

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Renter Protections

Meeting Date: January 25, 2017
Department: Planning & Development
www.eugene-or.gov

Agenda Item Number: B
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ISSUE STATEMENT

City Council requested a work session to discuss potential policies and programs to enhance housing opportunities and stability for renters. In this exploratory session, staff will review housing trends affecting renters, discuss existing city goals and programs, and identify additional policies and programs that could be implemented at the local level.

BACKGROUND

Multiple local, state, and national trends have resulted in increased challenges for households who rent their homes. There have been multiple shifts in the supply of rental units as well the population that rents their housing. This summary briefly reviews key factors as well as related City guidance and programs. Options for expanding existing programs or creating new programs and policies will be presented during the work session.

Market Trends

The number of renter households in Eugene has continued to grow as a result of multiple demographic, economic, and social factors. These trends are consistent with statewide and national trends affecting West and East Coast states. Renters now make up 53% of all households in Eugene.

While the number of rental units has increased in Eugene, this expansion has not kept pace with growth in the number of rental households. Eugene's rental market is composed of units in both single family and multifamily structures as well a number of manufactured home units. As in most markets, the cost of constructing new rental units is generally too high to result in rents affordable to Eugene's moderate and low income renter households. In addition to limited growth in market rate units for moderate and low income households, development of subsidized affordable housing has also slowed due to multiple factors including decreasing federal resources for development.

As a result, there is an imbalance between the number of renters and units available for rent in the Eugene market. Evidence of this imbalance is indicated by increasing rents, low vacancy rates, shorter leasing periods and other factors. Households with low incomes continue to experience significant challenges, but there are also a growing number of moderate income households that

have difficulty finding stable and affordable housing. Census data indicates moderate and low income households are paying larger shares of their income for housing leaving fewer resources available for other essential household costs such as food, healthcare, and transportation. There is also evidence, based on paired testing and complaint data, that members of protected classes experience greater difficulty finding and retaining stable housing.

Existing City Policies and Programs

The City's existing policies and programs that impact renters fall into five major categories: 1) balancing overall supply of single and multifamily units with population growth and demand; 2) increasing the supply of affordable housing affordable to very low-income persons through incentives and subsidies; 3) ensuring basic habitability standards; 4) protection from housing discrimination; and 5) protection from sales and conversion. Staff will review and discuss these program areas in further detail during the work session.

City of Eugene staff continue to work with the Intergovernmental Housing Policy Board to implement existing programs and policies and to explore options to expanding access to housing for Eugene residents. Councilor Chris Pryor is the designated Council representative to the Housing Policy Board.

Expansion or Addition of New Policies and Programs

There are multiple strategies and opportunities to expand affordable housing opportunities and create greater stability for renter households. Staff will review regulatory and funding strategies in the work session presentation.

RELATED CITY POLICIES

There are multiple City plans and policies related to renter housing opportunities and protections including the Eugene-Springfield 2015 Consolidated Plan, Envision Eugene, and the Eugene Human Rights Code. Each related plan and policy is briefly summarized below.

Eugene-Springfield 2015 Consolidated Plan

The Consolidated Plan provides an assessment of local housing, homelessness, and community development needs, identifies priority needs for use of funds received from HUD, and presents strategies to address the priority needs. The Consolidated Plan adopted by Eugene City Council in 2015 identifies low-income renters as a priority population and includes five specific strategies for expanding affordable housing options and access for people with limited incomes. The Executive Summary of the 2015 Consolidated Plan is provided as Attachment A.

Envision Eugene Community Vision

Related pillars of the Envision Eugene Community Vision include the pillars "Provide housing affordable to all income levels" and "Provide ample economic opportunities for all community members." Housing strategies in the 2012 recommendation include planning for a higher proportion of multi-family housing in the future, expanding housing variety and choice, assessing the applicability of a housing and transportation affordability index, supporting subsidized affordable housing projects, and continuing existing programs that support preservation and rehabilitation of existing housing stock.

Urban Growth Boundary Adoption Package

Eugene's *Housing Needs Analysis* identifies a need for all housing types and price levels to meet the community's 20-year needs. In order to fit all of the community's needed housing inside the existing UGB, the City plans to continue existing incentive programs for higher density housing downtown, and increase the minimum density requirement in the R-2 medium density residential zone.

Eugene Human Rights Code

The City of Eugene Human Rights Code prohibits discrimination in housing, employment, city contracting, and public accommodations. The Code specifies protections for renters who are members of protected classes in multiple aspects of rental housing

COUNCIL OPTIONS

Council options are as follows:

1. Provide direction to staff to develop recommendations for consideration relating to one or more areas of rental housing policy.
2. Take no further action.

CITY MANAGER'S RECOMMENDATION

No recommendation at this time.

SUGGESTED MOTION

No motion applicable.

ATTACHMENTS

- A. Eugene-Springfield 2015 Consolidated Plan Executive Summary

FOR MORE INFORMATION

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