Create a working group to study this option in depth and include sensible recommendations.		Depending on this (current) Working Group's recommendation, Council could decide that this option needs more study and could convene a new working group to examine this specific option in more depth. Council directed the Housing Policy Board to develop a recommendation on CETs. Their work concluded in April of 2018.
21. Increase density bonus for qualified Affordable housing.	Eugene +	A density bonus program allows more dense development (more units per acre) than is typically allowed in that zone in exchange for meeting some criteria. Eugene currently offers a density bonus for Affordable Housing—an up to 50% increase over what is allowed in the base zone.
22. Inclusionary Zoning (IZ).		Oregon law enables local governments to offer IZ, which requires (or encourages) new housing buildings with 20 or more units have up to 20% of the units be affordable to households earning 80% of area median income and above. The developer can pay a fee in lieu of including the units in the building
22-A: Mandatory IZ—Under state law, this could apply to any buildings with 20 or more units. State law requires that mandatory IZ include incentives (Ex: density bonus).		
22-B: Voluntary IZ—Make IZ optional but create incentives (Ex: SDC waivers, density bonus) to encourage market-rate developers to include Affordable units.		
23. Require that housing meets needs identified by specific populations.		There are no legal mechanisms to do this. The City can offer incentives but a "requirement" would not be legal. Existing Affordable units are developed to meet the needs of specific groups based on income.
24. Help low and moderate-income households purchase a home, such as navigators to support the purchase process and down-payment assistance, (help people move up the housing ladder).		The City could allocate funding to assist with down-payment assistance or to fund staffing to serve as housing navigators. The City previously offered a down-payment assistance program, however market conditions and HUD requirements were impacting utilization of funds.
25. Help low and moderate-income households keep their homes safe or stay in their home, such as emergency home repair and foreclosure assistance (homeowner assistance).	Eugene +	The City currently has a program for emergency home repairs. Demand for the program is much greater than federal funds can support. NEDCO offers limited foreclosure assistance, funded by the state.

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

+ City of Eugene currently does this option, but could expand it.

☑ This option brought forward from Strategic Economics and/or City of Eugene staff

26. Establish a community fund to help new renters.		The City could allocate funds to provide assistance to renters (advance money for deposits, first month rent, etc.). To be effective, this may require a significant amount of funding.
27. Expand Eugene's land banking program for Affordable housing. Identify more flexible funding sources.	+	In a land bank, a City buys land and then offers the land to Affordable housing developers at a greatly reduced cost. By providing the land, the City lowers the overall cost of development of Affordable housing on the site. Eugene has had a land bank program since the 1970s and the program has resulted in the development of 895 Affordable rental units and 25 Affordable homeownership units.
28: Create a community land trust as a tool to provide Affordable, ownership housing.		A Community Land Trust is typically a non-profit entity that provides permanently Affordable ownership housing by maintaining long-term limits over the land.
29. Advocate to the State to change laws regarding residential prevailing wage rates for Affordable housing with ground floor commercial uses (allow for split determination from BOLI).		Oregon law requires that construction projects pay workers 'prevailing wage' rates if public funds are used. Prevailing wage rates are higher for some workers than market rate wages, making the construction cost of publicly funded projects relatively high. For publicly funded Affordable developments, the housing portion is exempt from prevailing wage rates. But if it includes a commercial portion (such as ground-floor retail), the prevailing wage rates do apply to the commercial portion. If the entire development were exempt, it could lower total construction cost.
30. Loan guarantees-use City funds as backing for loans to help fund affordable housing developments.		Getting a loan to pay for a new construction project stops some forward progress for home builders. The city could "back" qualified loans to help support building projects that a bank would not otherwise approve.
31. Waive System Development Charges (SDCs) entirely for qualifying Affordable units.	+	SDCs are fees imposed on new development. In Eugene, new development pays SDCs for transportation, parks, wastewater, stormwater, and water. A new development imposes new costs on these infrastructure systems. (See Option 11). The City allows up to $226,000 in SDC waivers per year for qualifying Affordable units (including qualifying ADUs). Unused funds can roll over for use in following years.

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Key

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Strategy 4: Additional Options from the Working Group

Option	Key	Explanation
32. Regulate short-term rentals, such as Airbnb's.		While short-term rentals help property owners earn income, they also take units off the market that might otherwise be rented to residents. More strictly regulating short-term rentals could make more units available for long term rental.
33. Invest in grants or low interest loans for people to attend trade school, to increase the number of skilled trades-people for construction jobs.		A lack of skilled laborers to do the work of building new homes limits the pace at which construction can actually happen. By giving grants (scholarships) or low interest loans to people who would like to work in construction, the City could both help those individuals (so they can get good jobs) as well as boost the local labor supply. This could lower the cost of construction in the long-term.
34. Encourage employer-assisted housing programs.		Public and private employers have the ability to provide down payment assistance, develop new housing, or provide land for new housing. The City could promote and educate local employers, create match funding programs, or offer tax credits to employers.
35. Modify Neighborhood Associations.		Eugene's City-recognized Neighborhood Associations have many functions. Part of their mission is to establish two-way communication between neighborhoods and the City, and between neighborhoods and other external agencies. It also includes advocating the association's position on issues such as land use.
35-A: Encourage participation in Neighborhood Associations so they are more representative of the people living in the neighborhood.		
35-B: De-sanction the Neighborhood Associations.		
36. Advocate for an increase to the minimum wage with closing the housing affordability gap as a key rationale.		Regardless of housing costs, if wages stay low, people will continue to be priced out of housing. In addition to focusing on the supply of housing, the City could advocate that the state and/or federal government increase the minimum wage.
37. Develop a home-sharing program.		This would likely be outside of the City's scope of programming, but private individuals (Ex: via Craigslist) or an organization could take this on.
38. Use Eminent Domain in targeted cases to increase density.		Eminent Domain is a law that allows governments to force a property owner to sell his/her land for public use. It is often used when roads need to be expanded into private property. Property owners do not have a choice, they must sell, but the government has to pay them a fair price. Eminent Domain could be used to purchase properties to develop Affordable housing.
39. Create a housing action plan.	☑	A housing action plan could incorporate many of these options along with additional tools and strategies.

*New options identified at the November 14th, Housing Tools and Strategies working group meeting.

Key

City of Eugene currently does this option

City of Eugene currently does this option, but could expand it.

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Strategy 4: Additional Options from the Working Group

		Housing action plans are a comprehensive approach to address housing affordability, availability, and diversity. Housing action plans ensure alignment of a City's plans that document Affordable housing and land use, and existing programs and services while recommending additional actions and strategies that address a range of housing issues.
40. Create promotional materials for assistance programs/make information on process more readily available.	☑	Invest in communication and education of the programs the City and partners currently offer. Make sure that using the services the City offers is as accessible and easy as possible for our community members and developers alike.
41. Develop a homeless shelter	Eugene +	The City and County are currently examining the development of a homeless shelter. While an important part of the housing issue in Eugene, any shelter beds would not be considered "housing" by HUD and would not help to meet housing unit needs outlined in Envision Eugene Urban Growth Boundary analysis.
42. Allow for more types of temporary housing.		The City, County and other community partners continue to provide and potentially increase the amount of temporary housing in Eugene for those experiencing homelessness. Any temporary housing that exists or is developed would not be considered "housing" by HUD and would not help to meet housing unit needs outlined in Envision Eugene Urban Growth Boundary analysis.
43. Use data to improve decisions and understand impacts.	Eugene +	The City is building a growth monitoring database so the staff and community can better understand trends In housing development and demographics.
44. Protect renters and availability of rental properties.		Various tools or programs could be explored to help provide more stability for renters in Eugene.
44-A: Advocate to State for stronger tenant protections (rent stability, eviction protections)		
44-B: Support and expand landlord/ tenant arbitration/mediation.		
45. Mobile home conversion controls.	Eugene +	Mobile homes are less expensive housing options. By preserving these, the City can keep these types of affordable units available. The City has such an ordinance in place, but it does not address rising rents for the spaces nor physical condition of the units.
46. Condominium conversion controls	Eugene	Before a property owner can convert a rental property into a condominium (ownership), the owner must give

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Key

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Strategy 4: Additional Options from the Working Group

		existing residents an opportunity to purchase a unit. The City has such an ordinance in place. This program does not increase the supply of housing.
47: Create tools that require residency for housing, to incentivize home ownership over investor-acquisition of housing units.		Since the 2008 recession, many of the houses that went into foreclosure were purchased by investors and then rented out. Some investors are able to outbid homebuyers, making it difficult for households to purchase homes. While there are ways to incentivize this, there are no legal mechanisms to require it.
48. Preserve "naturally occurring" affordable housing.		There is no legal mechanism to do this. If a home-owner wants to fix-up or even "flip" a run-down home, the city cannot realistically stop this.
49. Create transitional zone as a buffer between commercial and residential		

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Key

City of Eugene currently does this option

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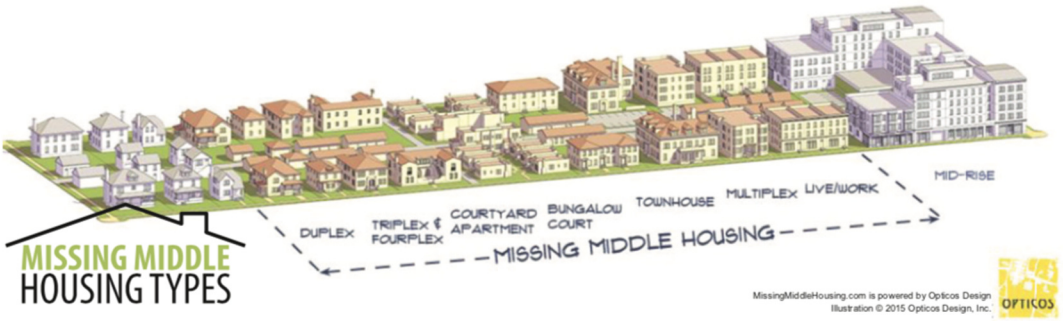
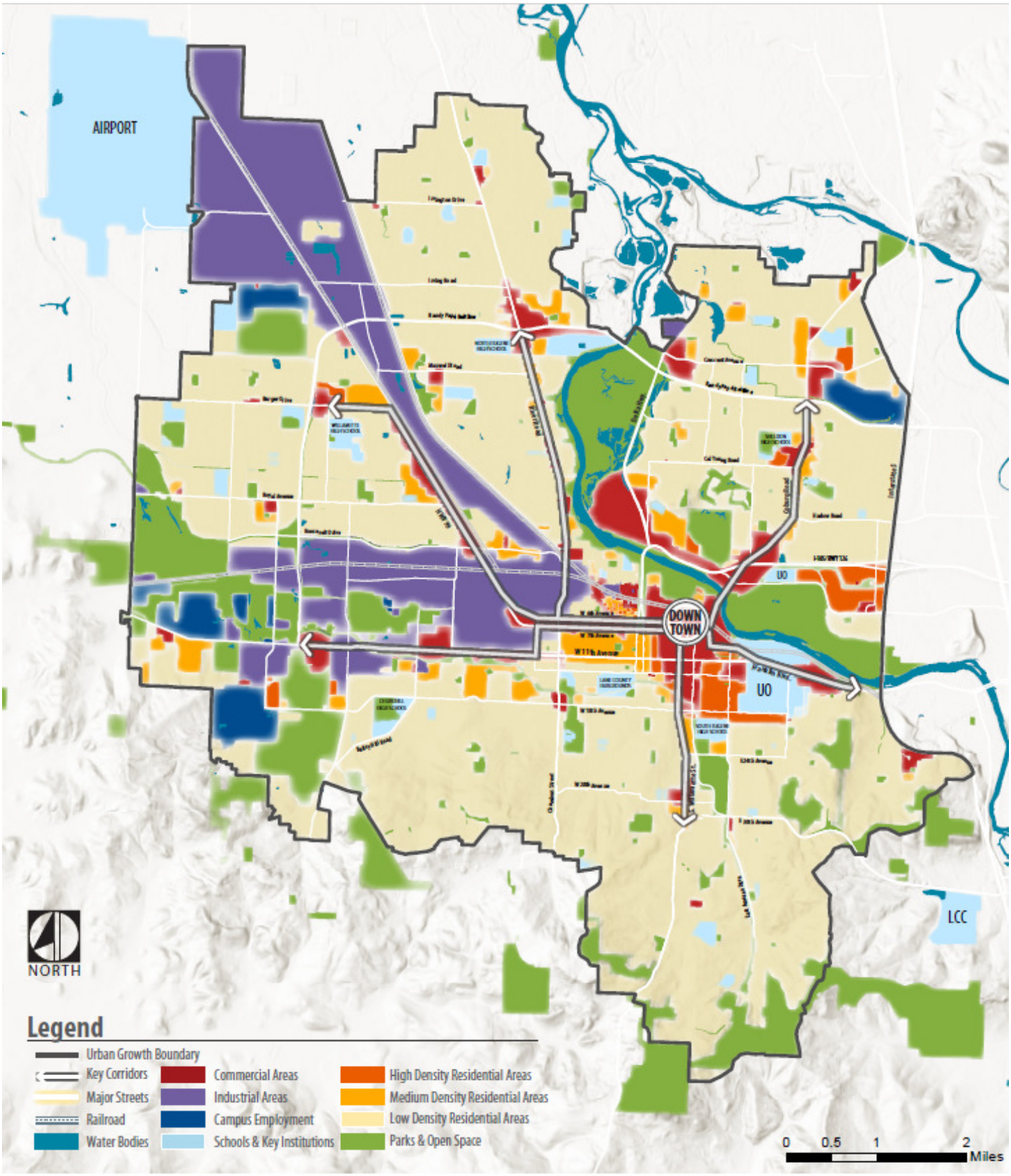
Glossary

Accessory dwelling unit (ADU)	Additional housing units that share a lot with another (usually larger) home. These could be apartments built onto or attached to a home or a separate "cottage" in a yard space. Sometimes referred to as "granny flats"
Affordable housing	When "Affordable" is capitalized it refers to housing with regulated rents that is reserved for households with low incomes. The development of this form of housing is directly subsidized to bridge the difference between development costs and rents.
housing affordability	Refers to the portion of a household's budget used for housing. When rent and utilities exceed 30% of a household's budget it is considered unaffordable to that household. This concept crosses all income levels, not just for low-income households.
Area median income (AMI)	The household income for a community that is at the mid-point of that community's income: half of all households have an income above the AMI, and the other half of the households have an income below the AMI. The term is commonly used by the federal Department of Housing and Urban Development (HUD) to identify income levels that are eligible for its programs.
By-Right	Uses that are permitted within a zoning category and may go straight to building permit; does not require a land use application or allow appeal.
Comprehensive Plan Map (*Metro Plan's* Plan Diagram)	The *Metro Plan's* Plan Diagram serves as Eugene's comprehensive plan map and shows the intended future land use of properties within the Eugene-Springfield metro area.
Key Corridors	The six corridors – Highway 99, River Road, Coburg Road, South Willamette, Franklin Boulevard, and West 11th Avenue – that are intended to have frequent transit service connecting downtown to numerous core commercial areas. See the Community Vision map on the last page.
Land Use Code	Rules that determine what land can be used for and what's allowed in different parts of the city. The code can be very long and complicated.
Market-rate housing	Housing that has no rent restriction and is not restricted by Affordable housing laws.
Missing Middle house types	All the housing types "between" single family homes and large mid-rise/high rise apartment buildings. 

Multi-family home	A building that's designed to house multiple families. This can include everything from a triplex to a large apartment building and everything in between.
Mixed use	A building that has more than one type of use. A common mixed-use type has commercial uses on the ground floor (such as retail) and residential on the upper floors.
Planned Unit Development	A development process that provides flexibility for site design and allows for a varied and compatible mix of land uses and housing types.
Rent burdened	A household is 'rent burdened' if it pays more than 30% of its income on housing. A household is considered "severely rent burdened" if it pays more than 50% of its income on housing.
Single Family Home	One home on one lot designed to house one family.
Single Room Occupancy (SRO)	A building containing residential rooms for occupancy by individuals. Each room is without a kitchen, but may have provision for counter-top appliances and refrigerator. The toilet/bath may be private or shared with another SRO room(s). For purposes of determining residential density in Eugene, 4 SRO rooms equal 1 dwelling.
Temporary housing	Housing that isn't intended to be permanent. Most often used for people experiencing homelessness. Temporary housing can include homeless shelters, tent encampments or other "alternative shelters."
Urban growth boundary (UGB)	A "line" that defines the edge of the city. This keeps cities from sprawling into one another and makes sure growth happens inside of this line. All Oregon cities have a defined urban growth boundary. These can be changed to allow cities to grow but these changes are controlled by a rigorous state process.
Zoning Map	Eugene's zoning map shows what land uses are currently allowed.



Community Vision

for Homes, Jobs, Parks & Schools

envision EUGENE

Eugene

Map is not tax lot specific and is for illustrative purposes only.

Appendix E: Options – Additional Information

Strategy 1: Remove land use code barriers

Option	Explanation
1. Revise land use code to encourage Accessory Dwelling Units (ADUs) in all single-family zones.	*No new information based on straw poll*
2. Revise land use code to allow Single-Room Occupancy (SROs) by-right in all residential zones.	SRO's are defined as a building with individual bedrooms that share bath and kitchen facilities. SRO's are currently only allowed outright in R-3, R-4, C-2 and C-3 zones. Eugene has seen very limited demand for this housing type in the past and what has been built is primarily group homes for elderly individuals or for homeless veterans.
3. Revise land use code to allow for development of more diverse "missing middle" housing types.	*No new information based on straw poll*
3-A. Enable by-right housing options, including duplexes, triplexes, cottage clusters, and smaller homes on smaller lot sizes in all single-family zones.	*No new information based on straw poll*
3-B: Enable by-right housing options along key corridors.	Envision Eugene calls for increased development along six key corridors (shown on the Comprehensive Plan map in the Glossary). As an incremental step toward full implementation of the community vision that was established in Envision Eugene, Eugene could allow missing middle housing types on portions of key corridors currently zoned for single family housing, for example on Coburg Road and River Road. Option 11 would make a more complete change to implement the full community vision established in Envision Eugene but will require more steps to implement.
3-C:* Enable more missing middle in green fields or large subdivisions.	Missing middle housing types could be allowed in newly developing areas (greenfields–undeveloped/vacant land). These types could also be allowed on development sites over a certain size, such as two acres.
4. Revise land use code to ease development standards for adaptive re-use (converting an existing non-residential building—	*Minimal new information based on straw poll* Allow existing non-residential buildings, such as churches, in residential areas to be remodeled into housing units more easily. This would require changing the land use code to remove special permit requirements like

Strategy 1: Remove land use code barriers

Option	Explanation
such as a church—into residential).	adjustment review, which adds cost and process time to a housing project and allows for appeals.
4-A. Improve the adjustment review process for adaptive re-use.	
5. Enable more multi-family development along key corridors. (See glossary for a map of Eugene's key corridors.)	*No new information based on straw poll*
5-A: Create a 'key corridor overlay' (with design standards), which allows multi-family development on all key corridors.	*Minimal new information based on straw poll* A medium-impact way to implement the community vision established in Envision Eugene along corridors. This option would enable multi-family development in areas currently zoned for single-family use along portions of Coburg and River Road, for example. Relates to Option 3b, which would allow only missing middle housing types along these corridor segments. Relates to Option 11, which would enable development envisioned across the community by changing zoning to match the Comprehensive Plan map (see map in Glossary).
5-B: Reduce parking requirements for certain multi-family housing types along key corridors	A way to reduce development requirements and costs for housing that is envisioned along the key corridors.
6. Replace current code with a form-based code.	For a more complete explanation of form-based code see https://formbasedcodes.org/definition/ Rewriting the entire land use code as a form-based code (focused on the design, shape and size of the buildings, rather than the uses inside them) would be a very large undertaking, involving extensive public involvement, legal review, and a formal adoption process. Impact on housing availability and diversity would be long term and limited because the form-based code would only apply as redevelopment or new development occurs. Form-based codes could also be used for specific areas of the city. Codes that include form-based standards already exist in the Franklin Boulevard/Walnut Street area, and at the Downtown Riverfront. These codes are typically developed to implement a visioning and master planning process for special areas of the city.
6-A: Create a city-wide form-based code, which would replace the current land use code.	
6-B: Create form-based codes in certain areas.	
7. Remove neighborhood-specific zoning.	*No new information based on straw poll*

Strategy 1: Remove land use code barriers

Option	Explanation
7-A: Review, evaluate, and adjust neighborhood-specific zoning.	Several areas of the city include zoning that was developed to apply to only a small portion of the city. Over time, the land use code has grown in size and complexity as more neighborhood-specific or special-area zones were completed. In some cases, these zones include barriers to housing production, such as more specific design and density requirements, that don't exist citywide. A review of these zones, through a code audit, could uncover barriers that would be worthwhile to consider removing. See Option 9.
8. Activate "Opportunity Siting" Program.	Opportunity Siting was originally proposed as a way to proactively identify good sites for multi-family housing in exchange for incentives such as SDC reductions or density increases. Although agreement was not reached about acceptable process and incentives, this approach is folded into ongoing Envision Eugene work, which envisions increasing density and offering incentives along corridors, or in other places identified through a neighborhood planning process.
9. Complete land use code audit of *regulatory* barriers to housing.	*No new information based on straw poll*
10. Scrap the zoning code.	*No new information based on straw poll*
10-A: Re-write the zoning code.	It would be a monumental undertaking to re-write the entire zoning code. The end outcome could be as minor as changes to the code suggested as options throughout Strategy 1 or as comprehensive as changing to a citywide form-based code (Option 6)
11. Align Zoning map with Comprehensive Plan map (currently *Metro Plan's* Plan Diagram).	The Comprehensive Plan map documents Eugene's long-term plan for using land within the UGB. The Zoning map does not completely align with the Comprehensive Plan map—typically the Comprehensive Plan map allows higher densities than the Zoning map. Property owners can apply to have the zone changed if it doesn't match the Comprehensive Plan map, but it is a lengthy administrative process that adds cost, time, and uncertainty. Some cities, including Bend, have aligned their Plan map and their Zoning map, effectively handling zone changes for property owners to remove time and cost barriers to development envisioned by the city. This option is the most impactful of a range of options that would implement the Envision Eugene community vision more incrementally (Options 3b, 5a). Aligning the two maps would impact land all over the city, not just on corridors, but would be an extensive and time-consuming process.
50: Add pre-approved ADU plans.	ADUs can be built in a variety of styles and shapes to fit different lots in Eugene. A set of building plans for different styles could be developed and

Strategy 1: Remove land use code barriers

Option	Explanation
	pre-approved by the City, reducing time and cost for individual property owners who would like to build an ADU. This option would likely have a small impact on the overall housing need, but would be a likely benefit to some individuals who want to build an ADU.
52: Allow for additional housing units on major streets.	This is similar to Options 3a, 3b, and 5a, but would expand housing options on major streets that are not key corridors, for example Hilyard, 24th, Irvington, or Harlow. The additional housing types allowed could be duplexes, triplexes, fourplexes, rowhouses, cottage clusters, small apartments, or any subset of these options.
53: Revisit/revise land use code to allow for more tiny homes/tiny communities.	Collections of tiny homes such as Emerald Village are restricted in where they may be placed, and must go through an appealable land use process such as a Planned Unit Development (PUD). A tiny home ordinance could be created that allows tiny homes or tiny home communities (typically under 400 square feet) in more places and with less process. As single-family detached units, tiny homes consume more land per unit than multi-story dwelling units and require individual water and sewer connections, which can be costly.

Strategy 2: Reduce cost and time burden for development of housing

Option	Explanation
12. Adjust System Development Charges (SDCs) program to reduce development costs for market-rate housing that are smaller and lower cost.	Strategic Economics will provide a discussion of SDCs at Meeting 4 on November 28.
12-A: Delay the collection of SDCs until a property is ready to receive its certificate of occupancy.	
12-B: Reduce SDCs for multi-family developments in the downtown and along key corridors.	
12-C: Reduce SDCs for ADUs.	
12-D. Reduce SDCs for all "missing middle" housing types.	
12-E: Place a cap on the SDC waiver.	**NEW**
12-F: Scale SDCs to the size and impact of what's built.	**NEW**
13. Revise the land use appeal process, with shared costs for recovery of legal fees by the prevailing party.	The cost and process of land use appeals varies depending on the type of land use application and the appealing party. There is no straightforward formula.
14. Revise the Multi-Unit Property Tax Exemption (MUPTE) program for market-rate housing.	The MUPTE program exempts new multi-family housing developments from property taxes of the construction value for up to 10 years (taxes are still due on the land). The exemption lowers the operating costs for new developments in the early years of operation and can help shift a new development from *not* financially feasible to feasible. The program is currently active in the downtown and it could be extended to other parts of the City, especially to encourage development along major roads. The primary identified drawback is that the City and other taxing districts don't collect taxes on the new development during the exemption period. However, if new housing doesn't get built, the City never collects taxes on new development. A recent assessment of the program found that local developers find the program's administrative requirements add cost and uncertainty.
14-A. Extend the MUPTE boundary to include key corridors (see glossary).	
14-B. Simplify the criteria that must be met to receive an exemption.	

Strategy 2: Reduce cost and time burden for development of housing

Option	Explanation
	Current rules make it possible that an applicant pays the fees, conducts required analysis, and meets the criteria, yet can have the application rejected by City Council.
15. Improve the Clear and Objective standards.	*No new information based on straw poll*
16. Streamline/speed up the permitting process. Prioritize staff dedicated to the building and land use permitting processes for certain housing types.	*No new information based on straw poll*
17. Advocate to change Oregon law to reduce liability requirements for condominium projects.	At present, development of condominiums (owner-occupied apartments) is limited due to the high risk of lawsuits for construction defects. The City could support legislation at the state level that would create more reasonable limits on developer liability.
18. Complete land use code audit of *process* barriers to housing production.	Option 9 is also a land use code audit. The option is repeated here because the audit fits under both strategies 1 and 2 (i.e., it will examine land use *code* barriers, as well as *process (relating to cost and time)* barriers to production of housing.
19. Provide funding assistance to connect infrastructure to residential land identified in Eugene's Buildable Lands Inventory.	Undeveloped lands within the UGB often lack essential infrastructure, such as water and sewer, to develop, especially around the perimeter of the Urban Growth Boundary (UGB). Developers have reported that the cost of extending infrastructure to these sites is so costly that it makes it not financially feasible to construct housing. Publicly constructed infrastructure to serve undeveloped land is traditionally funded by a combination of SDCs and assessments. SDC credits are currently offered to offset the cost of privately constructed infrastructure to undeveloped lands. Assessments are levied on each property that benefits from the project in accordance with City Code. Other sources of public funds would need to be acquired to provide additional financial assistance and incentive.
51: Change state law regarding SUPTE	Single Unit Property Tax Exemption. A property tax exemption for new single-family development, similar to MUPTE, Option 14. State laws allow the City to enact a property tax exemption for multi-family housing; it does not allow an exemption for single-family housing.

Strategy 3: Increase inventory of and access to Affordable Housing units

Option	Explanation
20. Identify new Revenue sources for Affordable housing units.	Working group support the idea of Option 20 but did not have definitive support for any of the listed ways to actually do this. For ALL sub-options- Consider: • Variations in flexibility (what $ could be used for) • Volume/scale of impact (revenue generated) • Impact on development feasibility • Trade-offs ($$ from the general fund)
20* Implement top idea first then, depending on outcome, implement next most supported item.	**NEW**: Council will ultimately have to decide where to begin with these options. Phasing favorable options in over time is already a likely outcome
20-A. Shift money from the City's General Fund, which would shift funding from other City services, to support Affordable Housing.	Straw polling suggest this is unpopular given trade-offs to cuts in other services.
20-B. Charge a construction excise tax (CET) to raise resources for Affordable housing developments.	See additional document/presentation regarding CETs. CET revenue may be used for a wide range of capital costs as well as housing programs including down-payment assistance, and other housing support. Staff analysis estimated that a 1% Residential CET would generate about $1 million per year and a 1% Commercial CET would generate about $2 million per year. The CET is applied to the value of the improvement only and not to the land value.
20-C. Use local government bonds to fund the construction of Affordable housing developments.	Local government bonds may now be used to fund the construction and/or preservation costs of Affordable housing development. To use a bond, a City's voters must approve a bond (for some dollar amount and specific purpose) and the City borrows that dollar amount. The City's taxpayers pay off the bond through property taxes. The impact a bond could have on Affordable housing depends on the size of the bond, which can vary widely. For example, in 2018, School District 4J voters approved a $319 million bond; in 2012 Willamalane Parks District voters approved a $20 million bond. The cost to individual property owners will vary based on their property's taxable value and the size of the bond.
20-D. Charge an Affordable housing impact fee.	There is not a clearly legal mechanism to do this with Oregon's current state law.
20-E: Charge a CET on a sliding scale by the size of the development (especially	**NEW**- See Option 20-B. Establish a CET structure that charged a higher percentage of larger homes and a smaller percentage of smaller homes.

Strategy 3: Increase inventory of and access to Affordable Housing units

Option	Explanation
residential) (*variation on 20-B)*	
20-F: Create a working group to study this option in depth and include sensible recommendations.	**NEW**- Depending on this (current) Working Group's recommendation, Council could decide that this option needs more study and could convene a new working group to examine this specific option in more depth. Council directed the Housing Policy Board to develop a recommendation on CETs. Their work concluded in April of 2018.
21. Increase density bonus for qualified Affordable housing	*No new information based on straw poll*
22. Inclusionary Zoning (IZ).	*No new information based on straw poll*
22-A: Mandatory IZ—Under state law, this could apply to any buildings with 20 or more units. State law requires that mandatory IZ include incentives (Ex: density bonus).	*No new information based on straw poll*
22-B: Voluntary IZ—Make IZ optional but create incentives (Ex: SDC waivers, density bonus) to encourage market-rate developers to include Affordable units.	Explain with reference to incentives- SDC or otherwise and related costs/drawbacks. City incentives for affordable housing are already available to market-rate developers who wish to include affordable rental or homeownership units in their developments. Additional study would be needed to determine if additional incentives would be effective.
23. Require that housing meets needs identified by specific populations.	*No new information based on straw poll*
24. Help low and moderate-income households purchase a home, such as navigators to support the purchase process and down-payment assistance, (help people move up the housing ladder).	Minimal new information based on straw poll- The City used to provide down-payment assistance with HUD (federal) funds but increasing housing costs and declining federal funds reduced the number of households the City could help. The program's administrative costs per household increased, and the City redirected the funds to other programs that could be more impactful.
25. Help low and moderate-income households keep their homes safe or stay in their home, such as emergency home repair and foreclosure assistance (homeowner assistance).	*No new information based on straw poll*

Strategy 3: Increase inventory of and access to Affordable Housing units

Option	Explanation
26. Establish a community fund to help new renters.	Many renters lack the resources necessary to pay the upfront costs necessary to move into an apartment even if they have enough monthly income to pay the rent. Estimated assistance needed per household is $2,000 ($100,000 would support 50 households) plus the cost of program administration.
27. Expand Eugene's land banking program for Affordable housing. Identify more flexible funding sources.	*No new information based on straw poll*
28: Create a community land trust as a tool to provide Affordable, ownership housing.	*No new information based on straw poll*
29. Advocate to the State to change laws regarding residential prevailing wage rates for Affordable housing with ground floor commercial uses (allow for split determination from BOLI).	The City could advocate to elected state officials to change applicable laws. The success of the efforts depends on the political opposition to such a change. The change would apply to Affordable projects with ground-floor commercial uses, which are likely to be those located in city centers.
30. Loan guarantees-use City funds as backing for loans to help fund Affordable housing developments.	City of Eugene already provides loans for housing rehabilitation, acquisition, and development using our federal funds. It is unclear if loan guarantees are a form of financing that affordable housing developers need.
31. Waive System Development Charges (SDCs) entirely for qualifying Affordable units.	Eugene provides a limited pool of SDC exemptions for affordable housing however this pool is no longer sufficient to support the typical multifamily affordable housing project. Exemptions do not increase costs to other projects but decrease the funds available for City uses for SDCs funds.

Appendix F: Full Results

Strategy 1

#	Option	Support	Comments for	Caution, Trade-Off Comments Against
1	Revise land use code to encourage Accessory Dwelling Units (ADUs) in all single-family zones.	82%	Required by state law Increases diversity and choice	Must comply w/LDR max density. Must include owner occupancy Need to put in mechanisms that ensue not all AIRBNB but housing ADU #s will be trivial. No data shows they will contribute to availability & affordability
2	Revise land use code to allow Single-Room Occupancy (SROs) by-right in all residential zones.	44%		Limited demand Conflict with Envision Eugene
3	Revise land use code to allow for development of more diverse "missing middle" housing types.	82%	Yes, yes, yes! Increase diversity and availability while preserving UGB Middle housing can be done in R2,3,4. This is only about up zoning R1	Conflict with comprehensive Envision Eugene plan
3 -A	Enable by-right housing options, including duplexes, triplexes, cottage clusters, and smaller homes on smaller lot sizes in all single-family zones.	86%	Need to increase density in neighborhoods. More diversity is good, more choice Make it easier	Conflict with comprehensive Envision Eugene plan Metro plan density levels would be exceeded
3 -B	Enable by-right housing options along key corridors.	93%	Housing options are important for people of all ages. Increases supply and availability. This adds diversity on corridors where it's not controversial, more palatable.	
3 -C	Enable more missing middle in green fields or large subdivisions.	55%		
4	Revise land use code to ease development standards for adaptive re-use (converting an existing non-residential building—such as a	82%	Great idea! Makes sense. Flexibility.	In R1 would depend on what's allowed. Is code really the barrier?

	church—into residential).			
4 -A	Improve the adjustment review process for adaptive re-use.	89%	See 4 Ease of process	See 4
5	Enable more multi-family development along key corridors. (See glossary for a map of Eugene's key corridors.)	100%	CRO, mobility options, LU coordination, buffers, SFR/cover density from busier areas Increased density Supply drives cost Serves young people and professionals Meets all 3 goals Reduces transportation costs.	Caution: Keep Environmental Justice in mind
5 -A	Create a 'key corridor overlay' (with design standards), which allows multi-family development on all key corridors.	93%	See 5 Will help to have an overlay already identified.	
5 -B	Reduce parking requirements for certain multi-family housing types along key corridors	70%		Detrimental to neighborhoods.
6	Replace current code with a form-based code.	19%		Too General to have any meaning form- base code does not eliminate requirement to specify uses
6 -A	Create a city-wide form-based code, which would replace the current land use code.	31%		Too General to have any meaning form- base code does not eliminate requirement to specify uses
6 -B	Create form-based codes in certain areas.	23%		Too General to have any meaning form- base code does not eliminate requirement to specify uses
7	Remove neighborhood-specific zoning.	41%		Does not comply with comp plan & Envision Eugene, neighborhood opportunity With how different neighborhoods are, what is great for one might be a negative impact for others
7 -A	Review, evaluate, and adjust neighborhood-specific zoning.	13%		Likely neighborhood opportunity contrary to area specific zones

8	Activate "Opportunity Siting" Program.	50%	Specific directive adopted by council, neighborhood support	
9	Complete land use code audit of *regulatory* barriers to housing.	89%	Every approval criteria is a barrier Already happening	Should be the first step and not an excuse to stop there.
10	Scrap the zoning code.	11%		Conflict w/comp plan, envision Eugene, neighborhood opportunity
10 -A	Re-write the zoning code.	32%		
11	Align Zoning map with Comprehensive Plan map (currently *Metro Plan's* Plan Diagram).	89%	Makes so much sense. DUH	This only works if the comprehensive plan creates paths to housing that's affordable
50	Add pre-approved ADU plans.	93%	Anything to streamline the process Ease of process, gain efficiency Clear code path	Good for homeowners- not good for renters
52	Allow for additional housing units on major streets.	89%	Let's act like a city! Allowing for more flexibility = diversity is beneficial Get rockin'!	
53	Revisit/revise land use code to allow for more tiny homes/tiny communities.	93%	More diversity of housing at lower cost	100,000 TOPS

Strategy 2

#	Option	Support	Comments for	Caution, Trade-Off Comments Against
12	Adjust System Development Charges (SDCs) program to reduce development costs for market-rate housing that are smaller and lower cost.	64%	Yes!	needs nuancing no impact Due to cost going to non-exempted development Need scalable options No correlation between cost and reduced system impacts
12 -A	Delay the collection of SDCs until a property is ready to receive its certificate of occupancy.	89%	Just makes sense- no downside to city, big benefit to developers	Does this really help?
12 -B	Reduce SDCs for multi-family developments in the downtown and along key corridors.	68%	We need to encourage housing that is affordable for people who want options to buy not just large rental units	

12 -C	Reduce SDCs for ADUs.	67%		
12 -D	Reduce SDCs for all "missing middle" housing types.	46%		
12 -E	Place a cap on the SDC waiver.	12%	Everyone should pay something. Place a cap on SDC waiver	
12 -F	Scale SDCs to the size and impact of what's built.	61%	Size and impact scale- one size doesn't fit all. Parks, storm water and transportation work this way.	
13	Revise the land use appeal process, with shared costs for recovery of legal fees by the prevailing party.	56%	This would have arguably the biggest impact to reducing costs	Neighborhood opposition may conflict w/land use and laws
14	Revise the Multi-Unit Property Tax Exemption (MUPTE) program for market-rate housing.	48%		
14 -A	Extend the MUPTE boundary to include key corridors (see glossary).	65%	Yes, Yes, Yes!! Why didn't we talk about this?	Need refinement plan create or update
14 -B	Simplify the criteria that must be met to receive an exemption.	58%		May conflict w/ORS
15	Improve the Clear and Objective standards.	89%	Cannot be used to eliminate criteria	Cannot be used to eliminate criteria
16	Streamline/speed up the permitting process. Prioritize staff dedicated to the building and land use permitting processes for certain housing types.	93%	Eugene has the longest turn around More staff would do more to streamline process Efficiency, a known setback for developers Reduce costly time delays	Don't want added delays to other work. Make sure we are adding staffing and not just piling on > add resources
17	Advocate to change Oregon law to reduce liability requirements for condominium projects.	54%		Cannot reduce liability for safety and negligence
18	Complete land use code audit of process barriers to housing production.	89%	Would result in more standardized process, less subjective Continue effort in process	Does not comply with comp plan & Envision Eugene, neighborhood opportunity
19	Provide funding assistance to connect infrastructure to residential land identified in Eugene's Buildable Lands Inventory.	70%	To find solutions you need to know what the problem is	

51	Change state law regarding SUPTE	12%		

Strategy 3

#	Option	Support	Comments for	Caution, Trade-Off Comments Against
20	Identify new Revenue sources for Affordable housing units.	93%	Too vague to be useful, but sure. A mix of sources is better than relying on just one.	No ideas from H,T & S. Process shouldn't be implemented until there is substantial fact finding public cost/benefit discussion
20 -A	Shift money from the City's General Fund, which would shift funding from other City services, to support Affordable Housing.	54%		
20 -B	Charge a construction excise tax (CET) to raise resources for Affordable housing developments.	68%	Like putting money into infrastructure Prefer this over 20E Gives community money to leverage (for matching $$) More predictable than 20C	Burdens construction industry Not sure of impacts, devils in the details that are TBD Complicated!
20 -C	Use local government bonds to fund the construction of Affordable housing developments.	82%	Spreads the burden across the city. Provides critical funds	No guarantee that this will pass, it is risky and if this is the only option we could end with nothing Burden on homeowners Getting close to hitting bond and levy caps and so we'll have to give up some of our others
20 -D	Charge an Affordable housing impact fee.	7%		Not sure how would help
20 -E	Charge a CET on a sliding scale by the size of the development (especially residential) (variation on 20-B)	75%	Affordable housing> is scalable Sliding scale (x3) More equality Flexibility	
20 -F	Create a working group to study this option in depth and include sensible recommendations.	0%	REMOVED- this is an option for all options	
21	Increase density bonus for qualified Affordable housing	79%	Increased density = increased availability=more people in homes	Does not comply with comp plan & Envision Eugene, neighborhood opportunity
22	Inclusionary Zoning (IZ).	17%		
22 -A	Mandatory IZ—Under state law, this could apply to any buildings with 20 or more units. State law requires	0%		

	that mandatory IZ include incentives (Ex: density bonus).			
22 -B	Voluntary IZ—Make IZ optional but create incentives (Ex: SDC waivers, density bonus) to encourage market-rate developers to include Affordable units.	56%		
23	Require that housing meets needs identified by specific populations.	21%		Cannot be legally required
24	Help low and moderate-income households purchase a home, such as navigators to support the purchase process and down-payment assistance, (help people move up the housing ladder).	86%	Necessary. These voices under-represented in the group.	How?
25	Help low and moderate-income households keep their homes safe or stay in their home, such as emergency home repair and foreclosure assistance (homeowner assistance).	81%	Already happening	
26	Establish a community fund to help new renters.	50%		
27	Expand Eugene's land banking program for Affordable housing. Identify more flexible funding sources.	93%	Wy not? Already happening Leverages public/private partnerships.	
28	Create a community land trust as a tool to provide Affordable, ownership housing.	68%		
29	Advocate to the State to change laws regarding residential prevailing wage rates for Affordable housing with ground floor commercial uses (allow for split determination from BOLI).	41%		
30	Loan guarantees-use City funds as backing for loans to	63%		

	help fund Affordable housing developments.			
31	Waive System Development Charges (SDCs) entirely for qualifying Affordable units.	67%		

Strategy 4- Other

#	Option	Support	Comments for	Caution, Trade-Off Comments Against
32	Regulate short-term rentals, such as Airbnb's.	44%		
33	Invest in grants or low interest loans for people to attend trade school, to increase the number of skilled trades-people for construction jobs.	27%		
34	Encourage employer-assisted housing programs.	59%		
35	Modify Neighborhood Associations.	75%		
35A	Encourage participation in Neighborhood Associations so they are more representative of the people living in the neighborhood.	89%	Should be a requirement to be active	Need to couple w/being sure associations are not obstacles to density and development Do not see how this would be workable. Need a how strategy it's been done before
35B	De-sanction the Neighborhood Associations.	26%		Stupid
36	Advocate for an increase to the minimum wage with closing the housing affordability gap as a key rationale.	42%		
37	Develop a home-sharing program.	26%		
38	Use Eminent Domain in targeted cases to increase density.	15%		
39	Create a housing action plan.	86%	Plans are good.	Less plans, more action. Act, enough planning!
40	Create promotional materials for assistance programs/make information on process more readily available.	70%	Of course Use website	Not sure it's worth the investment and time required. Not a priority.
41	Develop a homeless shelter	86%	Part of the same problem we are talking about> spectrum.	It is like putting a patch on a big gaping hole- does not solve

			We don't currently have one. Stepping stone to Affordable housing.	availability issue Don't know if the City should do this, not profitable
42	Allow for more types of temporary housing.	89%	Support transitional housing. We know it works! YESSSSS!!! First step in getting off the street.	Not! A different discussion. Critical to include in a comprehensive plan. Not sure what problem it solves.
43	Use data to improve decisions and understand impacts.	96%	Common sense. Won't help soon Data driven action is really critical	
44	Protect renters and availability of rental properties.	68%		
44A	Advocate to State for stronger tenant protections (rent stability, eviction protections)	52%		
44B	Support and expand landlord/ tenant arbitration/mediation.	52%		
45	Mobile home conversion controls.	38%		
46	Condominium conversion controls	20%		
47	Create tools that require residency for housing, to incentivize home ownership over investor-acquisition of housing units.	30%		Would make it harder for renters.
48	Preserve "naturally occurring" affordable housing.	56%		
49	Create transitional zone as a buffer between commercial and residential	36%		

Appendix G: Process Evaluation

Participant evaluation from the 9/12/18 meeting was more informal and not recorded here.

Participant Evaluation from 10/04/18 Meeting

At the conclusion of the Working Group meeting on October 4, 2018, participants completed a brief written evaluation. Their feedback has been synthesized here.

Quantitative Evaluation Data Regarding the Process

For each of the following process evaluation questions, participants marked a score of 1 (strongly disagree) to 5 (strongly agreed). A score of 3 indicates neutral feelings. Averages scores for each of these questions are below.

1. The Working Group followed the Ground Rules 4.73
2. I was able to share my ideas: 4.52
3. I felt like my ideas were respected 4.44
4. The facilitator remained impartial: 4.52

Qualitative Evaluation Data

In addition to the quantitative data, participants were asked to share any additional comments, questions or suggestions. A summary of their comments to each of these questions follows here. The numbers that follow some points indicate that multiple people had similar ideas.

Kudos

- Liked the movement, variety, and small group (9)
- Ability to talk with/meet a variety of different people (3)
- High standard for holding people to the process. Strong structure (3)
- Good to start with interests (2)
- Improved food! (2)
- Good opportunity to share ideas.
- Inventory of strategies
- Looking forward to presentation from the economist on Nov 14.
- Thanks for using the microphone.
- Don't like the breakout groups but they work well.
- Dot voting
- Bipartisan director
- Heard from all sides fairly.
- More concrete ideas were generated.

Suggestions for Improvement

- Speed up introductory activities. Tired of the introduction- what you're missing by being here. (3)
- Some people are dominating the conversation, still need to get more voices in the room
- Some in the community are ignored/underrepresented.
- Some people are not open/being reactive.
- Feeling pressured to agree even if you don't or have a different opinion.
- Need more time for options
- Start looking at outcomes and test acceptance of them.
- Tired of repeated comments about the urban growth boundary.
- Name tags came off a lot.

- The end game and purpose is still fuzzy.
- Prioritize the dotted concrete ideas.
- Missing representation from multiple communities (Asian, AA, etc)

Content Suggestions

In addition to process related feedback, participants offered suggestions and posed questions regarding the content of this and future meetings.

- Please provide a break-down of acronym
- Provide examples of how strategies have worked in other communities.
- Why have neighborhood associations have been given a lot of power/allowed to appeal so much?
- Want to better understand development costs
- Difference in strategies for addressing market rate and subsidized affordable housing.
- Why aren't we already doing/acting on these opportunities? What happens when we try? How do we stop this from happening again?
- Legal viability of certain options.
- More specific information on the process for making code changes that will respond to the recommendations of this group.
- Want ideas for change with the pro/con or multiple points of view regarding how to implement change.
- Lack of acknowledgement of history will eventually become a problem.

Other

- Add a non-dairy sundae bar!
- Thank you for including me in this process.

Participant Evaluation from 11/14/18 Meeting

At the conclusion of the Working Group meeting on November 14, 2018, participants completed a brief written evaluation. Their feedback has been synthesized here.

Quantitative Evaluation Data Regarding the Process

For each of the following process evaluation questions, participants marked a score of 1 (strongly disagree) to 5 (strongly agreed). Scores below are the averages for each question.

1. The Working Group followed the Ground Rules 4.53
2. The large group facilitator remained impartial. 4.87
3. The information presented (Strategic Economic and PPT) was understandable and useful to me. 4.33
4. The information in the handouts was understandable and useful to me. 4.07
5. I was able to share my ideas in the small group: 4.73
6. I felt like my ideas were respected in the small group 4.73
7. The small group facilitator remained impartial: 4.87

Qualitative Evaluation Data

In addition to the quantitative data, participants shared comments, questions or suggestions. The numbers that follow some points indicate that multiple people had similar ideas.

Kudos

- Open discussion in small groups (5).
- Small group facilitation
- Economic presentation- could use more of this.
- Format
- Making decisions
- Grounding
- Chips
- Everything

Suggestions for Improvement

- More time, too fast/rushed for comprehensive discussion of such a complex topic (5)
- More movement throughout.
- Too much paper- people printed at home and then got content again in the packet.

Content Suggestions

In addition to process related feedback, participants offered suggestions and posed questions regarding the content of this and future meetings.

- More information about funding options (CET, bond, etc.).
- Scope of money needed to make improvements- how much money each of the options might provide.
- Lack of acknowledgement of history will eventually become a problem.
- How the * ideas (*options that work well as a comprehensive approach)* could be modeled to work more effectively.
- More discussion of hep for renters.
- Great work!

Participant Evaluation from 11/28/18 Meeting

At the conclusion of the Working Group meeting on November 28, 2018, participants completed a written evaluation. Their feedback has been synthesized here.

Quantitative Evaluation Data Regarding the Process

For each of the following process evaluation questions, participants marked a score of 1 (strongly disagree) to 5 (strongly agreed). Scores below are the averages for each question.

1. The Working Group followed the Ground Rules 4.18
2. The facilitator remained impartial. 4.58
3. The information presented (Strategic Economic and PPT) was understandable and useful to me. 3.48
4. The information in the handouts was understandable and useful to me. 4.00
5. I was able to share my ideas: 4.26
6. I felt like my ideas were respected p 4.30

Qualitative Evaluation Data

In addition to the quantitative data, participants shared comments, questions or suggestions. The numbers that follow some points indicate that multiple people had similar ideas.

Kudos

- Mix of people in the room, Voices were included, committee selection process. (3)
- Collaborative, respectful conversation. We worked well together. (2)
- Small group deliberation (2)
- Discussion of a lot of material.
- Welcoming of sharing ideas.
- Facilitation was very effective
- Good ideas were presented
- The first bits were fun.

Suggestions for Improvement

- Not enough time to understand all complex issues and to share ideas. Rushed, too many unanswered questions (6)
- Put less on the table, more in depth, more pro/con.
- Longer time but what we had was great.
- Too long. 3.5 hours is the limit to my attention span.
- As soon as the CET sheets [information handout] were handed out, I felt like the process was undermined.
- The stats were hard to understand.
- Not enough background/data on some topics.
- More info on estimated cost and final time frame.
- Information from consultant should have been available sooner to take into consideration.
- Less paper waste.
- Education/prep prior to first working group session.
- Public comments are coming from the same people. One and done, then encourage more public input through listening sessions at grocery stores etc. GO TO THE PEOPLE.

Quantitative Evaluation Data Regarding the Content and Next Steps

1. How satisfied are you with the final list of recommendations? 3.65
2. How confident do you feel that Council will act on the list of recommendations 2.7

Qualitative Data Regarding the Content and Next Steps

Comments regarding the list of recommendations

- I Think CET needs work incorporating ideas that were shared. Largely supported but the devil is in the details.
- I felt the economic report was very important and hope the Council and Mayor will really look at what a "neutral" party reported.
- Short on nuance and needs to be viewed more holistically but there was a lot of positives about it and many good ideas were included.
- Support for organizations that care and help for affordable housing.
- Need more clarification on some.
- Need more facts and data.
- Comprehensive list.
- 3 and 3A are very depressing. They really spell the deterioration of our close in older neighborhoods (which down the road will lead to pushing out the UGB someday for new R1 neighborhoods). The demand for market-rate single family houses is great.

Comments regarding hopes/expectations for Council

- Please act in the interest of the future of the city. Please ACT and do not ignore recommendations here in favor of N.A. few
- Enough process. Don't let people use "dissatisfaction with process" to be used as a roadblock by people who just don't agree with the idea. We need action.
- This is their opportunity for ACTION. Move things forward through the public process.
- That they act!
- DO something!!!!
- The topic is incredibly complex and I'm not sure all will be successful about getting at the root causes of the issues.
- Think of what is best for the whole community as well as our least economically advantaged.
- Be mindful of process moving forward.
- More in depth working groups.
- No engagement with priorities, severity or sizability. Hard to do this in the group but Council needs this.
- Economic development and equity impacts. Prioritize with actions.
- Let's do this! With many of these discussion points.

What will you tell community members about this process?

- This was productive and nuanced. If you weren't present, you might not understand that.
- Majority of sides were represented.
- Good, open process
- I appreciate the work and professionalism of city staff.
- Council uses this to act, great, it will have been worth the time.
- It's important to get involved and learn about our community!
- Wait and see
- We need more material from knowledgeable sources.
- Not very useful. Outcomes were predictable from the beginning based on the people chosen for this process and those NOT allowed to join.

- Not enough time available to persuade those who came into this process with disagreements. We talked past each other.
- More due diligence needed on many of the proposals.
- People tried hard but the levels of knowledge were too different. Needed more time and info.
- Let's act!
- We tried
- This didn't produce anything new. We knew what needed to happen/change. But if There is enough synergy to keep moving action forward to support steps needed to take actions as these solutions move to Council.
- Appreciate the complexity of the issue.
- Now is the time for Council to act.
- I hope something comes of this!
- I really hope our voices are not drowned out by the usual squeaky wheels.
- Hope Council doesn't bury these concepts with more process.
- Accurately represented the larger community proportionally.
- SO much effort went in. Good experience to get more voices in the room.
- Better in the beginning, the end was daunting.
- Having a balance of voices/perspectives in the room increases accountability.
- Plenty of opportunities to act in support of housing.
- Process was a little "touchy-feely." My hope is that some of the top issues will actually get enacted, not just talked about.
- High level of interest. Will share accepted options with the League of Women Voters for consideration.
- Merge of options.
- Thrilled to have a cooperative work.
- I appreciated how people were able to be open and communicate even when disagreeing.
- Might have moved the needle a wee bit towards affordable housing.
- Rushed but productive.
- I disagree with the implied underlying premise of the process that building housing more affordably (our scope) is a separate conversation from mitigating the social impacts (that we mostly ignored).

Other

- Very much appreciate the effort!
- Too much time on fluff and process B.S. = wasted time on details.
- Options I suggested at meeting 3 never made it on any list.
- Diversity not only on housing but opportunity for ALL, mix legal status and our coming language barrier.
- Fantastic facilitation.

Appendix H: Community Feedback

Summary of Community Feedback From September 12 Meeting

What Stood Out

- Heartening process.
- Hopeful that the group can agree on outcomes and why those outcomes matter.
- The concept of "Wicked Problems".
- The comprehensive list of values and priorities that emerged.
- First meeting had limited attention to builders/creators of housing.
- High degree of attention on/control by the moderator.
- Meeting seemed like an ice-breaker in a group that already knows one another.

Kudos

- Range of voices included.
- Facilitation tone, emphasis on framing things in a positive framework and lifting up competing positive values, desire to steer away from blame/judgment without discounting reality.
- Glad this is happening

Questions, Concerns and Suggestions

Process Focused

- Need clarification on the purpose and desired outcomes.
- Need to move on to specific options that will make a difference.
- Worried about the voices who are missing. Bottom 10% is not in the room.
- How will the group engage detractors? Worry (based on past experience) that all this work will not make a difference, recommendations will be undermined after the fact.
- How will specific decisions be evaluated? What's the role of data and analysis in making those decisions. What criteria will be applied to decide?

Content Focused

- Property rights are inherently zero-sum and adversarial.
- The City may be reinforcing or creating barriers to housing affordability and diversity via the Clear & Objective Housing Standards project's process.
- Include more conversation about how different kinds of homebuilders and remodelers are affected by these challenges.
- It seems more expensive to remodel or retrofit existing structures. For both new development/building and remodeling, we need a variety of options.

Suggestions on Logistics

- It would be good to know how people learned about this Working Group.
- Larger tables (6 people each) might help avoid obstructed views.

Summary of Community Feedback From October 4 Meeting

Who Responded

- Two individuals
- Split on gender, income, rent/own, and ethnicity (one white, one Hispanic/mixed).

Feedback on What's Missing

- Renters are underrepresented, landlords/property managers,
- Trade unions and someone from EWEB would be super useful.

Ideas/Priorities Going Forward

- Tenants' rights issues (especially ending/curbing no-cause evictions) were mentioned in the packet but I worry won't get enough attention.
- I like many of the tax options and am not against exemptions in for lack of better words "the right" situations. However, I dislike in-lieu of fees for the same reason cap and trade policies have been bad at dealing with climate issues.
- The group as a needs to look at our zoning code map--simply changing some R1 to R2 would do quite a bit!
- How you address not just the amount of housing but also people's ability to afford housing—affordability could be helped with increased wages or incentives for residential solar on rental properties
- Efficiencies with utilities isn't something landlords are likely to do currently because they have to pay for it and rarely pay utility bills.
- I do not believe that the UGB should be expanded. The point of the UGB is to limit urban sprawl. We should not walk away from that concept just because neighbors are objecting to infill.
- Preserving agricultural and forest land is a benefit to us all. Strategies such as opportunity sitting are win-win for us all.

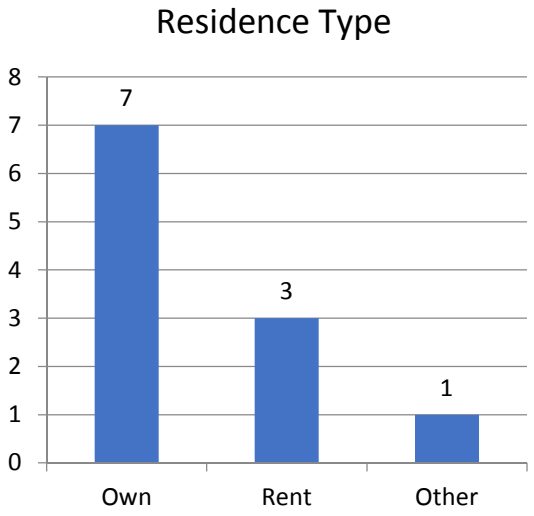
Summary of Community Feedback From November 14 Meeting

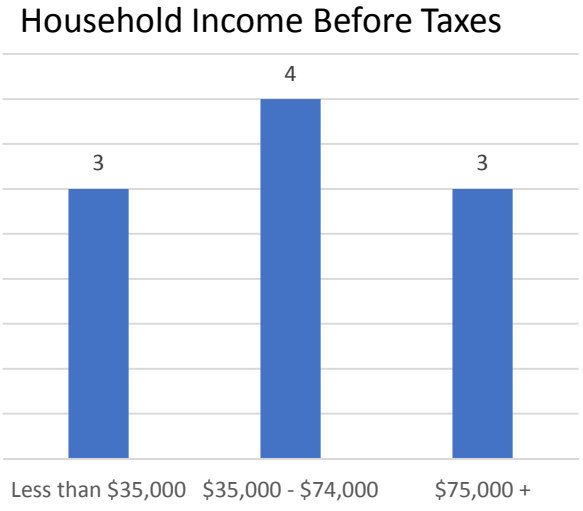
The following is a summary of the responses to the online survey in response to the November 14 Working Group meeting. The complete results are available (with identifying information removed).

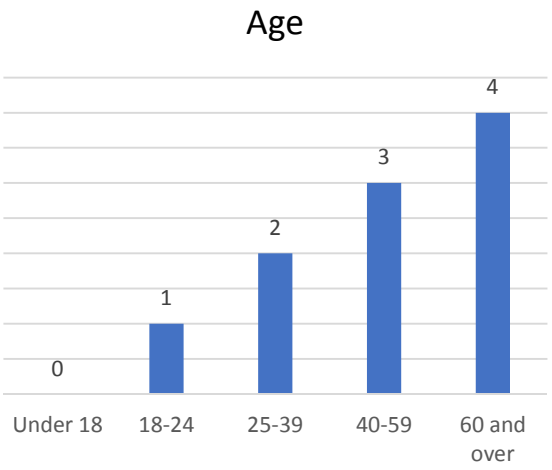
Who Responded

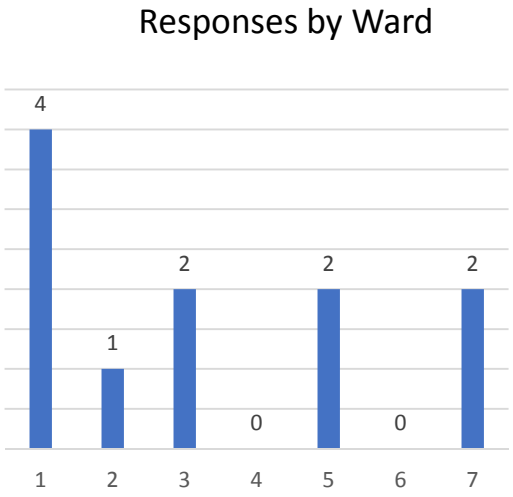
25 responses-not all completed the optional demographic information. Of those who did:

- 2 are members of the working group.
- 5 have attended as audience members.
- Roughly even split male/female
- 90% white, 1 person of color.

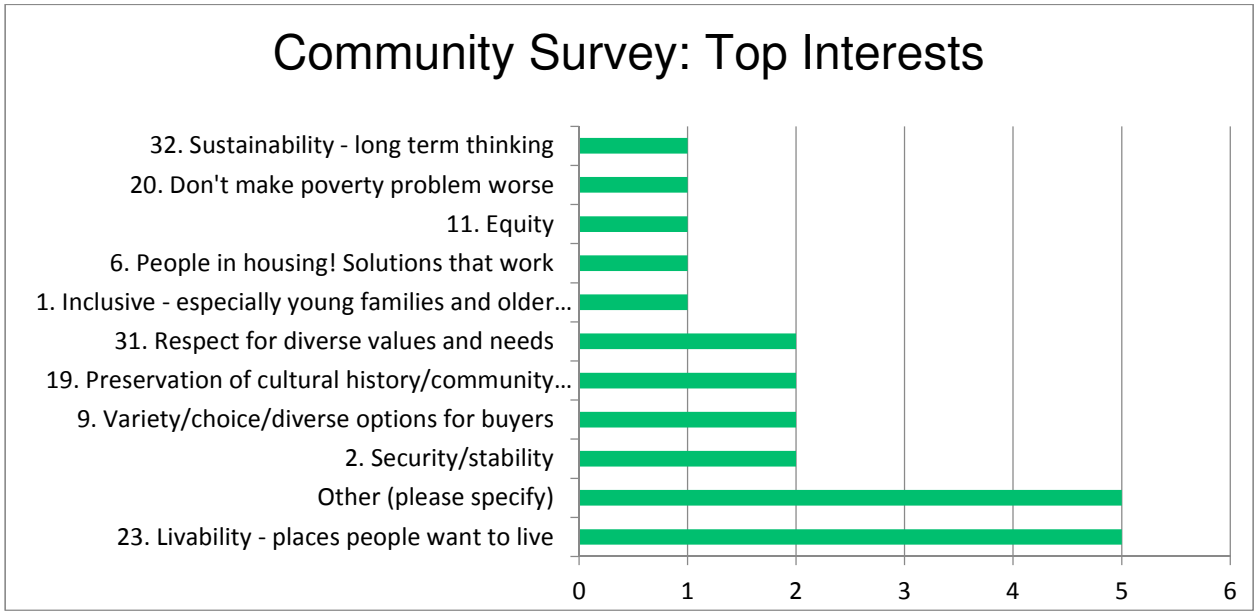








Top Interests



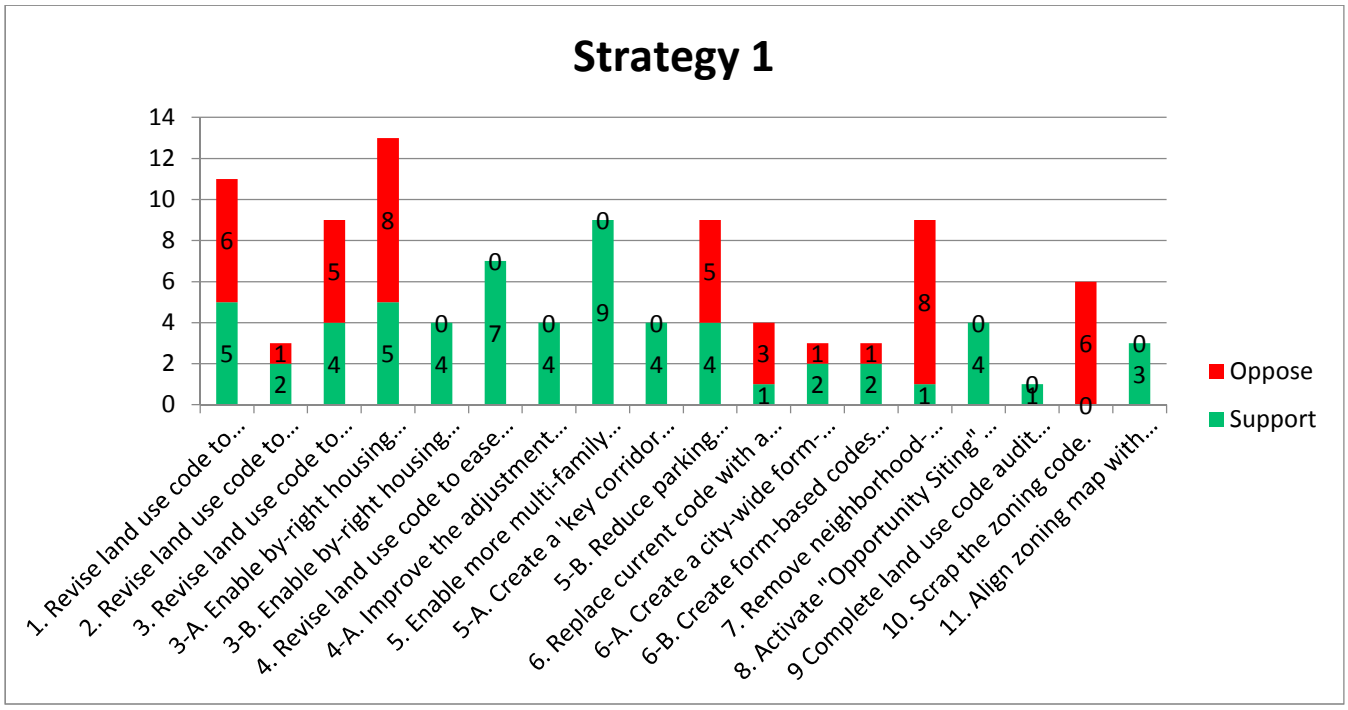
Comments on Interests (Other)

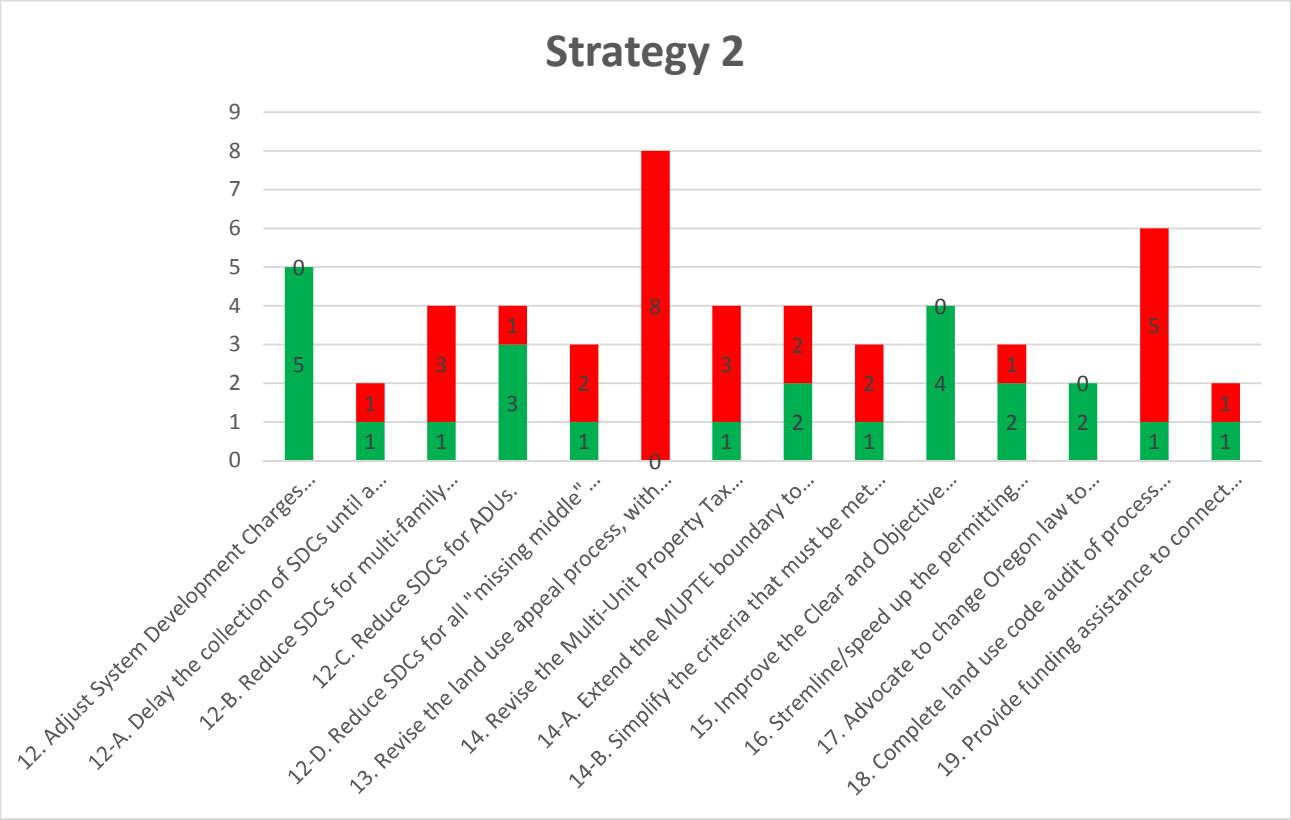
- Survey asked for top 3 but only allowed to pick 1.
- Interest in supporting lowest income earners and subsidizing (Affordable) housing.
- Call for definition of terms (in the interests)
- Interest in decreasing land costs (via expansion of the Urban Growth Boundary)
- Noted conflict between existing homeowners (protecting property) and needs of others.

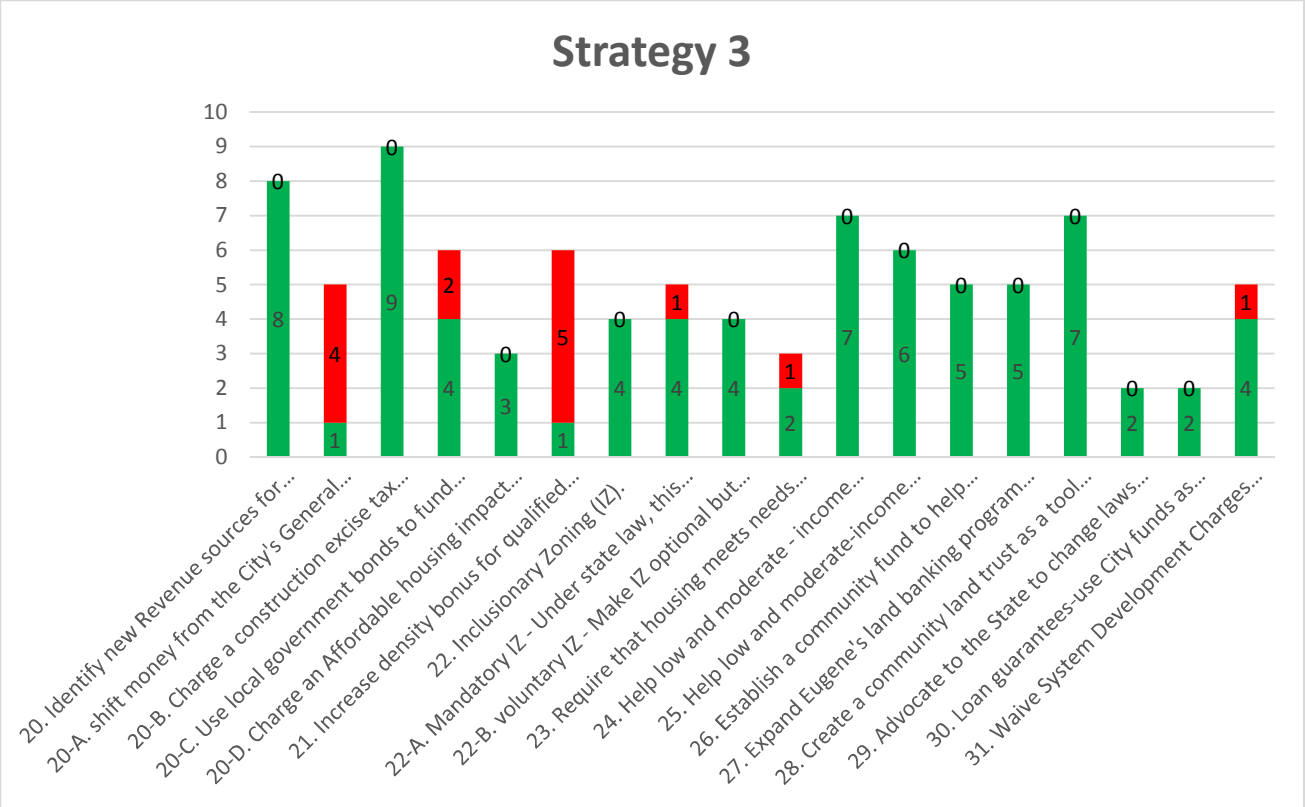
Notable Data (reaction to data from Strategic Economics)

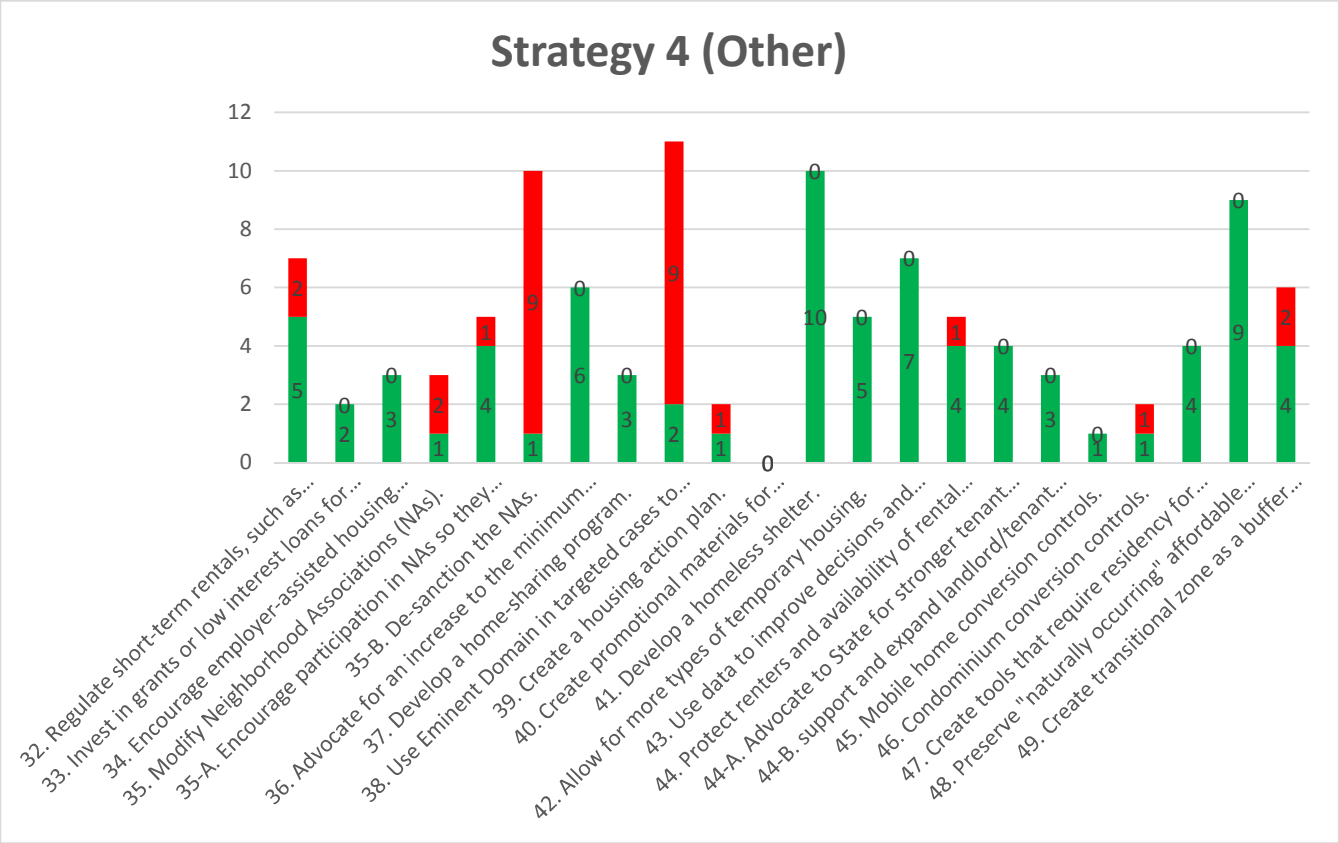
- High cost of housing (rent and own) and skew of types of new homes being built.
- Shortage of lower income options for housing.
- Income disparity.
- Noted market forces as drivers of what gets built.
- Critique of lack of detail/fine grain analysis- want more detail on student impact, details on types/needs of low-income households. Question about accuracy of information.
- Critique of over-representation of builder/developer perspective.

Feedback on Options (by strategy)






Strategy 3
20. Identify new Revenue sources for...
20-A. shift money from the City's General...
20-B. Charge a construction excise tax...
20-C. Use local government bonds to fund...
20-D. Charge an Affordable housing impact...
21. Increase density bonus for qualified...
22. Inclusionary Zoning (IZ).
22-A. Mandatory IZ - Under state law, this...
22-B. voluntary IZ - Make IZ optional but...
23. Require that housing meets needs...
24. Help low and moderate - income...
25. Help low and moderate-income...
26. Establish a community fund to help...
27. Expand Eugene's land banking program...
28. Create a community land trust as a tool...
29. Advocate to the State to change laws...
30. Loan guarantees-use City funds as...
31. Waive System Development Charges...


Strategy 4 (Other)
32. Regulate short-term rentals, such as...
33. Invest in grants or low interest loans for...
34. Encourage employer-assisted housing...
35. Modify Neighborhood Associations (NAs).
35-A. Encourage participation in NAs so they...
35-B. De-sanction the NAs.
36. Advocate for an increase to the minimum...
37. Develop a home-sharing program.
38. Use Eminent Domain in targeted cases to...
39. Create a housing action plan.
40. Create promotional materials for...
41. Develop a homeless shelter.
42. Allow for more types of temporary housing.
43. Use data to improve decisions and...
44. Protect renters and availability of rental...
44-A. Advocate to State for stronger tenant...
44-B. support and expand landlord/tenant...
45. Mobile home conversion controls.
46. Condominium conversion controls.
47. Create tools that require residency for...
48. Preserve "naturally occurring" affordable...
49. Create transitional zone as a buffer...

Comments on Options

- Need a broad and systematic approach
- Must address income disparity.
- Many are vulnerable. Allow for/support cheaper options rather than pleasing the aesthetics of the housed population.
- Must find a way to pay for affordable units with deep analysis of pro-con of each.
- Don't cannibalize existing housing.
- Infill is expensive, won't help keep costs down.
- Critique of the list as a whole and the survey.
- Call for comprehensive analysis of impact to evaluate any options.
- Specific commentary on specific options (see full report)

Other:

- No mention of impact of climate change.
- Critique that the group is stacked in favor of developers/business interest.
- Advocacy for those in the bottom income bracket and need to protect them.
- Critique of increased density and of eliminating transportation related SDCs (negative impact to traffic and parking → more people living outside of city and commuting in).
- Critique that changes to support ADUs and Missing Middle types won't support affordability. Threat to neighborhood livability without data to support that it will help the problem.
- Call for increased density, especially in downtown area. Dismay at approval of low-density development (800 Willamette).
- Critique of lack of in-depth analysis of options and poorly constructed survey.
- Support or opposition for specific options (see full report)

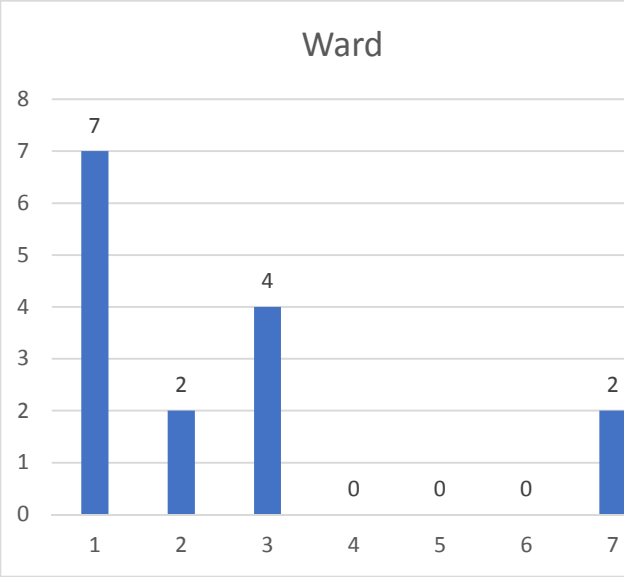
Summary of Community Feedback from November 28 Meeting

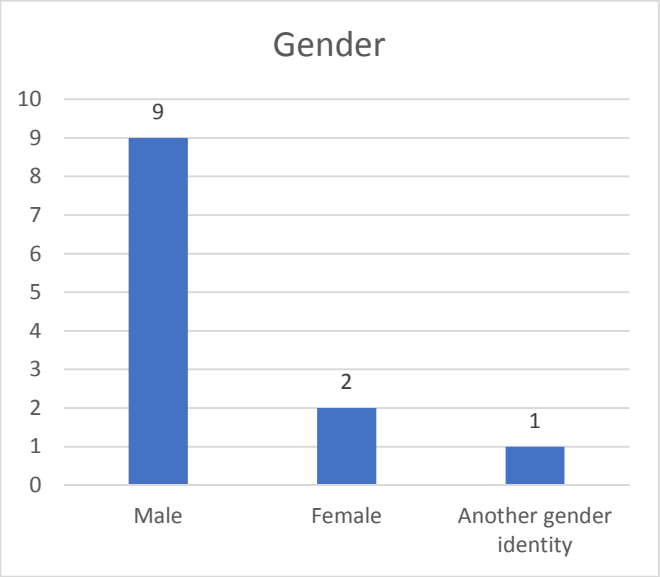
The following is a summary of the responses to the online survey in response to the November 28 Working Group meeting. Given that this feedback is summative (coming at the end of the entire process), comments here have not been synthesized. Specific comments by option are available in a separate document available online at: https://www.eugene-or.gov/DocumentCenter/View/43801/Community-Feedback-11_28_18---Full-Survey-Results

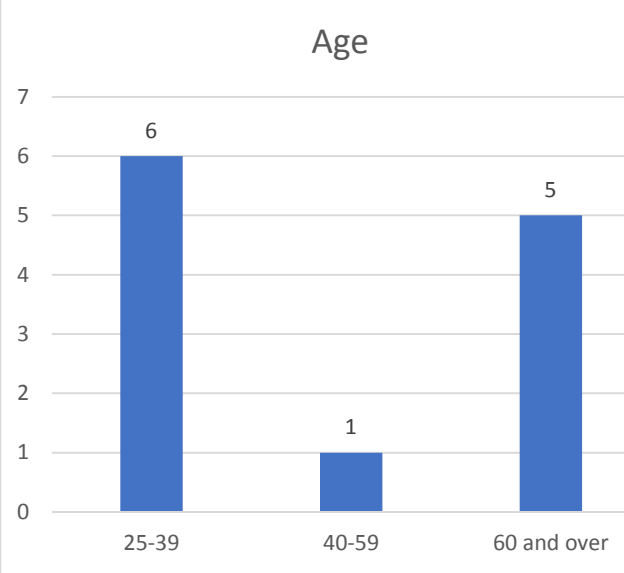
Who Responded

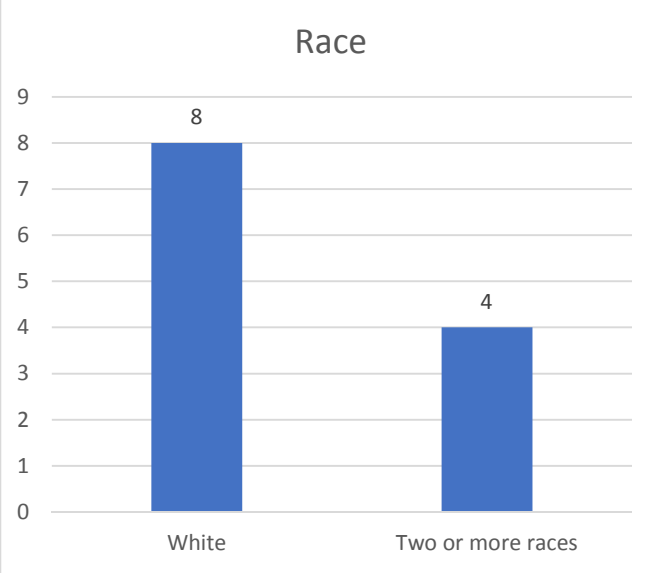
19 responses-not all completed the optional demographic information. Of those who did:

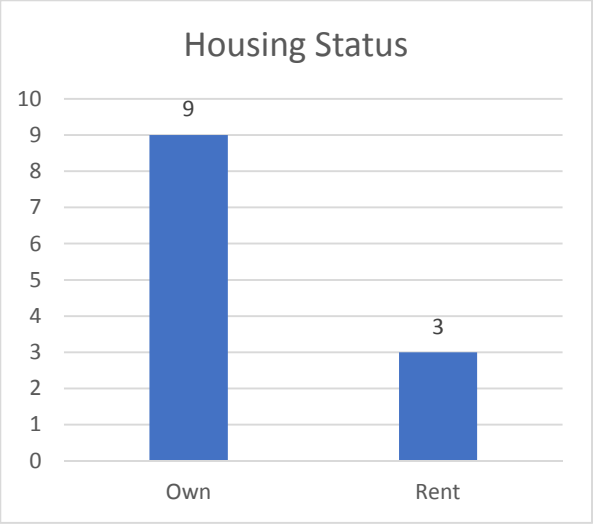
- 1 was a working group member
- 6 have attended the working group meetings as audience members.

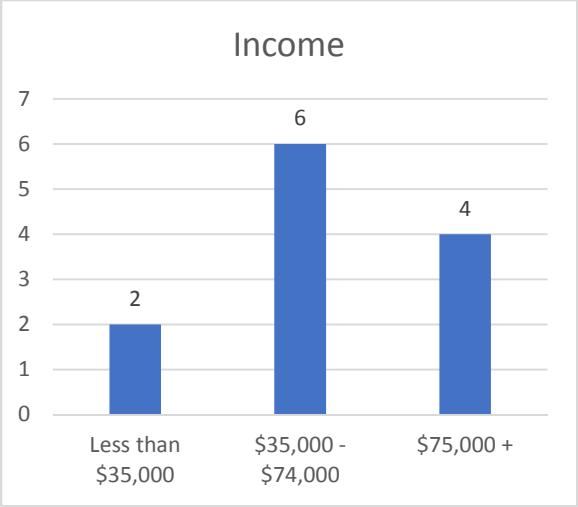












Respondents to this survey were more mixed in age and race than the previous survey. In this final survey, men, homeowners, and residents of Ward 1 responded more frequently than women, renters, and residents of other wards.

What Stood Out?

- The main thing that stood out is the variety of tools that the group supports. I think, in particular, building a homeless shelter near services (downtown), incentivizing multifamily along key corridors (including adaptive reuse opportunities), and encouraging tiny or accessory dwelling units are particularly important low hanging fruit. Also, long term change will come from addressing SDC equity and prioritizing various incentives toward developments that meet our community's goals re: climate change, affordability, and livability.
- Most of the “affordability” tools here do nothing to redistribute wealth by democratizing ownership. If bonds are used to build “affordable housing” the housing should increase democratization of ownership—either through publicly owned public housing or community land trusts and cooperative ownership.
- The mention of encouraging people to join neighborhood associations, so those associations will be more representative of the neighborhoods; this seems key to me. The leadership of the neighborhood associations currently doesn't represent the diversity of perspectives in our city (especially those of renters).
- Overall it wasn't democratic and it failed to include representatives of the lowest income Eugeneans. But here are some highly-approved, popular options: "Enable by-right housing options, including duplexes, triplexes, cottage clusters, and smaller homes on smaller lot sizes in all single-family zones. 86% Revise land use code to encourage Accessory Dwelling Units (ADUs) in all single-family zones. 82% Revise land use code to allow for development of more diverse “missing middle” housing types. 82%" and let's roll. Let's recognize the 14% or 18% will never agree, but the good of the whole, MOVE FORWARD on these three. And every corridor will be as contentious as the Willamette Corridor, but, please move forward for the sake of the lowest income segment.
- This group was geared towards addressing the supply. That's important and we do need to build but it didn't seem to be allowed to focus on anything else and the problem is holistic, supply is just one piece.

- Some confusion about details of options.
- There's a lot of agreement on little things that probably won't make much difference, but disagreement remains on changes that would either potentially increase density in some neighborhoods or cost money.
- Current zoning is very out of sync with current housing demand and popular housing types such as missing middle housing. No cost zoning changes could provide much needed relief to housing demand while also promoting stronger walkability in neighborhoods.
- Code and permit revisions to make the process of building more housing easier and faster seem to have gained a consensus - with everyone but the representatives from the Neighborhood Leaders Council. The NLC, an un-elected body of appointed representatives from the boards of neighborhood associations that are currently active, appears to be concerned with keeping the status quo of development strategies rather than making bold steps towards improving housing affordability. The NLC is two levels removed from actual 'neighbors' and isn't actually accountable to anyone. Given this, I have to wonder how representative of the 'neighbors' they actually are. Given that pretty much everyone involved in this working group is a neighbor somewhere, if the NLC representatives are opposing particular strategies, perhaps they are doing so because of biases they brought to the working group and not as a result of conversations within their neighborhoods.
- Given that there appeared to be very little discussion or weighing of the pros and cons of each option by the entire group (and little data and analysis to determine if any of the options met the goals of increased affordability and availability one could reasonably conclude that people voted on their personal preferences the exact same way if they had voted at the beginning of meeting #1. Therefore, the outcome was reflective of the people who were carefully chosen (knowing what their positions were) to be in this so-called working group.
- Most of the category 1 items have strong support and just need to be written in legalese and voted for by city council. Please do those quickly then work on the others.
- The manipulation of the group by the process, in which participants were forced by the process to vote on vague word groups, the meaning of which, was not adequately defined or set in any factual basis vis-a-vis existing municipal or state guidance documents or given any relevance to how the issue under consideration would make housing more affordable, accessible or diverse.
- Commitment to transit corridor density. Tepid support for affordable housing for Eugene residents over investor profit.
- It seems many of the participants are assuming that building "middle housing" types of structures and ADUs will provide lower costs for the residents. In my opinion this is not a given and depending upon the zoning changes to allow these it could in fact, lead to the demolition of many currently lower cost housing units.
- The voting process was completely without validity. A mere, reflection of 27 or 28 individual individuals without consideration of critical facts to inform their votes. A farce, really.
- Not enough time.

What Questions did this raise?

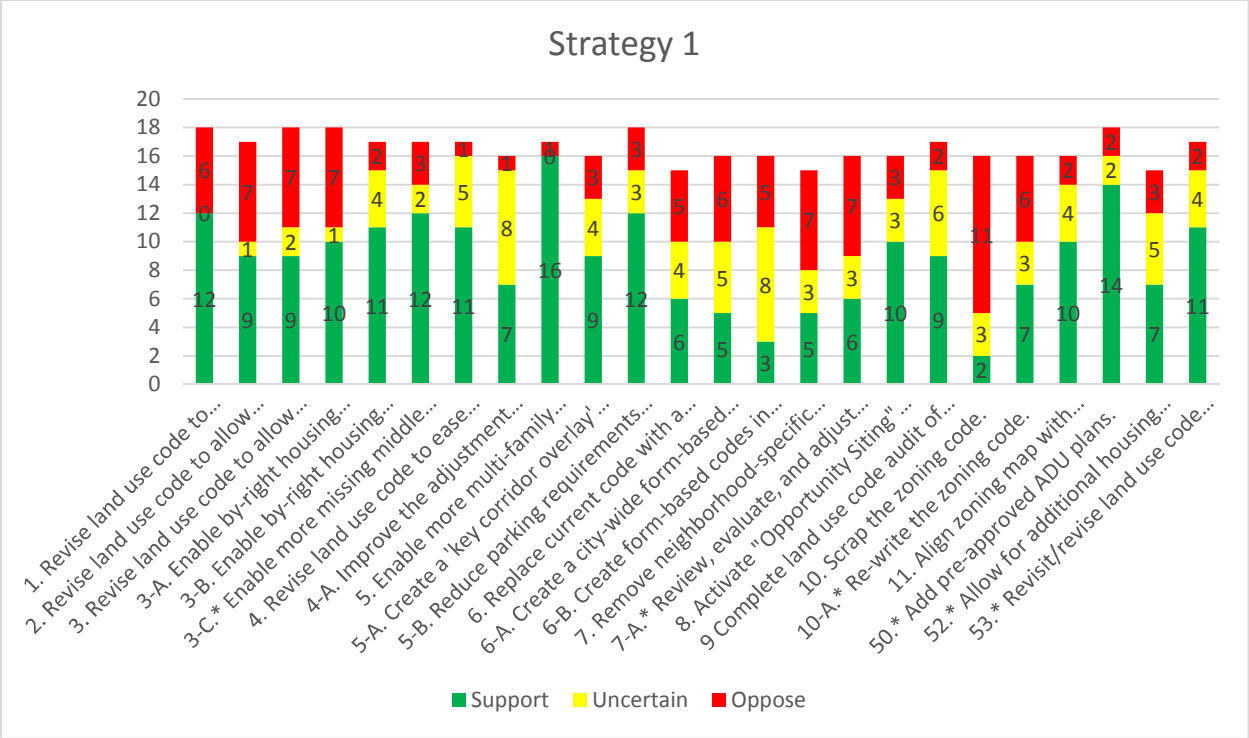
- How will these voting results translate into actionable items?
- Why raising the minimum wage is not part of the affordability discussion. Why eliminating MUPTE was not discussed. Why publicly owned affordable housing was not discussed. If what was discussed, what not, was determined by what the participants generated and what they didn't, seems they were of a lot a bit out of tune and that the imported info provided by the economists was also lacking. It's as if the thinking is that status quote thinking, status quo models, can solve a status quo problem. Here's this: 62% of residents in Vienna live in publicly owned social housing. Not worth one bit of consideration?
- Curious how I can become involved in this effort: Advocate to change Oregon law to reduce liability requirements for condominium projects.
- Many options were not sufficiently disaggregated, for example ADUs should have been voted in subparts, similar to revenue sources. For example owner occupancy, and special restrictions in South Univ., Amazon and Jefferson should be voided. Options were most seriously aggregated in option 3A, including letting people partition our lots and HOW SMALL is small? You omitted the most important questions.
- I remember when they were talking about a CET the builders were pretty much against it no matter what--good ideas were brought up and they were asked if there were any ways they could be for it if other things about it were specified: how do we get people to have more of a group mentality and look out for things other than their short-term pocket book?
- How knowledgeable are participants on these options?
- How many units of housing, and what price range of housing, could be expected to result from the various measures or groups of measures considered--and how quickly? Are these numbers commensurate with the scale of Eugene's housing crisis? What changes have occurred in Eugene that participants strongly opposed at the time, but have turned out OK? What other changes have happened without residents having made a decision (either due to economic factors or because we were not able to reach agreement)? Most of us would really prefer that nothing change--but this is not realistic, or even desirable.
- Why is City Council being so unresponsive to the housing needs of younger generations, and maintaining status quo NIMBY obstructionist agendas?
- Is City Council willing to prioritize the strategies identified, even if it offends the neighborhood association boards?
- Why was there so much time and money spent on this group when there is so very little that City Council can really make use of? It's hard to fathom how City Council can take any next steps based on the report that staff will deliver and single interest groups will continue to lobby hard for what they want to see happen.
- It's really hard to understand this without hours or watching videos.
- How a group desiring to work on solutions to existing housing problems got conned and manipulated by the process which went to great lengths to demonstrate how egalitarian it was, without actually allowing genuine consideration of the issues to take place.
- Was rent control discussed?

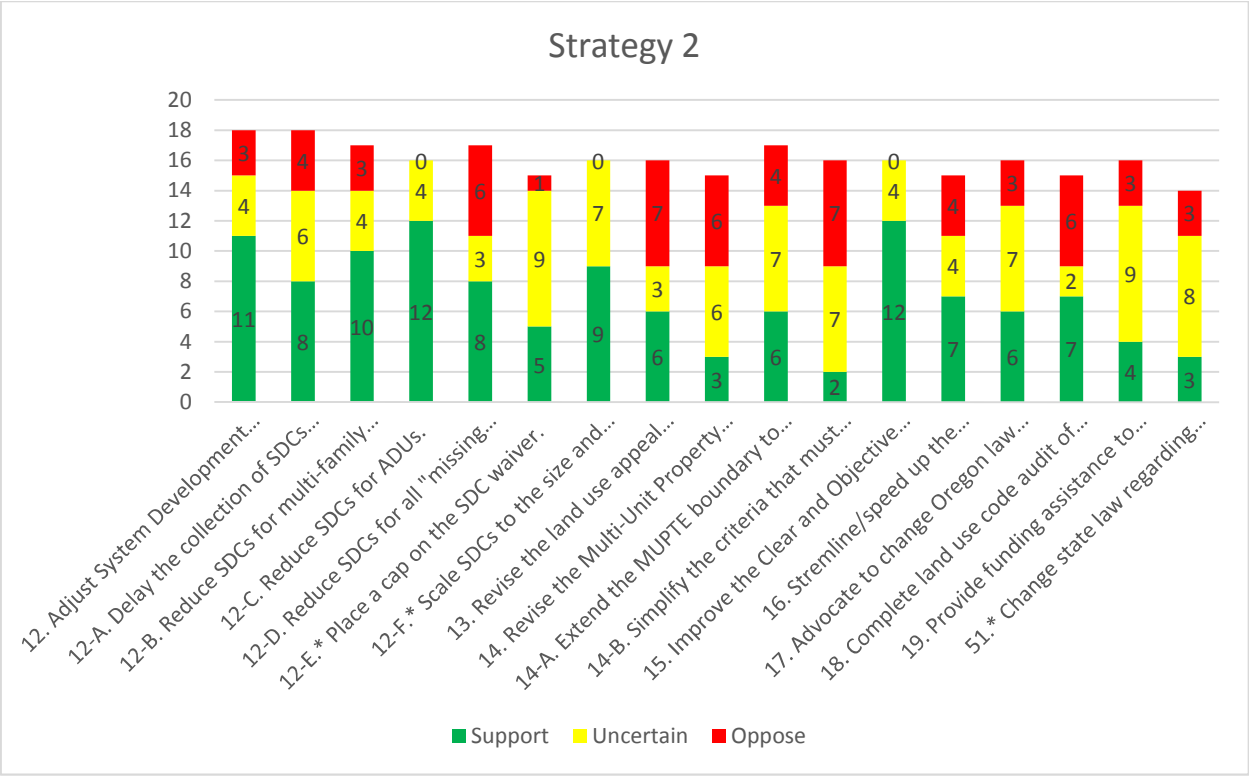
- I was hoping for some examples from other communities around the country where these approaches to housing affordability have been used. I would like to see more analysis done on many of the options with pros and cons and benefits and consequences identified.
- When will the Planning (and Development) staff have competent management and performance accountability?
- Clarity of interests needed... multiple representatives representing same interest makes for an option that seems like it has less broad support.

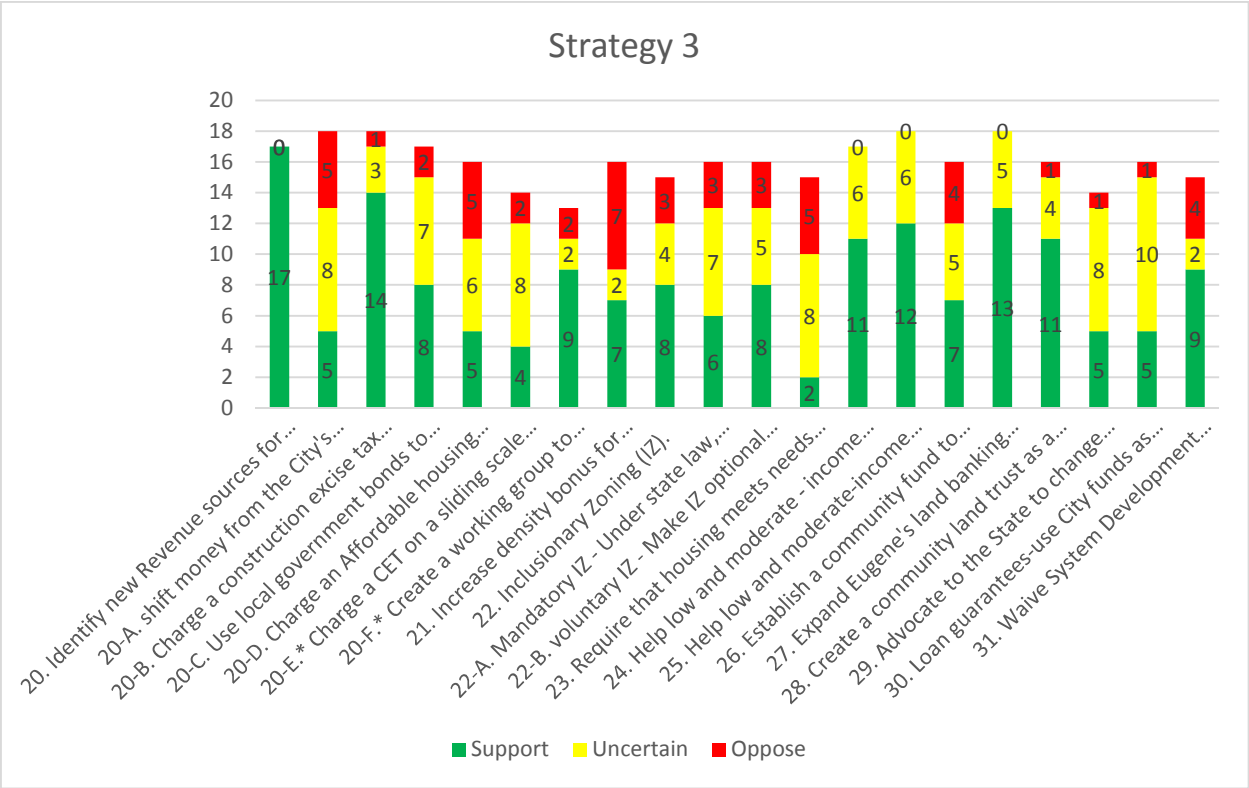
Anything Else to Add?

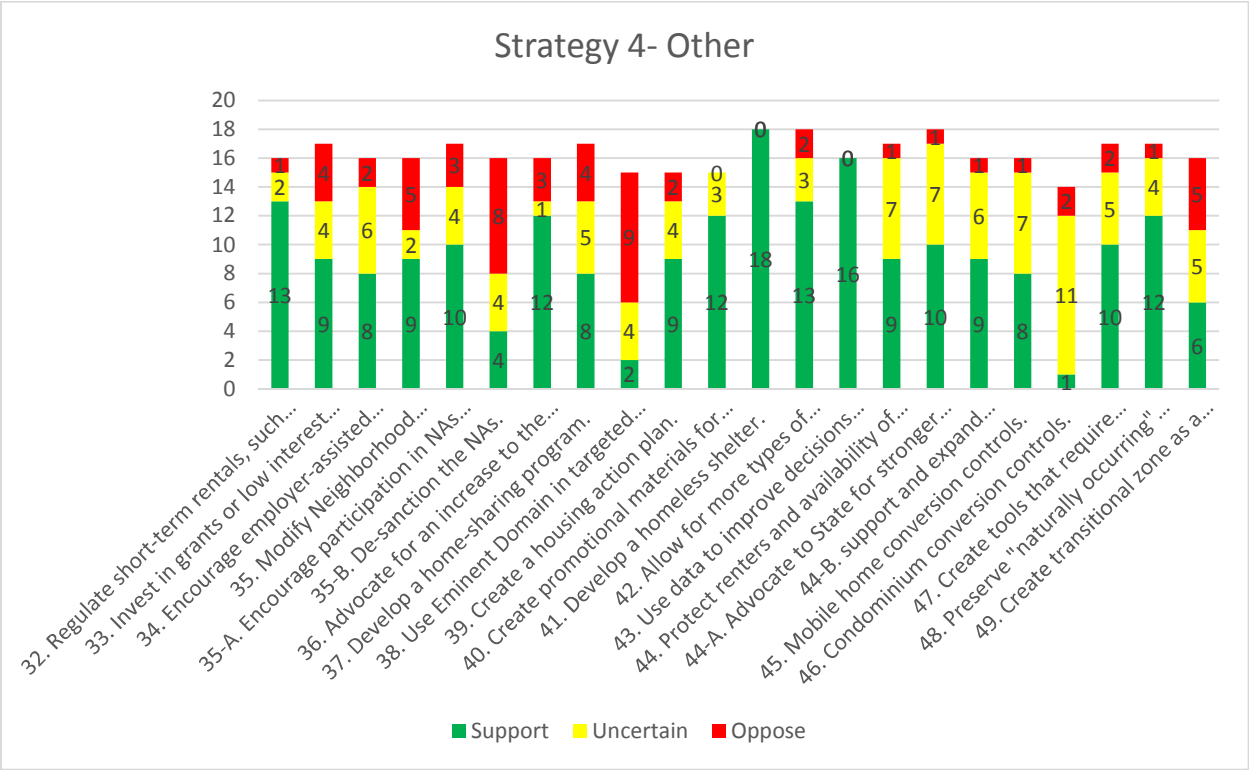
- This Working Group as a get to know one another, has been useful, but as far as producing reliable information for Council, it has only produced unreliable information due to the process followed, which allowed too many irrelevant to "how does this topic produce affordable housing, or availability of affordable housing, or diversity (of what, types of housing?)? This WG is an example of Planning following the planning idea that is in current fashion, despite information from Seattle and Portland showing the shortcomings of thinking that zombie-like imposition of density on residential zones will produce the goals they advertise it will produce, when in fact, it destroys the livability of residential neighborhoods.
- Thank you for working on this! Long overdue! Plan for future residents/future humans. Don't let the process by hijacked by people only out to protect their investment/inherited wealth.
- Very poor survey! Need to define "needed housing by price." Raising minimum raises is a sham and the taxes are raised for salaries of government workers. Housing Technology not addressed in survey. Price of land vs construction cost vs infrastructure not addressed. There is a cost for sewers, roads, traffic lights, water run off etc. redone current commercial to housing and turning some parks into housing not address. Transportation infrastructure (people moving - mono rail / subway) not addressed. Buses are worst form of mass transit because of impact on limited space for roads. Need dollar amounts for each bracket being discussed. Last, need a pro and con before each questions!
- The public and the Council needs more information about many of these options in order to make informed decisions. This effort should be thought of as the beginning of the process
- I'd love to see incentives for cooperative housing. Such as LECs but also on a micro scale. Perhaps something like first rights of purchase to renters living in a house for a certain amount of time. Some sort of tax break seems feasible too.
- Not on the list is expanding the UGB for housing. How about adding an option of prefab homes.
- This is a ridiculous amount of material to go through. This online survey will only be answered by partisans (myself included), and I think will contain very little of use. Not that council will see that. This will just be passed along as if it's representative.
- Expand the UGB for compact and affordable housing. Implement Opportunity Siting Follow the explicit strategies that the Council approved for Envision Eugene Get competent leadership for planning processes

Feedback on Options (by strategy)









NOTE- Comments on individual options are available in a separate document.

Summary of Emailed Feedback From November 14 Meeting

Introduction

In addition to the online survey, community members also have the option to email the Eugene Housing Tools address to provide feedback. While the online form asks for specific feedback which can be easily compiled and synthesized, emailed feedback tends to be broader, longer, and thus, more difficult to summarize. The emails summarized below include those sent to the HousingTools@eugene-or.gov mailbox that is monitored by City staff and were requested to be shared with the Working Group members. Given the extensive content included in these emails, the Working Group facilitator has identified key points as a means to help interested parties find the feedback they want to read more about. The purpose in making this list isn't to limit or filter information but rather to make extensive content more accessible and easier to navigate. Parties are, of course, welcome to read the emailed feedback in their entireties.

City staff and the facilitator have not vetted any of the community feedback for accuracy.

PG 1-25 - Paul Conte

- Critique of strategies and options including whether/how they would be effective to addressing problems of cost, lack of data to support, and negative impacts of some options.
- Promotion of Opportunity Siting as option with supporting explanation/links.
- Notes the challenge in the ways that market forces make affordability difficult and call for more attention to options that will help pay for subsidized units.
- Suggests new options for the group's consideration.
- Lists specific concerns regarding alignment of options with Envision Eugene pillars and neighborhood livability.
- Includes attachments with documents from previous community groups (Mixed-Use Re Development Sub-Group). Predominantly advocating for mixed-use high-density housing options along transportation corridors and guidance on infill compatibility standards.

PG 26-111- Bill Aspegren

- Broadly concerned that neighborhoods and livability interests are under-represented.
- Critique that terms are poorly defined.
- Critique of specific options (see complete text for details).
- Support for mixed-use and higher density home construction with construction of commercial units.
- Specific comments on stimulating ADU construction and suggestions regarding Urban Reserves.
- Includes attachments:
    - PG 28-79 -"Metro Residential Preference" 2014 draft of study prepared by DHM Research. Data from residents of Multnomah, Washington, Clark, and Clackamas

Counties regarding housing preferences. Shows highest preference for housing is for single family detached homes.

- PG 80-103- "The Gap" 2018 Report from the National Low-Income Housing Coalition – National look focusing on low-income households. Highlights high numbers of cost-burdened households and the extreme shortage of housing available for these income levels. Examines household types. Identifies federal policy responses and the need to invest more heavily in constructing Affordable units.
- PG 104-111 - Comments regarding construction of Secondary Dwelling Units (SDU) – also known as Accessory Dwelling Units (ADUs). Key barriers to construction include cost, land (access to alleys), fees, regulation, and property owner preferences. Concern that these types of units won't help with affordability but may damage livability. Reference to and attachment of supporting documentation regarding efforts in Olympia and Gresham.

PG 112-161 - Paul Conte

- Acknowledgement of the problem (burden of cost for many households) and the difficulty of addressing it.
- Call to make a positive impact without having negative consequences.
- Call for more data to better evaluate the options.
- Call for alignment with previous efforts (Envision Eugene/Comprehensive Plan)
- Analysis of options based on perceived alignment with the Comprehensive Plan and Envision Eugene Pillars. Also includes perception of neighborhood association response to options.
- Analysis of top/bottom ideas based on "Creams and Rocks" analysis.
- Process concerns with polling of options.
- Attachments (repeated from earlier pages) from the MUD sub-group.
- 2011 Information on Opportunity Siting
- Elaboration of process concerns, including disrespect for parts of Eugene's population.
- Call for alignment with Envision Eugene pillars with specific concern for preserving neighborhood livability.
- Concern that the problem has been poorly defined and ill informed (critique of limited data from the housing economist).
- Call to focus on how to finance subsidized units.
- Critique of the list of options and glossary. Concern regarding specific content as well as inconsistencies in language/definitions. Feedback on specific options.

PG 162-163 – Eben Fodor

- Critique about data available to working group
- Call to address lack of housing for very low-income households
- Reference to "The Gap: A Shortage of Affordable Homes", by The National Low Income Housing Coalition, March 2018 (available at https://nlihc.org/gap). (also referenced in a prior email above)

PG 164-166 – Paul Conte

- Critique of Strategic Economics data presented on 11/14 meeting.
- Specific concern that data regarding likely volume/impact of options wasn't included in the presentation.
- Critique that data was one-sided (over-representing developer interests)
- Suggestion regarding ADUs and low production in areas where regulations are less stringent (but production still low).
- Critique that the data, while well presented, wasn't specific enough (too high level) to be useful, lacked adequate citations/identification of sources, left out details regarding student households, and was overall biased/un-useful.

Full Text

Full text of these emails is available online at https://www.eugene-or.gov/DocumentCenter/View/43659/Emails-to-Housing-Tools-and-Strategies-Working-Group-by-11-26

Summary of Emailed Feedback from November 28 Meeting

Eben Fodor

- Suggests that the data presented on 11/14 should focus the group's attention on those with the lowest income.
- Suggests that data regarding cost burdened households is skewed because of students and retirees. Both may show limited income but are still able to live comfortably.
- Requests that the City break down data to assess magnitude of the housing problem more accurately.
- Suggests consideration of the national market and how the local market compared with the national market.

Zondie Zinke

- "62% of residents in Vienna live in publicly owned social housing—please consider!"

NOTE- Given the brevity of the message, Zondie's email has been included here in its entirety.

Full text of these emails is available online at https://www.eugene-or.gov/DocumentCenter/View/43792/Emails-to-Housing-Tools-and-Strategies-Working-Group-by-12-2

Attachment B

STRATEGICECONOMICS

EUGENE HOUSING TOOLS & STRATEGIES EVALUATION

DRAFT SUMMARY REPORT

Prepared for:

City of Eugene, OR

Eugene

December 4, 2018

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I. INTRODUCTION

Enabling quality housing at a range of price points is a high priority for the City of Eugene. In May 2018, the Eugene City Council passed a motion to have staff implement a process to identify barriers to housing affordability, availability, and diversity, and to suggest, evaluate, and recommend possible strategies and tools to address the barriers. In support of that process this summary report provides findings from an evaluation of a range of housing tools and strategies. The tool evaluation was conducted in conjunction with the Housing Tools and Strategies Working Group, which is making recommendations to City Council on options to improve housing affordability, availability and diversity in Eugene. This summary report highlights key findings from the evaluation and will be followed by a full report including additional background information, analytical results and assumptions.

Following this introduction, this summary report summarizes population and household characteristics within the City of Eugene, provides an overview of recent trends in market rate rents and sales prices and construction permits, and provides background information on affordable housing and housing affordability in Eugene. The summary report also provides key findings from the evaluation of accessory dwelling units and construction excise tax. Note that this summary report is based on data and information available at the time of writing in December 2018, including published data sources, interviews with property owners and developers, and City of Eugene provided data. Additional, updated information and results may be provided in the full report.

II. BACKGROUND INFORMATION

Population and Household Characteristics

This section summarizes demographic and housing characteristics for Eugene and other places in Oregon. Figure 1 summarizes key population and household characteristics for Eugene, Lane County, and Oregon as a whole. Figure 2 provides an overview of how Eugene has been growing compared to select cities in Oregon.

Compared to other places in Oregon, Eugene is characterized as follows:

- **Higher share of individuals aged 18 to 24 years old.** Young adults in the typical college-age range account for 19 percent of Eugene's total population. The 23,500 students enrolled at the University of Oregon make the largest contribution to Eugene's share of this age group.
- **Larger share of nonfamily households and people living alone.** Thirty-three percent of households are householders living alone while 15 percent are other nonfamily households, which includes households made up of non-related housemates or roommates. Seniors make up one quarter of householders living alone. The share of seniors among total one-person households has grown from 21 percent since 2000.
- **Relatively low income.** At just under $45,000, median household incomes in Eugene are lower than those in Lane County and in Oregon as a whole.
- **Higher overall poverty rate.** Eugene's overall poverty rate is 23.1 percent, compared to a rate of 13.2 percent for Oregon as a whole. Family households account for about half of the people living under the poverty line in Eugene. College students living in off-campus housing account

for about a third of people living under the poverty line, and other non-student individuals in non-family households account for the remaining portion.[1]

- **More renters.** Renter households account for 51 percent of total households in Eugene. Among these households, one-quarter of householders are between ages 15 and 24, and one-quarter are between ages 25 and 34. The other half of renter householders are 35 or older, including 14 percent over the age of 65.
- **Relatively large multifamily housing stock.** Eugene has a larger share of "Missing Middle" and apartment units and a smaller share of single-family detached units than other mid-sized cities in Oregon. Twenty-eight percent of housing units in Eugene are in Missing Middle building types, defined as duplexes, triplexes, cottages, courtyard units, rowhouses, and other smaller multi-unit attached and detached housing units[2], a higher share than in both Salem and Bend. Thirteen percent of Eugene's housing units are in apartment buildings with more than 20 units, which is nearly double the shares of apartment units in Salem, Bend, and Springfield.

Compared to the select cities in Oregon, Eugene is:

- **Growing relatively slowly.** Eugene is growing on par with Salem and Springfield, but more slowly than Bend. Eugene's population grew 17 percent from 2000 to 2016, while its housing stock grew 15 percent over the same period. Eugene and Salem are adding houses at a slower rate than Springfield and Bend. [3]

FIGURE 1: SELECTED POPULATION AND HOUSEHOLD CHARACTERISTICS, EUGENE, LANE COUNTY, AND OREGON, 2012-2016

	Eugene	Lane County	Oregon
Population	161,649	360,273	3,982,267
Households	66,401	146,692	1,545,745
Median Household Income	$44,859	$45,222	$53,270
Households Renting	51%	41%	39%
Households in Multifamily Units	32%	20%	20%
Population 18 to 24 Years	19%	13%	9%
Population Over 65	14%	17%	16%
People Living Alone	33%	29%	28%
Families with Children	24%	25%	29%

Sources: U.S. Census, 2010; ACS, 5-year estimates, 2012-2016; Strategic Economics, 2018.

[1] Sources: ACS 5-year estimates, 2012-2016; Places with Populations of 10,000 or More and Statistically Significant Differences in Poverty Rates with Exclusion of Off-Campus College Students: 2012-2016, https://www.census.gov/data/tables/2017/demo/income-poverty/acs5yrs.html.
[2] Missing Middle Housing, https://www.eugene-or.gov/3652/Missing-Middle-Handbook.
[3] ACS 5-year estimates, 2012-2016.

FIGURE 3: EUGENE AND SELECT CITIES: POPULATION AND HOUSING UNIT GROWTH, 2000-2016

	Eugene	Bend	Salem	Springfield
Population, 2000 Census	137,893	52,029	136,924	52,864
Population, 2012-2016 ACS	161,649	84,416	161,975	60,611
Population Added 2000 - 2016	23,756	32,387	25,051	7,747
% Population Change, 2000-2016	17%	62%	18%	15%
Housing Units, 2000 Census	61,444	22,507	53,817	21,500
Housing Units, 2012-2016 ACS	70,649	37,406	61,987	25,368
Housing Units Added, 2000 - 2016	9,205	14,899	8,170	3,868
% Housing Unit Change, 2000-2016	15%	66%	15%	18%

Sources: U.S. Census, 2010; ACS, 5-year estimates, 2012-2016; Strategic Economics, 2018.

Home Values, Rents, and Construction Permits

This section summarizes recent trends in market rate rents and sales prices, and construction permits for Eugene.

- **The median sales price for an existing house in Eugene is about $315,000.** However, the median sales price for a newer home, built since 2014, is significantly higher at $449,000. [4]
- **From 2013 to 2018, rents for multifamily units increased 22 percent, or on average $190 per unit, after adjusting for inflation.** Nearly half of the units built since 2013 are in zip code 97401, which covers downtown Eugene and north to the Beltline. In this zip code, rents grew at a slower rate of 17 percent over the last five years.[5]
- **Over half of dwelling units permitted between 2008 and 2017 are in multifamily buildings.** Almost 57 percent of new dwelling units permitted in Eugene from 2008 through 2017 were in 5-or-more-unit apartment buildings. An additional 32 percent were single-family dwellings. In contrast, accessory dwelling units, townhouses, and 2-4 unit buildings made up just eight percent of total units permitted during that period. Permits for manufactured homes make up the remaining dwelling units permitted at under three percent of the total. [6]
- **Townhomes and condominium units represented just 7.5 percent of total home sales in the past year.** These types of units are typically smaller and less expensive than single-family detached units. However, very few of the townhomes and condominiums that sold in the last year were built in the last decade; the handful of newer units that sold did so at relatively high per square foot prices. The three most recently built townhomes that sold in the last year, (two completed in 2015, and one completed in 2013) sold for $399,000 to $425,000, or $256 to $289 per square foot. In contrast, the median price per square foot for the 165 single-family detached homes that sold in Eugene built since 2014 was $199 per square foot. There were no condominiums that sold in the past year built after 2008. [7]

[4] Redfin, Eugene Home Sales, October 16, 2017 through October 15, 2018.
[5] Costar, Eugene Multifamily History Report, 2013 and 2018. Accessed October 15, 2018.
[6] City of Eugene, Housing Mix Permit Details, 2001-2017.
[7] Redfin, Eugene Home Sales, October 16, 2017 through October 15, 2018.

Affordable Housing and Housing Affordability in Eugene Issues

This section provides on overview of affordable housing availability and issues related to income and housing affordability in Eugene.

- **Household income needed to afford a house that costs $315,000 (the median price of all homes that sold in the last year) is $62,000 per year to be considered affordable.** As described in the previous section Eugene's median household income is $45,000.
- **The median monthly rental rate for market-rate multifamily units is not affordable for nearly half of Eugene's households.** The median rent in multifamily rental buildings is $1,058, which would require a minimum income of $42,300 to be considered affordable. This rental rate is unaffordable for approximately 47 percent of Eugene's households.
- **A majority of renter households in Eugene are rent-burdened, and Eugene's share of rent-burdened households is substantially larger than Oregon overall.** Fifty-eight percent of renter households pay more than 30 percent of their income on rent, and of the total, 36 percent are considered severely rent-burdened and pay more than 50 percent of their income on rent.
- **Designated, affordable units in Eugene, alone, are not enough to meet the housing needs of Eugene's lowest-income households.** Deed-restricted, affordable units make up five percent of Eugene's housing stock, while 31 percent of Eugene households have incomes less than $25,000, which is approximately 40 percent area median income for a four-person household, and 50 percent area median income for a two-person household in Lane County. [8]

III. ACCESSORY DWELLING UNIT EVALUATION

The City of Eugene asked Strategic Economics to evaluate the effectiveness of accessory dwelling units (ADUs) to help Eugene achieve its goal to enable quality housing at a range of price points. This section of the summary report provides an overview of ADUs and makes recommendations on how Eugene could reduce barriers to their production.

ADUs, also sometimes referred to as "granny flats," "in-law units," or "backyard cottages," are relatively small housing units, typically ranging from studios to two bedrooms, added to the lots of single-family homes. ADUs come in many forms and can be detached from or incorporated into the primary dwelling. They can be newly constructed or converted from existing structures, such as garages. ADUs are considered a type of "gentle density" in which building them increases the housing supply while minimally impacting their neighborhoods. ADUs do not typically require the demolition of existing buildings, and therefore have a significantly smaller displacement impact, compared to larger-scale development.

Key Findings and Recommendations on ADUs

- **While Eugene allows accessory dwelling units in all residential zones (R-1, R-2, R-3, and R-4), and the majority of Special Zones by right, very few ADUs have been permitted and built,**

[8] "Lane County 2018 Rent Income Limits," *Oregon Housing and Community Services,* 2018.

particularly since 2015. From 2008 to 2014, 66 ADUs were permitted, or approximately nine per year. ADUs permitted during this timeframe represented 1.5 percent of total permitted units. However, from 2015 to 2017, only seven ADUs were permitted, representing just 0.3% of housing units permitted in those three years.

- **Barriers to ADU production in Eugene are multi-faceted, and include:**
    - **City and utility fees, including system development charges (SDCs), permit fees, and EWEB fees, which can total more than $16,000 for one ADU.** This added development cost discourages homeowners, who typically have to pay out-of-pocket or borrow against their own home equity to develop ADUs, from building them or from engaging in the permitting process required to build them legally. Most SDCs in Eugene are tied to a building's unit count rather than scaled to its square footage. Therefore, developers of ADUs pay SDCs at a rate similar to those for single-family homes. A homebuilder interviewed for this study estimated that there are potentially 50 to 60 unpermitted ADUs built per year, and stated that SDC, utility, and other city fees are his clients' primary disincentive from following the City of Eugene's established ADU permitting process.
    - **Minimum lot size requirements preclude the addition of an ADU on approximately 17 percent of single-family lots throughout Eugene.** Single-family lots in most residential areas must be larger than 6,100 square feet to be eligible for an ADU. Approximately 15 percent of single-family lots in most areas are smaller and would be ineligible for ADUs under current regulations. In the Amazon, Fairmount, and South University neighborhoods lots must be at minimum 7,500 square feet.[9] In these three neighborhoods, ADUs are currently prohibited on one-half of single-family lots.
    - **The requirement that owners must occupy either the primary or accessory unit precludes owners of approximately one-fourth of single-family homes in Eugene from adding ADUs.** Of the 37,400 "1-unit detached" units in Eugene as of 2016, approximately 9,100 were renter-occupied.[10] In other words, 24 percent of single-family detached units are not occupied by the property owner, and therefore those property owners would be unable to add ADUs to their lots under current regulations unless they desire to live on-site. Multiple respondents to this study viewed this requirement as arbitrary, and discriminatory against renter households, which make up over half of all households in Eugene.
    - **Site design requirements are highly prescriptive.** Property owners and builders interviewed for this study outlined site design requirements that do not allow for variations in topography, or for flexible standards for ADUs incorporated in, or converted from existing buildings. Because many existing homes are incompatible with ADU building requirements, many proposals for attached or converted ADU units are considered ineligible. It was reported that ADUs proposed on sloped lots typically do not move forward because applicants have difficulty meeting the standards. Eugene requires adjustment review for ADU proposals requesting variances from these standards, which opens the project up to public review and delays the project's timeline, adding to project cost.
    - **The minimum off-street parking requirement for ADUs adds to site development cost and constrains site design possibilities.** Current regulations require that single-family homes with ADUs have a minimum of two off-street parking spaces, or one space per

[9] Flag lots must be at minimum 12,500 square feet, excluding the "pole" portion of the lot. Flag lots were not considered in the minimum lot size requirement geospatial analysis, due to the complex nature of identifying flag lots in the city's parcel data.
[10] ACS, 5-year estimates, 2012-2016.

unit. Property owners, developers and city staff said this requirement can be challenging to meet from both a site design and financial feasibility perspective for certain lots. Eliminating this regulation would likely have a relatively small impact on the on-street parking supply since developers satisfying this regulation may need to widen or add curb cuts, which reduces on-street parking supply.

- **The factors limiting ADU production in Eugene are multi-faceted, and there is no one silver bullet that alone would better support their development**. To encourage ADU production, the City of Eugene would need to take a number of steps, depending on the political appetite for increasing their supply. Options include adjusting the land use code and the structure of SDCs and other city fees as they apply to ADUs, increasing community outreach and education efforts regarding ADUs, and exploring ways to support applicants trying to build ADUs, who typically are preempted from taking advantage of traditional financing mechanisms available to professional developers.
- **These efforts together could potentially enable the addition of up to 43,000 units to Eugene's housing stock**. While it is unlikely, of course, that every homeowner that is able would choose to build an ADU, the sheer number of potential ADUs points to the great impact ADU-supportive policy could have. If owners of just 5 percent of potential ADU lots were to build one, the number of units added would be 2,150, which is equivalent to about one-third of all dwelling units permitted in Eugene from 2008 through 2017.

IV. CONSTRUCTION EXCISE TAX EVALUATION

In 2016, the Oregon legislature passed SB 1533, which enabled municipalities to tax new development based on construction cost, to fund affordable housing. Municipalities can levy a construction excise tax (CET) of up to one percent of construction cost on residential projects, and on an unlimited proportion of construction cost for commercial and industrial projects. Projects with construction cost of less than $100,000 are excluded under the law. There are nine municipalities that have active CET policies. Bend, which was the first Oregon municipality to implement a CET policy, as well as Medford, which was the most recent to do so, both levy a tax of just one-third of a percent of construction cost. Most other municipalities with CETs, including Portland and Milwaukie, have set the rate at one percent of construction cost. Corvallis is the only municipality to charge a higher tax (1.5 percent) on commercial projects.

The City of Eugene is currently considering implementing a construction excise tax and has asked Strategic Economics to evaluate the potential impact of such a tax on revenue for affordable housing and on development feasibility of market-rate housing production.

Key Findings and Recommendations on CET

- **Revenue Potential:** Implementing a CET valued at 1 percent of construction cost for commercial and residential projects could raise up to $3 million per year for affordable housing, based on recent development trends in Eugene.[11] This assumes that the tax would not have rendered any project infeasible, in which case the sum would be lower. Funds raised could be used in a revolving fund to leverage affordable housing development.

[11] Estimate based on City-provided construction valuation data.

- **Financial Feasibility:** Financial feasibility is just one of several factors for cities to consider in making decisions on implementing a new tax or fee. In order to provide the City of Eugene with guidance on how a new construction excise tax could impact development decisions, Strategic Economics conducted a pro forma analysis that tested the financial impact of a construction excise tax of one percent on several housing prototypes. Financial feasibility was tested using a static pro forma model that measures return on cost (or ROC, used for for-sale residential development) or yield on cost (YOC, used for rental properties). Return on cost and yield on cost are commonly used metrics indicating the profitability of development projects.

The pro forma model included five housing prototypes:

- **Single-Family Detached** – An 1,800 square foot 3 bedroom, 2.5 bathroom for sale house at a density of nine dwelling units per acre.
- **Townhouse** – A 1,400 square foot 3 bedroom, 2.5 bathroom for sale townhouse at a density of 13 dwelling units per acre.
- **Apartment** – A 3-story wood frame apartment building with an average unit size of 900 square feet and surface parking at a density of 25 units per acre. (This prototype does not represent the more dense multifamily construction that is occurring in the downtown.)
- **Cottage Cluster** – A cluster of eight rental cottages with 800 square feet, 1 bedroom and 1 bathroom each at a density of 16 dwelling units per acre.
- **ADU** – A 750 square foot rental unit with 1 bedroom and 1 bathroom.

The results of the financial feasibility analysis are as follows[12]:

- **Single-Family Detached** – According to the results of the pro forma analysis, the single-family detached prototype meets the threshold of feasibility and the addition of a one percent construction excise tax on the single-family detached prototype also meets the threshold of feasibility.
- **Townhome** – According to the results of the pro forma analysis, the townhome prototype meets the threshold of feasibility and the addition of a one percent construction excise tax on the townhome prototype also meets the threshold of feasibility.
- **Apartment** – According to the results of the pro forma analysis, the apartment prototype only marginally meets the threshold of feasibility and the addition of a one percent construction excise tax on the apartment prototype does not meet the threshold of feasibility.
- **Cottage Cluster** – According to the results of the pro forma analysis, the cottage cluster prototype does not meet the threshold of feasibility and the addition of a one percent construction excise tax on the cottage cluster prototype also does not meet the threshold of feasibility.
- **ADU** – Because property owners in Eugene typically build ADUs for reasons other than or in addition to generating rental revenue, this prototype was not tested in the same manner as the others. Only development costs were evaluated.

[12] Data sources for the financial feasibility analysis include: interviews with developers; RS Means; similar pro formas; and data provided by the City of Eugene.

- The financial feasibility analysis indicates that some types of residential development do not meet the minimum threshold of feasibility or are marginally feasible even without the CET.
- To address financial feasibility concerns, however, the City of Eugene could take a number of steps, including:
    - Phasing in a CET first with a one-third or one-half of one-percent tax rate. The City of Bend, which was the first to implement a CET, uses one-third of a percent, and has raised over $6.4 million for a revolving fund for affordable housing.
    - Accompany the implementation of a CET with regulatory/process improvements that have the potential to reduce other development costs.
    - Exempt some types of housing units, particularly those that meet other housing goals, such as smaller, more affordable units, from paying the CET.
    - Using a portion of revenue collected to assist in the production of qualifying market-rate units.

AGENDA ITEM SUMMARY
December 10, 2018

To: Eugene Planning Commission

From: Jenessa Dragovich, City of Eugene Planning Division

Subject: Clear & Objective Update Draft Preferred Concepts Report – Batch 2 Items

ISSUE STATEMENT

Staff requests that the Planning Commission review and provide feedback on the Clear & Objective Housing: Approval Criteria Update Draft Preferred Concepts Report for the Batch 2 items.

BACKGROUND

Eugene's existing clear and objective approval criteria are being reevaluated and updated. Proposed updates must meet the following goals:

- accommodate housing on lands available within our current urban growth boundary (UGB)
- provide a clear and objective path to land use approval for all housing as required by State law
- guide future housing development in a way that reflects our community's values

The project will identify land use approval criteria and procedures to be updated, added, or removed to improve efficiency in complying with State requirements for clear and objective regulations, while still effectively addressing development impacts.

In July 2015, as part of the City Council's direction on the UGB, Council directed staff to begin an update to the City's procedures and approval criteria for needed housing applications (the Clear & Objective Housing: Approval Criteria Update), and to bring proposed updates back for their consideration within one year of UGB acknowledgement. The UGB was acknowledged by the State in January 2018. Our target is to request City Council action on a staff proposal for updated approval criteria in early 2019. If so directed, staff will then move forward with the formal adoption process.

On May 8, 2018, staff provided the Planning Commission with an introduction and overview of the Clear & Objective Housing: Approval Criteria Update. Staff presented the project to the Eugene City Council on May 30, 2018 and returned to Planning Commission for approval of the Public Involvement Plan on June 25, 2018. In an email communication dated September 11, 2018, staff provided the commission the Summary of Key Issues Report produced at the end of Phase 1. On November 19, 2018, staff presented recommendations for Batch 1 items to Planning Commission and returned on November 26, 2018 to clarify and summarize the Commission's recommendation to Council. Staff then

presented Batch 1 recommendations at a Council work session on November 26, 2018, during which Council moved to advance those items to begin draft code writing.

DRAFT PREFERRED CONCEPTS

The Draft Preferred Concept Report (provided with the November 19 agenda packet) is the outcome of Phase 2 of this project. The report presents staff recommendations on how to address the 37 key issues identified during Phase 1 of the project (and described in the Summary of Key Issues Report).

The recommendations were derived using input from the working groups, research into the issues and possible concepts, consultation with internal staff who work with the land use application review process daily, and a concept evaluation rubric for the 19 significant issues. For these reasons, in some cases recommendations may not reflect the apparent preference from the working group results. In these instances, an explanation for the discrepancy is provided.

PLANNING COMMISSION ROLE

The Planning Commission is requested to review and provide feedback on the draft concepts.

In an effort to be both responsive and responsible to City Council's direction, while also addressing concerns raised by some stakeholders about lack of time, staff requested that Planning Commission's review at the November 19 work session focus on the maintenance issues and the significant issues that are less complex (Batch 1). The intent was to allow stakeholders and the Planning Commission to take extra time on the more complex issues (Batch 2 listed below) to ensure sufficient consideration and vetting, while Batch 1 issues continue to move forward. The draft report was provided to stakeholders and the general public on November 13 with feedback on Batch 2 issues requested by December 3. No public comments were received by December 3. Any public comments received before the meeting will be emailed to Planning Commission. An excerpt from the Draft Preferred Concepts Report of Batch 2 recommendations is provided as **Attachment A**.

The draft, proposed solutions are conceptual only. Actual code language will be crafted in the next phase of the project (Phase 3), after conceptual solutions have been vetted. This approach is designed to narrow the focus of the code writing process. Community members, the Planning Commission and City Council will be asked to review the draft code language during Phase 3. Planning Commission is asked to review draft preferred concepts for the following significant issues that make up Batch 2:

- *Planned Unit Developments* (PUDs)
  - COS-04: One Acre Accessible Open Space For PUDs
  - COS-05: Limitation Over 900 Feet For PUDs (South Hills)
  - COS-06: Ridgeline Setback For PUDs (South Hills)
  - COS-07: 40 Percent Open Space Requirement For PUDs (South Hills)
- *Geo-tech & Slopes*

    - COS-13: Geotechnical Requirement
    - COS-03: 20 Percent Slope Grading Prohibition for ST & PUD
- *Trees*
    - COS-11: Tree Preservation Consideration
- *Transportation*
    - COS-19: Street Standards Modifications

Staff will provide a brief introduction to each issue prior to discussion. We will work through the issues in the topical order provided, with emphasis on items where Planning Commission has questions or feels strongly about changing. Be prepared to suggest specific changes for consideration.

NEXT STEPS

Staff will bring Batch 2 Recommendations and Planning Commission's feedback to City Council in January 2019. At that meeting, staff will ask Council to advance Batch 2 recommendations to the code writing phase.

Phase 3 will involve drafting proposed land use code changes based on the Preferred Concepts Report. Batch 1 recommendations are currently in the draft code writing phase. Once drafted, proposed land use code changes will be provided to interested parties for review and comment. Finally, in early 2019, the proposed draft code language will be brought back to Planning Commission and to Council for review, prior to the start of the formal adoption process. The formal adoption process will include Planning Commission public hearing and recommendation to City Council, followed by City Council public hearing and action.

The project website is updated regularly with information about where we are in the process as well as resources as they are available.

ATTACHMENTS

A. Draft Preferred Concepts Report Excerpts of Batch 2 Issues

FOR MORE INFORMATION

Staff Contact: Jenessa Dragovich, Senior Planner
Telephone: 541-682-8385
Email: jdragovich@eugene-or.gov

Significant Issues: Evaluation Criteria

Items identified as "significant" are key issues that raise potential policy implications and were the items brought to working groups for discussion. The Clear & Objective Significant items are organized in numerical order.

Each issue includes a table of the possible concepts that were presented at the working groups, and also placed in online surveys available to all interested parties. The possible concepts were generated by staff to seed working group conversations and stakeholders were also encouraged to suggest possible concepts. In the table, each of the possible concepts is evaluated based on evaluation criteria and the level of support expressed in stakeholder responses. Evaluation criteria include the following:

- Efficiency – *Does the concept reduce or mitigate existing land use code barriers to housing development? Does the concept support reasonable and predictable development of buildable lands for housing?*
- Effectiveness – *Does the concept effectively address the identified issue? Does the concept address public health & safety, natural resource protection, and neighborhood livability?*
- Technical Feasibility – *Is it easy to implement the concept? Is it realistic, practical and prudent?*
- Social Equity (Triple Bottom Line) – *Does it promote positive community relationships, effective government, social justice and overall livability? Does it have equitable impacts on community members (vulnerable populations, specific neighborhoods, distinct groups, other)?*
- Environmental Health (Triple Bottom Line) – *Does it have a positive effect on environmental health and our ability to effectively address climate change?*
- Economic Prosperity (Triple Bottom Line) – *Does it have a positive effect on the local economy and minimize costs to the community, now and over the long term? Does it support responsible stewardship of public resources?*

In evaluating the concepts according to these criteria, the following scale was used:

+	promotes – the concept promotes a positive impact based on the specific evaluation criterion
o	neutral – the concept either has no affect or no net positive impact based on the specific evaluation criterion
–	inhibits – the concept has an inhibiting affect based on the specific evaluation criterion

As used to depict the level of stakeholder support, the scale can be interpreted as follows:

+	promotes – strong support, no or low opposition
o	neutral – neutral support or roughly equivalent support and opposition
–	inhibits – no or low support, strong opposition

Significant Issues: Summary Table of Preferred Concepts

Significant Issue		Preferred Concept	Reason
COS-01	Clear & Objective Compatibility	Add compatibility criterion to site reviews, conditional use and planned unit development applications that applies to higher-intensity development abutting lower intensity development—include transition buffers (setbacks, height limitation areas, and landscape screening) that are scalable	Effectiveness, Consistency
COS-02	30-Foot Buffer Requirement For PUDs	Replace with new criterion from COS-01	Efficiency, Effectiveness
COS-03	20 Percent Slope Grading Prohibition	Remove and rely on COS-13	Efficiency, Effectiveness
COS-04	One Acre Accessible Open Space For PUDs	Revise required distance from open space from ¼ mile to ½ mile and make onsite requirement scalable	Efficiency, Effectiveness
COS-05	Limitation Over 900 Feet For PUDs	Revise to allow less intensive development above 900' (2.5 units/acre) and include more stringent tree/vegetation preservation requirements	Efficiency, Effectiveness
COS-06	Ridgeline Setback For PUDs	Revise to make setback applicable to areas above 900' elevation.	Efficiency, Effectiveness
COS-07	40 Percent Open Space Requirement For PUDs	Revise to 30% and clarify language based on intent of relevant South Hills Study policy	Efficiency, Effectiveness
COS-08	Emergency Response	Add criterion to require letter from Fire Marshal's office stating that project complies with Eugene Fire Code for site reviews, conditional use and planned unit development applications; apply criterion to partitions and subdivisions per COS-14	Efficiency, Effectiveness
COS-09	Conditional Use Requirement	Keep process, add compatibility criterion from COS-01	Effectiveness
COS-10	Partition Tree Preservation	Remove criterion	Efficiency, Consistency
COS-11	Tree Preservation Consideration	Add criterion that requires minimum preservation and mitigation and implement a rating scale that takes into account tree type, health, size and location.	Effectiveness
COS-12	Site Review Requirement	Keep process, add compatibility criterion from COS-01	Effectiveness
COS-13	Geotechnical Requirement	Revise existing criterion to address additional risk factors	Efficiency, Effectiveness
COS-14	19 Lot Rule—Motor Vehicle Dispersal	Rely on COS-08 (apply COS-08 to partitions and subdivisions)	Efficiency, Effectiveness
COS-15	Traffic Impact	Defer to Public Works Transportation project getting underway	Effectiveness
COS-16	PUD Type III Process	Hold for future land use code improvement project	Efficiency
COS-17	Does Not Hamper Provision Of Public Open Space	Moved to COM-18	Effectiveness
COS-18	Arborist And Landscape Architect Requirement	No change (Continue to require arborist on PUD design team)	Efficiency
COS-19	Street Standards Modifications	Add clear exceptions and add adjustment option	Efficiency
COS-20	Pedestrian Definition	Use ORS definition with minor refinement	Effectiveness

Highlighted Issues are Batch 2

COS-03 (20 Percent Slope Grading Prohibition)

Description: The clear and objective track for planned unit development and subdivision approval includes a requirement that prohibits grading on slopes that meet or exceed 20 percent. This may not be the most effective and efficient way to address potential impacts to steep slopes. It may have the effect of precluding development under the clear and objective track for sites with significant slopes, particularly for properties subject to the South Hills Study, or sites with unusual configurations where a portion of the site over 20 percent slope prevents the development potential of the remainder under the clear and objective track. There is no maximum slope where grading is prohibited under the discretionary track, and slope impacts are reviewed through a geological report. State standards presume that up to 25 percent slopes are developable for purposes of calculating buildable lands for development (OAR 660-008-0005(5)), and Eugene's Buildable Lands Inventory (BLI) classifies lands up to 30 percent slopes as potentially developable.

Applies To: Planned Unit Development, Subdivision

Existing Code Section(s): EC 9.8325(5), EC 9.8520(5)

Existing Code Language: (Planned Unit Development only provided below)

9.8325(5) *There shall be no proposed grading on portions of the development site that meet or exceed 20% slope.*

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	–	–	+	o	o	–	–
B. Increase percentage limit to 25% or 30%	–	–	+	o	o	–	o
C. Retain 20% grading prohibition, but exempt certain grading activities. Codify how slope is measured (e.g., using 2' contours over a minimum run of 10)	–	–	+	o	o	–	–
D. Eliminate 20% grading prohibition and rely on geotechnical review requirements that ensure development will not impact geological stability, or that any impacts will be mitigated	+	+	+	+	o	+	+
E. Replace with new requirement to address soil erosion and slope failure	+	o	o	+	o	o	–
+ promotes o neutral – inhibits							

Recommendation: Eliminate the existing criterion and rely on the geotechnical requirements. Ensure that revisions to the geotechnical requirements proposed under COS-13 (Geotechnical Requirement) address

impacts and mitigation requirements related to slope stability in the context of road layout and lot locations. (Option D)

➲ This issue is one of six related to the clear and objective criteria for planned unit development that contribute to limiting development feasibility of many sites. The cumulative effect of these six requirements is particularly limiting for those properties subject to the South Hills Study and additional criteria at EC 9.8325(12). The six criteria include the 30-foot buffer, 20% slope grading limitation, one-acre accessible open space, South Hills Study limitation over 900 feet, 300-foot ridgeline setback, and 40% common open space and clustering. (See related Issues COS-03, COS-04, COS-05, COS-06 and COS-07)

A provision based on a particular slope (such as 20%, or 30%) does not account for other relevant factors such as historic landslide information, depth and type of soil, soil moisture and drainage characteristics. These risk factors may actually limit development on less steep slopes; therefore the existing prohibition is likely ineffective as well as inefficient—it limits development where it may be feasible and may not address other relevant risks. Stakeholder support was strongest for D, which would require site specific analysis for each development under the geotechnical requirements. This option has the greatest potential to ensure appropriate siting, construction, and development practices are used to mitigate potential risks of slope failure. Minor revisions proposed under COS-13 (Geotechnical Requirement) will increase its effectiveness by adding additional risk factors and clarifying that the certification from the licensed engineer must address proposed lot and road locations.

COS-04 (One Acre Accessible Open Space for PUDs)

Description: The clear and objective planned unit development criterion that requires open space to be located within ¼ mile of the site can limit development to sites near existing open spaces such as public parks, which may reduce those areas of the city that can be developed under the clear and objective track. Sites that have to provide open space internal to the development to satisfy this criterion may lose a significant amount of land due to the one-acre minimum requirement. This decreases housing development potential of the site and affects smaller sites disproportionately. This criterion might not be the most effective and efficient way to ensure access to recreation and open space for residents.

Applies To: Planned Unit Development

Existing Code Section(s): 9.8325(9)

Existing Code Language:

> ***(9)*** *All proposed dwellings within the PUD are within 1/4 mile radius (measured from any point along the perimeter of the development site) of an accessible recreation area or open space that is at least 1 acre in size and will be available to residents.*

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	–	–	+	–	o	–	–
B. Adjust the maximum distance requirement based on review of location of public parks/schools. List what qualifies as accessible recreation area or open space (i.e. private open space, public park, schools)	+	+	+	o	o	o	+
C. Revise to scale requirements based on average lot sizes or density (i.e. require more open space for higher density projects)	+	+	+	+	o	+	+
E. Eliminate and rely on existing lot coverage requirements for single-family development in the R-1 zone (50%) and open space requirements for multi-family developments (20% of development site)	+	–	+	–	o	o	o
E. Eliminate if mapping justifies that most vacant and partially vacant properties are generally within ¼ mile from open space	+	+	+	o	o	o	–

+ promotes o neutral – inhibits

Recommendation: Revise the required distance from existing public open space from ¼ mile to ½ mile and use a scalable requirement for the onsite open space provision for proposed developments that are over ½ mile from public open spaces like parks and schools. (Options B and C)

➲ This issue is one of six related to the clear and objective criteria for planned unit development that contribute to limiting development feasibility of many sites. The cumulative effect of these six requirements is particularly limiting for those properties subject to the South Hills Study and additional criteria at EC 9.8325(12). The six criteria include the 30-foot buffer, 20% slope grading limitation, one-acre accessible open space, South Hills Study limitation over 900 feet, 300-foot ridgeline setback, and 40% common open space and clustering. (See related Issues COS-03, COS-04, COS-05, COS-06 and COS-07)

Maps provided to working groups showed Eugene's Buildable Lands Inventory overlaid with ¼ mile radii from existing schools, parks and open space revealed that several parts of Eugene already meet this requirement. However, some areas exist where only smaller undeveloped or underdeveloped lands remain, in which case the one-acre onsite open space requirement is onerous. Stakeholders mostly supported options B and C, and while a hybrid option was not discussed, a combination of both concepts is technically feasible and more efficient and effective than either option on its own. This direction is consistent with City of Eugene Parks and Open Space guidelines which strive to provide neighborhood parks ¼- to ½- mile from all properties (roughly a five to ten minute walk). For underserved areas, allowing a scalable on-site open space requirement would address the need for residents to have convenient access to open space without posing a barrier to development, especially for smaller sites, and better promoting compact urban development.

COS-05 (Limitation Over 900 Feet for PUDs)

Description: The clear and objective planned unit development criterion that limits development on land above an elevation of 900 feet to one dwelling on lots in existence as of August 1, 2001 significantly limits development feasibility of sites.

Applies To: Planned Unit Development

Existing Code Section(s): EC 9.8325(12)(a)

Existing Code Language:

> ***(12)*** *For any PUD located within or partially within the boundaries of the South Hills Study, the following additional approval criteria apply:*
>
> *(a) No development shall occur on land above an elevation of 900 feet except that one dwelling may be built on any lot in existence as of August 1, 2001.*

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	–	–	+	o	+	o	o
B. Revise to add language similar to COS-06, to allow for development if the City Manager determines that the property is not needed for park land or connection to the ridgeline.	+	–	+	o	o	o	–
C. Revise to allow less intensive development (i.e. lower density) above 901 feet	+	+	+	o	o	o	o
D. Eliminate -- intent met through City acquisition of ridgeline park land within the urban growth boundary, and existing density limits (5 dwellings per acre east of Friendly Street and 8 per acre west of Friendly) ensure that intense development will not occur	+	–	+	o	o	o	o
+ promotes o neutral – inhibits							

Recommendation: Revise to allow less intensive development (limit density to 2.5 units per acre) above 900 feet elevation and include additional tree /vegetation preservation requirements to more effectively address relevant South Hills Study policy language. (Option C with refinements)

➲ This issue is one of six related to the clear and objective criteria for planned unit development that contribute to limiting development feasibility of many sites. The cumulative effect of these six requirements is particularly limiting for those properties subject to the South Hills Study and additional criteria at EC 9.8325(12). The six criteria include the 30-foot buffer, 20% slope grading limitation, one-acre accessible open space, South Hills

Study limitation over 900 feet, 300-foot ridgeline setback, and 40% common open space and clustering. (See related Issues COS-03, COS-04, COS-05, COS-06 and COS-07)

The feedback from stakeholders related to this standard was mixed, with the exception of option B which received no support. There is interest in ensuring that the visual integrity of the south hills is retained, and that space for public recreation is preserved along the ridgeline, as the south hills are a visual and recreational amenity benefiting the entire community. Through the Envision Eugene process and Urban Growth Boundary (UGB) expansion additional residential land was not brought into Eugene's UGB. Based on existing patterns of development, vacant and partially vacant land over 900 feet was assumed to support development at a density of 2.5 units per acre, based on a review of past development. This is a lower intensity than allowed in the south hills area below 900 feet and in low density residential zones city-wide—west of Friendly Street 8 units per acre is allowed, east of Friendly Street 5 units per acre are allowed, and in the R-1 Low-Density Residential zone generally 14 units per acre are allowed.

The Summary and Recommendations from the South Hills Study (1974) acknowledge the area between the then city limits and the ridgeline for future growth: *"Since there is adequate area already within the city limits to accommodate presently anticipated growth, the property remaining between the city and the ridgeline is particularly valuable as a safeguard in the event actual growth exceeds present expectations. In this sense, that property represents a contingency reservoir which should only be utilized in case of need."* At the time the study was written, this area was mostly undeveloped, "a substantial amount of the property presently within the city limits of the south hills area remains vacant" and the existing ridgeline trail system had not yet been acquired. This particular limitation to development near the ridgeline appears to come from policy related to the ridgeline park:

> *That all vacant property above an elevation of 901' be preserved from an intensive level of development, subject to the following exceptions:*
> 1. *Development of individual residences on existing lots: and*
> 2. *Development under planned unit development procedures when it can be demonstrated that a proposed development is consistent with the purposes of this section.*
>
> The purpose section provides as follows:
>
> *The south hills constitute a unique and irreplaceable community asset. The strong dominant landforms and wooded character present there combine to provide distinct areas of contrast in terms of texture and color from the normal pattern of urban development. By virtue of this contrast, the south hills function as a strong visual boundary or edge for the city. The ridgeline of the south hills also marks the most southerly extension of the urban services areas. Further, there are areas within the south hills that are especially suitable for park sites for recreational use by present and anticipated population. In view of these factors, any areas recommended for preservation or park usage should serve one of the following purposes:*
>
> 1. *To ensure preservation of those areas most visibly a part of the entire community;*
> 2. *To protect areas of high biological value in order to provide for the continued health of native wildlife and vegetation;*
> 3. *To ensure provision of recreational areas in close proximity to major concentrations of population;*
> 4. *To provide connective trails between major recreational areas;*
> 5. *To provide connective passageways for wildlife between important biological preserves;*

6. *To contribute to Eugene's evergreen forest edge; and*
7. *To provide an open space area as a buffer between the intensive level of urban development occurring within the urban service area and the rural level of development occurring outside the urban service area.*

It is worth noting that the current criterion does not address the second part of this recommendation. The South Hills Study authors considered major subdivisions and planned unit developments "an intensive level of development." Still, part 2 of the recommendation allows for both under the planned unit development procedures. The intentions of the recommendations appear to be to ensure the City's ability to acquire park land as the hills developed, to guide the selection of park lands, and to require private areas proposed for preservation through the planned unit development process to serve similar purposes as those expected for potential park land.

As shown in Eugene's Parks and Recreation System Plan, there are no remaining ridgeline sites identified for acquisition within the UGB. However, factors such as view potential, geological stability, and biological value remain reasons to prevent "an intensive level of development" in higher elevation areas. Precedent exists to assist in defining that intensity threshold. Development has been occurring under planned unit development review at an average of the recommended 2.5 units per acre. In addition to applying a lower density limitation to areas above 901', other restrictions could be used to further promote the revised criterion's effectiveness. Limits on the allowable building footprint, building height, and vegetation removal could help insure "maximum preservation of the natural character of the south hills" and "adequate review of the public consequences of development in the south hills" consistent with the intent of the study.

COS-06 (Ridgeline Setback for PUDs)

Description: The clear and objective planned unit development track includes a requirement for a 300-foot setback from the ridgeline for properties within the South Hills Study. This can impact residential development feasibility of subject sites by reducing site area that may be developed. This is especially impactful on smaller sites.

Applies To: Planned Unit Development

Existing Code Section(s): 9.8325(12)(b)

Existing Code Language:

> ***(12)*** *For any PUD located within or partially within the boundaries of the South Hills Study, the following additional approval criteria apply:*
>
> *(b) Development shall be setback at least 300 feet from the ridgeline unless there is a determination by the city manager that the area is not needed as a connection to the city's ridgeline trail system. For purposes of this section, the ridgeline trail shall be considered as the line indicated as being the urban growth boundary within the South Hills Study plan area.*

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	–	–	+	–	o	o	+
B. Reduce setback requirement to a lesser amount	+	–	+	o	o	o	–
C. Revise to make the setback requirement scalable based on the size of the development site (smaller setback for smaller sites)	+	–	+	+	o	+	o
D. Eliminate -- intent met through City acquisition of ridgeline park land within the urban growth boundary	+	o	+	o	o	o	o
+ promotes o neutral – inhibits							

Recommendation: Revise to make setback applicable to areas above 900' elevation.

➲ This issue is one of six related to the clear and objective criteria for planned unit development that contribute to limiting development feasibility of many sites. The cumulative effect of these six requirements is particularly limiting for those properties subject to the South Hills Study and additional criteria at EC 9.8325(12). The six criteria include the 30-foot buffer, 20% slope grading limitation, one-acre accessible open space, South Hills Study limitation over 900 feet, 300-foot ridgeline setback, and 40% common open space and clustering. (See related Issues COS-03, COS-04, COS-05, COS-06 and COS-07)

Feedback from stakeholders was somewhat mixed. Several preferred no change, some support changes to allow the setback to be scalable, and some want the setback eliminated altogether. Comments from the stakeholders

indicated interest in the preservation of the ridgeline as a shared community asset, while others questioned the necessity of the standard given the number of land acquisitions by the City for ridgeline trail expansion that are effectively preserving areas over 900' elevation.

The South Hills Study emphasizes preservation of the area above 901-feet and the policy identified as the possible source for this criterion reads as follows:

> *That all development shall be reviewed for potential linkages with or to the ridgeline park system.*

As identified in Eugene's Parks and System Plan, no land inside the UGB is identified for the ridgeline park system expansion. In further analysis of the South Hills Study, it appears that the 300-foot setback may have been an attempt to apply a clear and objective standard to address a stated expectation (not a recommendation) in the study that "preservation of the area above 901 feet would provide *a buffer averaging several hundred feet* along significant portions of the urban service area" [emphasis added]. If this is the case, the intent was not that the buffer be created on properties below 901 feet as currently would be required. This also indicates that the existing UGB (roughly the prior 'urban service area') was not intended to be the marker for the buffer, but rather that the topographic area above 901 feet recommended to be "preserved from an intensive level of development" would *effectively provide* a buffer averaging several hundred feet (presumably based on the average width of the areas over 901 feet). Map analysis revealed that there are significant portions of the UGB that go through property below 900-feet elevation to which this setback requirement applies. For these reasons, the recommendation includes adding clarifications on the applicability of the requirement to make it more consistent with the intent of the South Hills Study.

The ridgeline is a visual and recreational amenity of the community that most people agree should be protected. However, the existing criterion is problematic.

- The criterion is ineffective. The UGB does not follow the ridgeline precisely, and therefore, this requirement does not effectively promote ridgeline preservation.
- The requirement may be redundant given the limitation over 900 feet that prevents an intensive level of development.
- Without qualifiers to ensure that what is being protected within the 300-foot setback is actually within the viewshed sought to be preserved, the requirement inhibits efficient use of land on affected properties.
- The requirement also inhibits efficient use of buildable land as demonstrated by properties that slope toward the UGB, meaning the slope facing *away* from the City would be preserved while the portion of the site facing toward the City falls outside the setback area—in this case the setback may actually push development onto the more visible portion of the site.

Vacant and partially vacant lands on the City's Buildable Land Inventory are designated for housing, and as the City grows, will need to be developed to accommodate Eugene's growing population. In terms of effectiveness, it is questionable whether this requirement is necessary in addition to other requirements that limit high elevation development and given that the ridgeline parks system within the UGB has been acquired. If the criterion is kept, in addition to the other recommendations, a scalable setback could also be considered to mitigate impacts to smaller infill development sites.

COS-07 (40 Percent Open Space Requirement for PUDs)

Description: The clear and objective planned unit development track includes a criterion that requires a minimum 40 percent of the development site be retained as open space for properties within the South Hills Study. This can impact residential development feasibility by limiting area available for development.

Applies To: Planned Unit Development

Existing Code Section(s): EC 9.8325(12)(c)

Existing Code Language:

> ***(12)*** *For any PUD located within or partially within the boundaries of the South Hills Study, the following additional approval criteria apply:*
>
> *(c) Development shall cluster buildings in an arrangement that results in at least 40% of the development site being retained in 3 or fewer contiguous common open space areas. For purposes of this section, the term contiguous open space means open space that is uninterrupted by buildings, structures, streets, or other improvements.*

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	–	–	o	o	o	o	o
B. Reduce percentage requirement for open space	+	–	o	o	o	o	o
C. Develop criterion that defines specific characteristics to be preserved (e.g., areas 1/4 acre or more with X or more significant trees, not to exceed XX% of the development site)	o	o	+	o	+	o	–
D. Eliminate and rely on COS-04 (Accessible Open Space for PUDs)	+	–	+	o	–	o	+
E. For multi-family developments, rely on existing open space requirements (20% of development site).	+	o	+	o	o	o	+
+ promotes o neutral – inhibits							

Recommendation: Revise to reduce common open space requirement to 30 percent and more accurately implement the intent of the relevant South Hills Study policy language.

➲ This issue is one of six related to the clear and objective criteria for planned unit development that contribute to limiting development feasibility of many sites. The cumulative effect of these six requirements is particularly limiting for those properties subject to the South Hills Study and additional criteria at EC 9.8325(12). The six criteria include the 30-foot buffer, 20% slope grading limitation, one-acre accessible open space, South Hills

Study limitation over 900 feet, 300-foot ridgeline setback, and 40% common open space and clustering. (See related Issues COS-03, COS-04, COS-05, COS-06 and COS-07)

Some of the members of the working group saw this requirement as redundant and supported options D or E, while others supported retaining the existing criterion. Other concepts suggested included revising the criterion to scale open space requirement relative to the size of lots (reduced lot size requires greater open space); revise to align contiguous open space areas for planned unit developments where the ridgeline buffer and park connections are in place; and to revise to scale open space requirement relative to the slope of the development.

This criterion appears to come from the following South Hills Study recommendations:

> *That planned unit development procedures shall be utilized for the following purposes:*
> *1. To encourage clustering of development in areas characterized by:*
> *a. Shallowest slopes*
> *b. Lowest elevations*
> *c. Least amount of vegetation*
> *d. Least amount of visual impact.*
> *2. To encourage preservation as open space those areas characterized by:*
> *a. Intermediate and steep slopes*
> *b. Higher elevations*
> *c. Significant amounts of vegetation;*
> *d. Significant visual impact.*
>
> *That developments be reviewed to encourage clustering of open space elements of different developments in order to preserve the maximum amount of continuous open space.*

The requirement for sites to retain an area of at least 40% in three or fewer contiguous common open spaces may be unnecessary and overly burdensome for less visible lower elevation sites. Because areas for preservation were intended to include high elevation, steeply sloped, significantly vegetated areas with high visual impact, overlap with COS-04 may not fully address policy direction. While the requirement may be less problematic for large sites that have greater options to cluster buildings in creative arrangements, for smaller sites the standard can create design complications, as they may have limited places to locate structures, streets, and utilities.

When the South Hills Study was written, as mentioned previously in COS-05, the south hills area was largely vacant. In addition, since that time, the City has acquired and preserved many acres of the ridgeline trail system and other high-elevation parks.

The following reasons further support the recommendation to reassess the suitability of this criterion:

- the 40% figure was an arbitrary attempt to quantify the "maximum amount" of continuous open space to be preserved
- it may be ineffective as it applies broadly to sites regardless of view potential, vegetation coverage, and steepness
- it may inhibit the efficient use of land, as it may lead to unnecessary preservation of large areas of buildable land (e.g., when applied to lower elevation, less visible sites suitable for more dense development)

COS-11 (Tree Preservation Consideration)

Description: Under the clear and objective track for all application types, the written report required from a certified arborist or licensed landscape architect must only show that "consideration" has been given to preservation of significant trees (defined term).

Applies To: Conditional Use, Partition, Planned Unit Development, Site Review, Subdivision

Existing Code Section(s): EC 9.6885(2)(a)

Existing Code Language:

(2) ***Tree Preservation and Removal Standards.*** *No permit for a development activity subject to this section shall be approved until the applicant submits plans or information, including a written report by a certified arborist or licensed landscape architect, that demonstrates compliance with the following standards:*

(a) The materials submitted shall reflect that consideration has been given to preservation in accordance with the following priority:

1. Significant trees located adjacent to or within waterways or wetlands designated by the city for protection, and areas having slopes greater than 25%;

2. Significant trees within a stand of trees; and

3. Individual significant trees.

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	o	–	+	–	–	o	–
B. Require preservation of 30% of significant healthy trees on a development site. Define healthy (significant is already defined as a living, standing tree having a trunk with a minimum cumulative diameter at breast height of 8 inches).	+	+	+	o	+	o	–
C. Require preservation of 30% of significant healthy trees on a development site, or allow for payment into a tree planting & preservation fund to provide mitigation option when preservation is not feasible	+	+	+	+	+	+	–
D. Revise to address tree preservation by implementing a rating scale based on tree type, health and size.	+	+	+	o	+	o	+
+ promotes o neutral – inhibits							

Recommendation: Revise criterion to require tree preservation or mitigation and implement a rating scale that takes into account tree type, health, size, and location. (Option D)

Stakeholders expressed a preference for option D, a revision to create a rating scale based on tree type, size, and health. Tree location was brought up as an additional factor important when considering appropriate preservation requirements. Mitigation options were also brought up as a desirable component of any proposed changes.

The existing requirement is ineffective as there is no minimum amount of preservation required—the written certification must only state that "consideration" for preserving trees was given. Eugene's urban forest, which is predominantly located on private lands, is a significant community asset. It is clear from feedback that tree preservation is considered an important livability, compatibility, and natural resource protection issue.

Staff reviewed a variety of codes from other cities to understand other ways in which tree preservation can be addressed. Based on this research, it is feasible to move forward with a rating scale as recommended. A rating scale system could require preservation based on lot coverage, square footage of development, density, existing trees or other factors identified as being important. While the provision to implement a rating scale would be more complex than a set preservation standard, it would better promote efficient use of land and effective tree preservation.

As it is not intended to create a requirement that would be prohibitive of housing development, in addition to preservation, options for tree replacement are also recommended. While support was not expressed to establish a mitigation bank (option C), it appears to be a feasible option that could promote:

- social equity – development in highly-vegetated areas that pay into the mitigation bank could support planting of trees in areas where the need is greatest
- environmental health – mitigation bank plantings could focus on adding climate resilient species given projected changes to our local environment, and
- economic prosperity – by supporting the urban forest system and alleviating a potential barrier to housing development

COS-13 (GEOTECHNICAL REQUIREMENT)

Description: The standards for geological and geotechnical review for projects developed unde r clear and objective criteria are "one-size-fits all," requiring certification from a licensed engineer that the development activity either will not be impacted by geological instability problems, or that design methods may be used to safely address any such impacts. The review standards for discretionary projects include three levels of review with increasing complexity depending on potential for impacts.

Applies To: Conditional Use, Partition, Planned Unit Development, Site Review, Subdivision

Existing Code Section(s): 9.6710(6)

Existing Code Language:

9.6710 ***Geological and Geotechnical Analysis.***

(6) ***Needed Housing.*** *Unless exempt under 9.6710(3)(a)-(f), in lieu of compliance with subsections (2), (4), and (5) of this section, applications proposing needed housing shall include a certification from an Oregon licensed Engineering Geologist or an Oregon licensed Civil Engineer with geological experience stating:*

(a) That the proposed development activity will not be impacted by existing or potential stability problems or any of the following site conditions: springs or seeps, depth of soil bedrock, variations in soil types, or a combination of these conditions; or

(b) If proposed development activity will be impacted by any of the conditions listed in (a), the methods for safely addressing the impact of the conditions.

If a statement is submitted under (6)(b), the application shall include the applicant's statement that it will develop in accordance with the Engineer's statement.

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	o	o	+	o	o	o	+
B. Establish a clear and objective multi-level review approach similar to the current discretionary criteria with increasing complexity depending on potential for impacts.	o	o	o	o	o	+	+
C. Revise current requirement to further address a site's geologic formations, soil types, the presence of open drainage ways, and the existence of undocumented fill. Include requirement that report use Lidar map and SLIDO (Statewide Landslide Information Database of Oregon) map information.	o	+	+	+	+	+	+
+ promotes o neutral – inhibits							

Recommendation: Revise existing requirement to include additional risk indicators. (Option C)

There was strongest stakeholder support for option C, moderate support for option B, and support for option A was offset by opposition.

Minor revision to the existing requirement could improve its effectiveness without impacting efficiency. Adding known risk factors will help ensure that they get addressed in the geology professional's statement and recommended mitigation methods. Additionally, the recommendation for COS-03 (20 Percent Slope Grading Prohibition) is predicated on this revision also adding language to clarify that the certification must address proposed lot and road locations.

This option also allows an exploratory look into the feasibility of using newer risk assessment tools. For example, the Department of Geology and Mining Industries (DOGAMI) recently released new draft landslide history and susceptibility maps for Eugene based on lidar (which stands for Light Detection and Ranging). Here is what their website says about this new tool:

> *The technology of spotting landslides by use of aerial photography and new laser based terrain mapping called lidar is helping DOGAMI develop much more accurate and detailed maps of areas with existing landslides and we are now able to create landslide susceptibility maps, that is, maps that show where we think different types of landslides may occur in the future.*

Revising the existing requirement has the greatest potential to ensure appropriate siting, construction, and development practices are used to mitigate potential risks of slope failure.

COS-15 (Traffic Impact)

Description: Compliance with Traffic Impact Analysis (TIA) review is explicitly required as an approval criterion under the discretionary tracks for conditional use, planned unit development and subdivision, but not for projects under the clear and objective tracks. Separate TIA review can also be triggered by projects meeting the TIA applicability standards, including generating over 100 peak hour vehicle trips. Due to the discretionary nature of the TIA criteria, they are not suitable for projects using the clear and objective track.

Applies To: Conditional Use, Planned Unit Development, Site Review, Subdivision

Existing Code Section(s): N/A

Existing Code Language: N/A

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	o	o	+	o	o	o	–
B. Add a requirement that the applicant demonstrate that all intersections within a certain distance of the project site not drop below the city's minimum level of service as a result of the proposed project, or that impacts will be mitigated.	o	+	o	o	o	o	+
C. Add requirement to use crash rate data to require applicants to pick from a menu of crash reduction measures when crash rates exceed a given threshold.	o	o	o	o	o	o	+
D. Increase use of transportation demand management (TDM) plans to reduce demand on the transportation system and reliance on the use of cars, and encourage more walking, biking, transit and ridesharing.	o	o	o	o	+	o	+
+ promotes o neutral – inhibits							

Recommendation: Defer to more detailed Public Works Transportation project currently getting underway.

The working groups supported all options for a change that would require traffic impacts be considered for approval of an application under the needed housing approval criteria. The split support highlights the complexity of this issue. Since the Clear & Objective project began, Public Works Transportation has received grant funding to update the transportation demand management program and traffic impact analysis process. Public Works has confirmed that this issue can be addressed within the scope of this new project. Given the

technical nature of this issue, the opportunity to be addressed more thoroughly by transportation specialists will yield a much better outcome than any attempt to create a criterion as part of the Clear & Objective update.

COS-19 (Street Standards Modifications)

Description: Currently, projects can vary stated maximums for block length, street connectivity, and cul-de-sac/emergency vehicle turnarounds where physical conditions, such as topography or natural resources, or existing physical development precludes compliance with the standard.

Applies To: Partition, Planned Unit Development, Subdivision

Existing Code Section(s): EC 9.6810, EC 9.6815(2)(g), EC 9.6820

Existing Code Language:

9.6810 Block Length. *Block length for local streets shall not exceed 600 feet, unless an exception is granted based on one or more of the following:*

(1) *Physical conditions preclude a block length 600 feet or less. Such conditions may include, but are not limited to, topography or the existence of natural resource areas such as wetlands, ponds, streams, channels, rivers, lakes or upland wildlife habitat area, or a resource on the National Wetland Inventory or under protection by state or federal law.*

(2) *Buildings or other existing development on adjacent lands, including previously subdivided but vacant lots or parcels, physically preclude a block length 600 feet or less, considering the potential for redevelopment.*

(3) *An existing public street or streets terminating at the boundary of the development site have a block length exceeding 600 feet, or are situated such that the extension of the street(s) into the development site would create a block length exceeding 600 feet. In such cases, the block length shall be as close to 600 feet as practicable.*

(4) *As part of a Type II or Type III process, the developer demonstrates that a strict application of the 600-foot requirement would result in a street network that is no more beneficial to vehicular, pedestrian or bicycle traffic than the proposed street network and that the proposed street network will accommodate necessary emergency access.*

9.6815(2) Street Connectivity Standards.

(g) In the context of a Type II or Type III land use decision, the city shall grant an exception to the standards in subsections (2)(b), (c) or (d) if the applicant demonstrates that any proposed exceptions are consistent with either subsection 1. or 2. below:

1. The applicant has provided to the city, at his or her expense, a local street connection study that demonstrates:

a. That the proposed street system meets the intent of street connectivity provisions of this land use code as expressed in EC 9.6815(1); and

b. How undeveloped or partially developed properties within a quarter mile can be adequately served by alternative street layouts.

2. The applicant demonstrates that a connection cannot be made because of the existence of one or more of the following conditions:

a. Physical conditions preclude development of the connecting street. Such conditions may include, but are not limited to, topography or likely impact to natural resource areas such as wetlands, ponds, streams, channels, rivers, lakes or upland wildlife habitat area, or a resource on the National Wetland Inventory or under protection by state or federal law.

b. Buildings or other existing development on adjacent lands, including previously subdivided but vacant lots or parcels, physically preclude a connection now or in the future, considering the potential for redevelopment.

9.6820(5) *As part of a Type II or Type III process, an exception may be granted to the requirements of (1), (3) and (4) of this section because of the existence of one or more of the following conditions:*

(a) Physical conditions preclude development of the connecting street. Such conditions may include, but are not limited to, topography or likely impact to natural resource areas such as wetlands, ponds, streams, channels, rivers, lakes or upland wildlife habitat areas, or a resource on the National Wetland Inventory or under protection by state or federal law.

(b) Buildings or other existing development on the subject property or adjacent lands, including previously subdivided but vacant lots or parcels, physically preclude a connection now or in the future, considering the potential for redevelopment.

Possible Concepts	Efficiency	Effectiveness	Technical Feasibility	Social Equity	Environmental Health	Economic Prosperity	Stakeholder Support
A. No Change	o	o	+	o	o	o	o
B. Define specific circumstances that qualify for an exception to the block length, street connectivity, and cul-de-sac/turnaround standards for clear and objective projects.	+	+	+	o	o	o	+
C. Add an adjustment review option to allow for modifications if the standard cannot be met.	+	+	+	o	o	o	+
+ promotes o neutral – inhibits							

Recommendation: Revise to allow clear and objective exceptions and allow adjustment review option. (Options B and C)

The working groups expressed support for both B and C and a combination of the two. Both options received the same rating in all categories. Both options may promote efficiency and effectiveness. An adjustment review option is feasible; however, providing clear exceptions to avoid a discretionary process when conditions clearly call for an exception is desirable. It is recommended that the existing code language be revised to include specifically identify circumstances that allow for an outright exception. For other alternative designs, the adjustment review process would ensure that proposals respond to the intent of the code. References to the allowable adjustments and adjustment criteria will also be required.