



**To:** Mayor Lucy Vinis and City Council  
**From:** Jennifer Knapp, Urban Design Planner  
**Date:** April 30, 2021  
**Re:** Housing Tools and Strategies update

Mayor and City Councilors,

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

## **BACKGROUND**

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

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

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

## **UPDATES**

### **Housing Implementation Plan**

On March 10, 2021, Council reviewed the City's plan to draft the Housing Implementation Pipeline (HIP), which will set out the City's housing workplan over the next five years. It will create a policy framework connecting funding sources and actions, while clearly showing how actions meet goals identified across the housing continuum. The HIP will incorporate the City's existing tools and goals and identify opportunities to create new goals and implement new tools towards achieving housing affordability. This

work comes directly from the Housing Tools and Strategies action inventory work that was developed in 2019. Staff have begun setting up the internal structure for developing the HIP and the first draft is expected to be presented to council in the Fall of 2021. The final draft is expected to be approved by the end of 2021.

### **Affordable Housing Trust Fund Development Allocation**

Council directed the City Manager to allocate \$300,000 of the FY21 Affordable Housing Trust Fund (AHTF) resources for the creation of affordable housing (the development allocation). The 2021 AHTF Request for Proposals (RFP) that was released in January 2021 resulted in three proposals. An evaluation sub-committee of the AHTF Advisory Committee (AHTF-AC) will score the proposals in April, and the AHTF-AC will provide a recommendation to staff. City Council will make the final decision for funding. (The item is on the Council Tentative Agenda for May 24.) For more information, visit the [website](#).

### **HPB/Renters Protections Committee**

The Renters Protections Committee is a committee of the [Housing Policy Board](#) and is made up of tenants and landlords. They have been meeting since January to study and develop recommendations based on Portland's Fair Access in Renting (FAIR) Ordinances. The committee will continue to meet over the coming months and expects to have recommendations by the Fall of 2021. More information is available on the [website](#).

### **Renters Resources**

A new statewide eviction moratorium ([HB 4401](#)) will last until June 30, 2021. This means that, with limited exceptions, landlords cannot evict renters for nonpayment or without cause until July of 2021. Information on housing support related to coronavirus is available on the [website](#).

### **Mixed-Income Housing Development: 1059 Willamette Street**

The City acquired 1059 Willamette from Lane Community College in April 2020, using Community Development Block Grant (CDBG) funds. The use of CDBG funds requires that at least 51% of the units are affordable to households at 80% of the Area Median Income. The planned development is mixed-income housing, where 51% of the units meet the CDBG income requirements and the remaining 49% are available at any rent.

For such a project to be financially feasible, some public funds will be required to fill a funding gap. City Council held a Public Hearing about potential funding sources for the project on September 21. On September 30, City Council voted to move forward with a Request for Proposals (RFP) process to identify a developer for the proposed project. Council/ Urban Renewal Agency Board also voted to make available in the RFP \$400,000 from the Multi-Unit Property Tax Exemption (MUPTe) moderate income housing fee and \$700,000 of Downtown Urban Renewal funds to financially support the project.

The City released the RFP in November 2020. The RFP was open for 3 months, and one proposal was submitted from a development team led by deChase Miksis and Edlen & Co. The development team

is proposing a new mixed-use, mixed-income building, called the Montgomery. The proposed project would have 129 units – 66 of the units would be restricted to households with incomes up to 80% of Area Median Income. The other 63 units would be rented at market-rate without income qualifications. A work session for council to discuss the proposal will be scheduled in the coming months.

### **Affordable Housing Development: Iris Place**

The City-owned property on River Road acquired using CDBG funds through the Land Acquisition for Affordable Housing program was transferred to St. Vincent de Paul in July 2020 and construction of the 53-unit development is underway. The one, two- and three-bedroom apartments will be targeted to households earning no more than 50% of the Area Median Income. The development is anticipated to complete construction in November 2021. The development also received federal HOME funds and a City of Eugene Systems Development Charge (SDC) exemption. Council approved a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) for the development in December 2020.

### **LIRHPTE**

Council, Bethel School District and 4J School District voted in 2020 to extend the Low-Income Rental Housing Property Tax Exemption (LIRHPTE) program through June 30, 2030. In addition to the Iris Place LIRHPTE (see above), Council approved three LIRHPTEs in January 2021 for existing affordable housing developments owned by St. Vincent de Paul: Hope Circle, Mary Skinner Apartments, and Garfield Park. The LIRHPTEs will lower rents of these developments to increase housing stability for very low-income residents.

### **2020 Consolidated Annual Performance and Evaluation and Report (CAPER)**

As a requirement for receiving U.S. Department of Housing and Urban Development (HUD) funds, the City is required to report annually on Affordable Housing and Community Development outcomes in the Consolidated Annual Performance and Evaluation Report (CAPER). This report measures the outcomes of activities undertaken as part of the annual Action Plan and overall progress towards meeting goals established in the Consolidated Plan. Staff completed the 2020 CAPER, which is the final report for the 5-year Eugene-Springfield 2015 Consolidated Plan. This report was approved by HUD on January 29, 2021. A copy of this report is available on the [website](#).

### **Eugene-Springfield 2021 Annual Action Plan**

Each year, a One-Year Action Plan is developed to address how the City will work to achieve the goals established in the Eugene-Springfield 2020 Consolidated Plan with the current annual allocation of funds. The One-Year Action Plan allocates the use of federal funds including \$1,304,697 in HOME Investment Partnerships funds and \$1,459,674 in Community Development Block Grant (CDBG) funds. Council approved the Action Plan allocation on April 26. The plan is due to the U.S. Department of Housing and Urban Development (HUD) on May 15.

## **Community Development Block Grant – Coronavirus Funds (CDBG-CV)**

The federal CARES Act included a special allocation of CDBG funding to help local communities respond to the impacts of coronavirus (CDBG-CV). The City previously received a CV1 entitlement allocation in the amount of \$839,940, for which the proposed uses were approved by Council in July 2020. The City will receive a CV3 entitlement allocation of \$1,016,237. (The CV3 funding is a separate grant from the entitlement CDBG grants received on an annual basis from HUD (and described above).) In order to utilize the CV3 funds, the City must complete an allocation process to identify uses of funds and submit a Substantial Amendment to the 2020 Action Plan adopted by Council in April 2020.

Council approved the CV3 allocation on April 26, which includes expanding homeless services, including supporting emergency shelter and day access center, providing homeless outreach services and navigation, and housing navigation services to the unhoused. In addition, funding will expand access to food by supporting a mobile food pantry and senior meal and grocery delivery, provide business lending, and fair housing services, including supporting a [local tenant hotline](#).

Visit the [website](#) for more information.

## **Middle Housing Code Amendments**

The [Middle Housing project](#) is underway and moving fast! February was a busy month full of engagement opportunities, including a Middle Housing survey that received 741 responses! February outreach results were shared at the March 9 and April 13 Planning Commission work sessions and a [full report](#) of all February outreach is now available. The report shares survey results, RoundTable summaries, and recaps events, meetings, and social media outreach. February was a busy month, and there's even more outreach happening throughout April and May.

We've now moved into the code writing process! We'll be returning to the Planning Commission to seek direction on code language April 26 and May 17 before heading to Council on May 24. Also coming up: the last of our Healthy Democracy, Equity RoundTable, and Local Partners and Boards and Commissions RoundTable as well as a developer focus group.

Stay up to date by following the project's [Engage Eugene page](#), [webpage](#), and by signing up for the project [Interested Parties List](#).

## **Urban Reserves**

Urban Reserve project staff are compiling adoption materials to share with the public and decision-makers later this year, based on the direction received from the Lane County Board of Commissioners and Eugene City Council on proceeding with a 27-Year Urban Reserve area. This direction is consistent with the majority of the input received through our public engagement process, the Envision Eugene Technical Advisory Committee, and the Eugene Planning Commission recommendation to the City Council.

The proposed Urban Reserve area (shown [here](#)) includes almost 6,000 acres of land, estimated to meet the needs of growth for approximately 27 years beyond our 2032 urban growth boundary (or until 2059). The proposed Urban Reserve area strives to balance the needs of our growing community with protecting our highest value soils by removing from future urbanization all agricultural properties with predominant Class 1 land and directly adjacent agricultural properties with predominant Class 2 land.

For more information, please see our project [webpage](#) or use the Q&A feature on the [Urban Reserves Engage Eugene page](#).

### **River Road-Santa Clara Neighborhood Plan**

In March and April, the neighborhood plan project team brought updates to the Eugene and Lane County Planning Commissions to discuss the proposed phasing of land use code actions, based on community priorities as well as staff capacity and resources. In May, the project team will be presenting to the Eugene City Council and Lane County Board of Commissioners to seek input and direction from decision-makers to begin preparing the Neighborhood Plan adoption package, including drafting detailed code language for review and input as part of the Adoption Phase.

Staff are discussing possible ways to connect the draft land use code concepts to the work being done with the Middle Housing code amendments, for example piloting ideas to encourage middle housing within walking distance of the River Road corridor. The land use concepts will continue to be refined as part of the neighborhood planning process to ensure alignment with the River Road-Santa Clara Neighborhood Plan and citywide policies. Part of this process will include discussion of how to balance equity with the draft concepts, particularly around transition standards between development.

For more information, visit the [project website](#), the [Engage Eugene project page](#), or sign up for the project newsletter for updates and opportunities for input.

### **Housing Tools and Strategies**

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