ISSUE STATEMENT
City Council requested a follow up work session to further discuss the experiences of Eugene renters and better understand current rental housing issues including affordability, availability, access, quality, and stability. As a part of this work session, Council will receive an updated on proposed state legislation related to renter protections.

BACKGROUND
City Council previously discussed renter protections during a work session on February 21, 2017. The presentation provided an overview of Eugene’s rental housing market, conditions, and trends; an overview of existing programs, local policies, and programs that affect renters. Next steps that emerged from this work session were for staff to work with the Intergovernmental Housing Policy Board to conduct outreach to renters to better understand rental housing affordability, availability, access, quality, and stability.

In 2018, the Housing Policy Board formed a task team to learn more about current market conditions affecting renters and to identify tools and strategies to protect renters and prevent displacement in areas with changing housing market conditions in Eugene. The task team created the Renters’ Experiences Survey and have held four listening sessions. The results of the survey and listening session are summarized below.

Renters’ Experience Survey - The task team developed and designed a survey with 17 questions. The survey was administered city-wide online during the month of January. Links to the survey were provided on the City’s website and notices of the survey were emailed to Eugene neighborhood leaders, Neighborhood Leadership Council, Human Rights Commission interested parties, and Housing Policy Board interested parties. Print copies of the survey were distributed by task team members in various ways, including local food pantries and during the renter listening sessions held November 2018 through February 2019. A total of 851 surveys were completed.

Renters Listening Sessions - The task team facilitated listening sessions with four groups of renters, including a session with students at University of Oregon and meetings organized in partnership with the Jefferson Westside, Whiteaker, and Bethel neighborhood associations. In all, approximately 112 community members participated in the listening sessions. While the
meetings were targeted to renters, any interested person could participate.

**Highlights from the Survey and Listening Sessions**

Of the 851 survey respondents, 98% reported living in Eugene zip codes. The other 2% included persons who identified as previously renting in Eugene, unhoused individuals and families who recently rented in Eugene, respondents who did not identify any zip code, and two zip codes near Eugene without further explanation. Overall, household types were made up of families with children (28%), families without children (28%), individuals living alone (25%), and non-family households (19%). In addition, 60% of respondents were employed full-time, 20% were employed part-time, and 18% reported that they were not currently employed. Full-time students made up 13% of respondents, while an additional 3% were part-time students.

**Affordability** – Over half (56%) of survey respondents reported that they are not satisfied with their current rental home. When presented with a list of reasons why renters are not satisfied, 68% indicated the rent is too high. In other questions on the survey, 51% of respondents indicated they had experienced a rent increase while 15% said that rent increases were so high they had to leave a previous rental.

Respondents were offered the opportunity to provide additional comments about the current rental housing market in Eugene and over 53% commented about the high cost of rent or increasing rent. Some renters indicated they are unable to save for home ownership because of the high cost of rent. In addition, comments included that local wages are low and do not match current market rate rents. Another issue of affordability included the unexpected high cost of utilities.

According to Strategic Economics’ January 2019 report, *Eugene Housing Tools and Strategies Evaluation*, the median rent in multifamily rental buildings is $1058, which requires a minimum income of $42,300 to be considered affordable. The median renter household in Eugene has an income of $26,000. The majority of renter households in Eugene are rent-burdened, with 58% paying more than 30% of their income on rent, and of the total, 36% are considered severely rent-burdened and pay more than 50% of their income on rent.

**Availability** - Renters were asked to describe their experiences in finding their current rental home, and 71% described it as competitive and stressful. While 15% described the process as quick and easy, some respondents noted they had been in their homes for years or found their home through family or friends. Renters commented on the difficulties of finding a rental that is affordable, habitable, and in their desired location.

**Access** - About one-third of survey respondents indicated that they felt they had experienced discrimination while searching for housing or renting. Renters belonging to the following protected classes reported more discrimination: legal source of income, disability, familial status, age, and marital or domestic partner status.

In addition, renters reported barriers to accessing housing due to credit scores, income, and ability to pay deposits and application fees. Renters shared that saving the first month’s rent, the last month’s rent, the security deposit (sometimes set at three times the monthly rent), and multiple
application fees were significant barriers for accessing housing. In addition, some renters described being "stuck" in substandard housing because they could not afford moving expenses along with the financial requirements to obtain new housing. In addition, numerous renters said that their property managers kept security deposits despite cleaning the unit and leaving it without damage.

Other barriers to accessing housing that renters identified included having a criminal background or having pets. Many noted that monthly pet rent is excessive, reporting up to $50 additional per month.

**Quality** - Of the 661 renters who indicated that they are not satisfied with current housing, nearly 38% of respondents indicated that the rental home’s condition/habitability/maintenance is substandard. Some renters reported making requests about maintenance, but that maintenance or repair work was not completed. Many renters indicated they were living in substandard housing by choice because it is what they could afford. Multiple renters on the survey and in the listening sessions stated they would not make maintenance requests for fear of receiving a no-cause lease termination (no-cause eviction), or fear of increased rent due to the maintenance performed.

**Stability** - When asked if they had ever been asked or forced to leave a rental home in Eugene, 25% indicated they had. Specifically, 128 left due to significant rent increase, 100 people experienced no-cause lease termination (no-cause eviction), 33 reported their rental home was sold, 15 indicated their rental home was foreclosed upon. Others reported that property owners or their family members moved back in, or that they experienced displacement due to renovations being made on the rental home.

**Awareness and Use of Current Programs** - The survey asked renters about their familiarity with current housing resources. Of the 486 renters who answered the question, the majority were familiar with the Eugene Rental Housing Code, nearly a third were familiar with Fair Housing Council of Oregon, and more than a quarter were familiar with the City’s Human Rights Office. Despite knowing about these resources, throughout the survey and listening sessions, renters expressed fear and concern with utilizing them. Renters explained that they were concerned that if they reported housing discrimination, complaints about a landlord, or substandard living environments, they would experience potential retaliation including no-cause lease terminations (no-cause evictions) or rent increases.

**Potential Next Steps**

At this time, there are several significant legislative items under consideration at the state level that would impact the issues described above. Staff will review these legislative items as a part of the presentation.

During this work session, City Council may identify one or more areas where they would like staff to develop recommendations for potential actions. Staff would work with Housing Policy Board and other interested parties to develop these recommendations.
PREVIOUS COUNCIL DIRECTION
February 21, 2017, Work Session and presentation
Council received a presentation from staff about Renter Protections and requested market research and information on proposed state legislation related to housing.

COUNCIL OPTIONS

1. Provide direction to City of Eugene staff to work with the Housing Policy Board to develop recommendations for consideration relating to expanding or adding new rental housing policies and programs aimed at increasing renter protections.
2. Take no further action.

CITY MANAGER'S RECOMMENDATION
No recommendation at this time.

SUGGESTED MOTION
No motion applicable.

FOR MORE INFORMATION
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