

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Public Hearing: An Ordinance Concerning the Rental Housing Code; Amending Section 8.440 of the Eugene Code, 1971; and Repealing the Rental Housing Code Sunset Date

Meeting Date: May 21, 2012
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Stuart Ramsing
Contact Telephone Number: 541-682-6801

ISSUE STATEMENT

This is a public hearing to consider an ordinance to remove the current sunset provision and allow for flexibility of the billing process. The council is scheduled to take action on this item on June 11, 2012.

BACKGROUND

The Rental Housing Code went into effect in 2005 with a three-year sunset. It has been extended twice, both for three-year periods. In fall 2011, the code was extended for an additional nine months during which time staff has worked with the Housing Policy Board (HPB) and other stakeholders to evaluate the program and make recommendations for the future. Recommendations were presented at the April 18 work session with the City Council and Mayor.

At the April work session, the council directed staff to:

- a. Proceed with a public hearing on a draft ordinance that continues the program by eliminating the sunset provision and instead requires a mandatory discussion every four years; and
- b. Continue discussion with the HPB committee and bring back recommendations to the council in fall 2012.

The public hearing this evening is concerning the attached draft ordinance, which removes the sunset provision and requires a work session every four years. The ordinance posted for public comment did not include the required work session every four years. The draft ordinance attached to this agenda item summary was updated to include that provision. The draft also provides billing flexibility and clarity about refunds if multi-year billing is determined to be less expensive to administer.

RELATED CITY POLICIES

The Rental Housing Program connects with four of the five council goals, including: Safe Community, Sustainable Development, Effective, Accountable Municipal Government and Fair, Stable and Adequate Financial Resources. The more general topic of rental housing is also addressed in the ongoing Envision Eugene work and the Climate and Energy Action Plan.

OPTIONS FOR COUNCIL CONSIDERATION

This is a public hearing. There is no City Manager recommendation or suggested motion.

ATTACHMENTS

A. Ordinance Amending Section 8.440 and Repealing the Rental Housing Code Sunset Date

FOR MORE INFORMATION

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ORDINANCE NO. _____

AN ORDINANCE CONCERNING THE RENTAL HOUSING CODE; AMENDING SECTION 8.440 OF THE EUGENE CODE, 1971; AND REPEALING THE RENTAL HOUSING CODE SUNSET DATE.

The City Council of the City of Eugene finds as follows:

A. Sections 8.400 through 8.440, and 8.995 of the Eugene Code, 1971, (“the Rental Housing Code”) were adopted by Ordinance No. 20329 on November 22, 2004. Ordinance No. 20329 also provided that the Ordinance and the Rental Housing Code be repealed effective December 31, 2008.

B. On May 27, 2008, Ordinance No. 20408 extended the sunset date to December 31, 2011. On November 28, 2011, Ordinance No. 20480 extended the sunset date to September 30, 2012.

C. The Council has determined that the sunset date of the Rental Housing Code provisions should be repealed and that revisions be made to the Eugene Code to allow for flexibility of the billing process.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 8.440 of the Eugene Code, 1971, is amended to provide as follows:

8.440 Rental Housing – Registration and Fees.

- (1) All rental housing not excluded under 8.410(2) shall be registered with the city on a form and in a manner to be determined by the city manager.
- (2) For the purpose of offsetting the costs to the city associated with the enforcement of this code, the city manager, using the process contained in section 2.020 of this code, shall set a ~~[an annual]~~ fee for each dwelling unit covered by a rental agreement.
- (3) The following unit types, while subject to the standards, enforcement procedures, and other requirements established in sections 8.400 through 8.440 of this code, shall be exempt from the fee payment requirements:
 - (a) Rentals with a recorded deed restriction requiring the units to be rented affordably to households at or below 60 percent of the Area Median Income; and
 - (b) Rentals that have been approved by the city for an exemption from property taxes pursuant to sections 2.910 to 2.922 and 2.937 to 2.940 of this code or that are recognized by the city as exempt from property taxes pursuant to ORS 307.092.
- (4) The owner or the owner’s agent shall be responsible for paying the ~~[annual]~~ fee. The total ~~[annual]~~ fee shall be paid for any dwelling unit which is covered by this Rental Housing Code for any portion of ~~[that calendar year]~~ **a billing period, and no refunds will be provided after fees are paid if a dwelling unit:**

- (a) *Ceases to be a rental; or*
- (b) *Changes ownership.*
- (5) For each month in which the [annual] fee is not paid by the date specified in the written notice of payment, a penalty shall be assessed to the owner or the owner's agent. The amount of the penalty shall be set ~~[by administrative rule by using the process contained in]~~ **pursuant to** section 2.020 of this code.
- (6) The city manager may initiate appropriate action to collect the fees due. All costs associated with these actions, including attorney fees, may be assessed to the owner or the owner's agent.

Section 2. The sunset date of the Rental Housing Code provisions is repealed.

Section 3. Copies of this Ordinance shall be appended to Ordinance Nos. 20329, 20408, and 20480.

Section 4. Beginning in 2016, and every four years thereafter, the City Manager shall schedule a work session for Council discussion of the Rental Housing Code.

Passed by the City Council this

_____ day of _____, 2012.

Approved by the Mayor this

_____ day of _____, 2012.

City Recorder

Mayor