

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Work Session: Envision Eugene: Single-Family Housing

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Meeting Date: June 29, 2011  
Department: Planning and Development  
*www.eugene-or.gov*

Agenda Item Number: A  
Staff Contact: Lisa Gardner  
Contact Telephone Number: 541-682-5208

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#### **ISSUE STATEMENT**

State law requires the City to provide enough residential, commercial and industrial land to accommodate 20 years of growth, and establish a Eugene-only urban growth boundary (UGB). Envision Eugene is planning for approximately 34,000 additional community members and creating a picture of what Eugene will look like in the future. Envision Eugene is also integrating council and community goals for social equity, environmental stewardship and economic prosperity.

This work session will focus on preliminary results of analysis regarding our future land need for single-family homes. Staff and Technical Resource Group members presented information to the council on May 25 and June 8 regarding housing mix and phased implementation. Those work sessions provided important background information to understand and assess the results of the analysis to be presented at the June 29 work session. Technical Resource Group members will also be present at this work session to discuss their work.

#### **BACKGROUND**

The Technical Resource Group (TRG), a subcommittee of the Community Resource Group, has been meeting weekly to discuss housing need and to vet some of the data and assumptions that went into the City's preliminary findings. A number of factors make up the information required to understand our future land need as it relates to single-family homes. These factors include:

- Number of single-family homes needed, including housing mix;
- Vacant land capacity;
- Partially vacant land capacity;
- Efficiency strategies such as promoting small homes like secondary dwelling units and alley access homes; and
- Re-designating select parcels to accommodate single-family homes.

Recent work of the TRG has focused on the partially vacant land analysis. A subcommittee of the TRG was formed to focus on this topic, and the results of that work will be shared with the full TRG on June 27. This analysis and the resulting single-family housing land need will be shared with the council at the June 29 work session.

Land that is partially vacant is land that contains some development, but potentially has room for additional development. An example is a three-acre lot with one house on it. The partially vacant land analysis is looking at what factors might influence a particular lot or set of lots to infill with additional development, and at what rate. The preliminary results of the partially vacant land analysis will inform how many homes may reasonably be assumed on these lands over the next 20 years. Those homes will therefore not need new land outside the urban growth boundary, and our need to expand for this type of housing will decrease correspondingly.

A list of the membership of the TRG and its associated subcommittees is included as Attachment A. Attachments B and C are memorandums from the Housing Policy Board and the Sustainability Commission that provide input into the housing mix discussion.

## **Next Steps**

### Housing Land Need

Work will continue over the summer to refine the single-family land need based on additional analysis and public outreach. A council public hearing will be held in the fall to invite comment on the single-family land need recommendation and any resulting need for a UGB expansion.

### Industrial Land Need

In March, the council directed staff to begin analyzing lands outside the current UGB for industrial land development and to schedule a council work session to review the results of this analysis. Preliminary wetlands analysis is complete and staff are having conversations with property owners in potential expansion areas to identify interests and concerns. In July, staff will update the council on this work and share information regarding emerging preferences for industrial land expansion locations.

### Technical Resource Group

The Technical Resource Group is expected to continue its work, refining the range of the single-family need, and reviewing multi-family, mixed-use and commercial capacity assumptions, industrial land need analysis, and monitoring and implementation issues that address many of the strategies outlined in the Adaptable and Flexible Implementation pillar.

### Public Open Houses

A summer open house series will be held in the Atrium at 99 West 10<sup>th</sup> Avenue on the first Wednesdays of July, August and September from 3 - 6 p.m. The July open house (July 6) will focus on single-family land need, including maps showing assumed housing capacity; the August 3 open house will focus on potential industrial expansion areas; and the September 7 event will feature updated information on both single-family and industrial land need and expansion.

## **RELATED CITY POLICIES**

Growth Management Policies

## **COUNCIL OPTIONS**

No formal action is required at this time.

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

No action is required on this item. Therefore, no recommendations are offered by the City Manager.

### **SUGGESTED MOTIONS**

No action is required on this item. Therefore, no motions are suggested

### **ATTACHMENTS**

- A. Technical Resource Group and Subcommittee Membership
- B. Housing Policy Board Memo RE: Housing Mix
- C. Sustainability Commission Memo RE: Housing Mix

### **FOR MORE INFORMATION**

Staff Contact: Lisa Gardner, 541-682-5208  
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Project Website: [www.envisioneugene.org](http://www.envisioneugene.org)

**Technical Resource Group Committees  
Envision Eugene**

Technical Resource Group Member List

Shawn Boles*	Eugene Sustainability Commission
Rick Duncan*	Eugene Planning Commission
Erin Ellis	Our Money Our Transit
Roger Gray	Eugene Water & Electric Board
Kevin Matthews*	Friends of Eugene
Ed McMahon*	Home Builders Association of Lane County
Mia Nelson*	1,000 Friends of Oregon
Gretchen Pierce	Hult & Associates
Laura Potter*	Eugene Area Chamber of Commerce
Sue Prichard*	Former Infill Compatibility Standards Co-Chair

Other participants:

Joshua Skov	Eugene Sustainability Commission
Barbara Mitchell	Cal Young Neighborhood Association
Randy Hledik	Eugene Planning Commission

\* denotes active members

TRG Partially Vacant Lands Subcommittee

Rick Duncan	Eugene Planning Commission
Kevin Matthews	Friends of Eugene
Ed McMahon	Home Builders Association of Lane County
Mia Nelson	1,000 Friends of Oregon

TRG Spreadsheet Subcommittee

Shawn Boles	Eugene Sustainability Commission
Rick Duncan	Eugene Planning Commission
Kevin Matthews	Friends of Eugene

**Memorandum**

Date: Tuesday, June 21, 2011

To: Heather O'Donnell, Land Use Planning Department

From: J. Norton Cabell, chair, Intergovernmental Housing Policy Board

At our June 6 meeting, the Housing Policy Board had a discussion regarding housing mix following a presentation from your folks who briefed us on Envision Eugene. The mission of the Housing Policy Board is to increase the availability of decent, affordable housing for our low-income residents, so the issue is important to us. You asked for our thoughts in writing.

We discussed the factors that affect housing affordability: underlying costs of housing (land, construction, financing, regulations), demand (size, features, amenities), and changes in the supply/demand ratio (reflected by fluctuating house prices [for owner-occupied housing] and vacancy rates [for rental housing]). Many of those factors are beyond the ability of local government to influence.

No one seems able to point to data showing the exact correlation between housing mix and the cost of housing or housing affordability. But the Housing Policy Board believes that multi-family housing is cheaper to buy or rent than single-family detached housing. So the Board wants to encourage the City to increase the supply of land devoted to multi-family construction as one tool for improving housing affordability. We understand that the current mix of housing is 61% single family detached, 39% multi-family. We understand discussions of the various groups considering the issue have ranged from leaving that ratio alone in planning for how much to expand the UGB to moving it from 61/39 to 55/45.

Housing affordability is a critical issue in Eugene. The city has historically had a very low rental vacancy rate when compared to like-sized communities or other Oregon cities. That indicates that demand for rental housing (one proxy for affordable housing) exceeds supply. We encourage you to be bold. We believe that population trends, such as an aging population and smaller family sizes, coupled with the long-standing lack of affordable housing, compared to other cities, will drive down the future need for single-family detached housing in Eugene and drive up the demand for multi-family. So we encourage you to use what tools you have, including changing the planned housing mix, to accommodate more multi-family housing.



**Sustainability  
Commission**

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# Memorandum

June 22, 2011

TO: Honorable Mayor and City Council  
FROM: Sustainability Commission  
RE: Envision Eugene: Housing Mix

In light of our role in advising Council on policy matters, the Sustainability Commission recently discussed the housing mix options under consideration by the Envision Eugene Technical Resource Group. We applaud the work of the Technical Resource Group to systematically assess the many ways in which housing affordability and livability may be affected by housing mix goals. The following represents our consensus feedback at this time, though we expect to weigh in further in September as well.

Our comments are intended to provide a suggested direction by drawing attention to the consistency of one mix or another with the seven pillars that Council has advanced for public discussion, as well as with the previously adopted Climate and Energy Action Plan. The Sustainability Commission does not recommend a particular numerical ratio for the future housing mix in Eugene. We do, however, recommend a set of questions for staff, advisory committees and advocates of specific housing mix ratios.

If the future of Eugene is to align with our vision and resolve the inherent tradeoffs among the seven pillars, the optimal housing mix ratio should be driven by a long view of impacts. There are indications that many drivers of the housing market are changing -- including generational differences in housing preferences, availability of mortgages, cost of transportation energy and building energy, and community commitments to tackling climate change and local energy security. We recommend that you ask advocates of specific housing mix values to look into the future as they make their arguments, and to be creative about how to reconcile such goals as density, affordability, and livability.

As we understand the pillars, they tell us that our community must shift toward compact mixed-use development focused on transit corridors. Retaining the status quo 60:40 mix of single family and multi-family housing will block our ability to achieve our shared vision as represented by the pillars. Even the 40:60 (single family: multi-family) housing mix option makes this shift only slowly and modestly over the timeframe under consideration. We see a mix closer to the 40:60 alternative as much more consistent with the seven pillars.

We look forward to a follow up work session with Council to discuss broader implications of Envision Eugene and to respond to questions raised at our work session with you in April.