

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Work Session: Workforce Housing

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Meeting Date: October 28, 2015  
Department: Planning & Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item: A  
Staff Contact: Anne Fifield  
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#### **ISSUE STATEMENT**

This work session is based on council action in July 2015. The council has requested a discussion of workforce housing with an opportunity to provide direction for next steps.

#### **BACKGROUND**

The council discussed workforce housing at several work sessions over the last year related to the Multi-Unit Property Tax Exemption (MUPTE) program. At the July 13, 2015, work session, the council approved a motion “to schedule a work session as soon as practicable after break to discuss workforce housing and its definition.” Discussion during the work session included the need for workforce housing city-wide, separate from the MUPTE-related workforce housing criteria.

Staff provided a memorandum dated June 12, 2015 at the request of Mayor Kitty Piercy and Councilor George Brown with information on defining workforce housing and Eugene-specific income data (Attachment A).

Workforce housing is a term used to describe housing for households that earn too much to qualify for subsidized affordable housing, but have difficulty finding adequate housing within their budget. The term ‘moderate-income housing’ more accurately describes the housing category, as many households that qualify for subsidized affordable housing are in the workforce.

There are no federal guidelines to define income ranges for moderate-income housing, but many communities and organizations apply it to housing that is affordable to households earning incomes between 60 percent and 120 percent of the Area Median Income (AMI). The AMI percentage range depends on the cost of living in a specific area.

The City of Eugene has focused on affordable housing for households with incomes at 60 percent AMI and below, due to the extensive need and the thresholds for federal subsidies and tax credits. Attachment B summarizes the affordable housing programs currently implemented by the City of Eugene to create a range of stable, safe, and quality housing opportunities.

Housing is considered affordable when an individual/family spends 30 percent or less of income on housing costs. Families who pay more than 30 percent of their income for housing are

considered cost burdened, and they are likely to experience difficulty paying for other basic necessities, such as food, clothing, transportation, and medical care.

Based on analysis conducted for the Eugene-Springfield Consolidated Plan, 76 percent of low-income (i.e., 100 percent AMI and lower) renter households and 64 percent of low-income owner households in Eugene experience housing cost burden.

The ability for moderate-income households to afford adequate housing is an issue for many communities, particularly in regions with high housing costs such as Los Angeles, the San Francisco Bay area, and Seattle. Library research staff conducted preliminary research to identify communities across the U.S. that have policies to address housing affordability for moderate-income households (Attachment C).

### **RELATED CITY POLICIES**

The City of Eugene has policies that address affordable housing for moderate-income households, including:

#### *Envision Eugene Pillars*

- Provide affordable housing for all income levels.

#### *Eugene-Springfield Consolidated Plan—2015*

- Increase the supply of affordable housing.

#### *Regional Prosperity Economic Development Plan*

- Grow local opportunities.

### **COUNCIL OPTIONS**

Discussion only. No options identified.

### **CITY MANAGER'S RECOMMENDATION**

Discussion only. No recommendation identified.

### **SUGGESTED MOTION**

No action requested.

### **ATTACHMENTS**

- A. June 12, 2015 Memorandum to Mayor and City Council, regarding MUPTE and Workforce Housing
- B. Summary of Existing Housing Programs “Creating Stable, Safe Housing Opportunities for Eugene Residents”
- C. Workforce Housing Research

**FOR MORE INFORMATION**

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