

MINUTES

Eugene City Council Virtual Work Session Eugene, Oregon 97401

May 20, 2020
12:00 p.m.

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett and Chris Pryor

Mayor Vinis opened the May 20, 2020, work session of the Eugene City Council.

1. ACTION: Resolution Adopting a Supplemental Budget; Making Appropriations for the City of Eugene for the Fiscal Year Beginning July 1, 2019 and Ending June 30, 2020

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to adopt Resolution 5293 adopting a Supplemental Budget; making appropriations for the City of Eugene for the fiscal year beginning July 1, 2019 and ending June 30, 2020. PASSED 6:2, Councilors Taylor and Zelenka opposed.

Council Discussion:

- Councilor Syrett – stated that developing the riverfront will increase its value and attraction; said she views this change as a way to share the cost, and the infrastructure cost will be recouped with the sale of the parcel; stated the park will need activity to protect it until the neighborhood is built around it, and construction bid costs came in much lower than expected, so it is a good opportunity to use public funds to create economic activity and generate further economic activity down the road.
- Councilor Clark – explained these funds come predominately from the Urban Renewal District and can only be spent on projects in these areas; stated this project does provide several public benefits and he is in favor of it.

Mayor Vinis closed the meeting of the City Council and convened a meeting of the Urban Renewal Agency.

2. ACTION: Resolution Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2019 and Ending June 30, 2020.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to adopt Resolution 1093 adopting a Supplemental Budget; making appropriations for the Urban Renewal Agency of the City of Eugene for the fiscal year beginning July 1, 2019 and ending June 30, 2020. PASSED 6:2, Councilors Taylor and Zelenka opposed.

Mayor adjourned the meeting of the Urban Renewal Agency and reconvened the meeting of the Eugene City Council.

3. WORK SESSION: Report Back on City Policy Regarding Short-Term Rentals

Building and Permit Services Director Lydia Kaye introduced the topic.

Council Discussion:

- Councilor Syrett – thanked staff for the report; expressed her desire to disband the ad hoc committee and stated she never intended for this committee to make recommendations to Council; it was to be a clearinghouse to understand how potential regulations Council might impose would affect owner/operators; stated STRs have value in the community, are not in competition with hotel industry, and have negligible impact on the long-term rental market; said registration/licensing makes sense and allows collection of data for a period of time.
- Councilor Yeh – said she believes it is an appropriate step to create a licensing program to obtain reliable data; agreed on disbanding the ad hoc committee at this time; expressed concern that staff may not have capacity to follow-up on complaints if a complaint system is incorporated.
- Councilor Taylor – favored going forward with a public hearing for the ordinance as it was presented months ago; stated there are zoning laws prohibiting businesses from operating in neighborhoods; stated that action should not be delayed.
- Councilor Zelenka – agreed the ad hoc committee has served its purpose and should be disbanded; stated he is comfortable with licensing to obtain data; asked if data collected will be used in determining TRT compliance; asked how those who don't register will be handled; stated an accountability mechanism needs to be instituted.
- Councilor Evans – agreed the ad hoc committee should be disbanded; asked when data collection can begin, what it would cost to bring on an additional employee, and if a reasonable fee can be set to cover the cost of that employee.
- Councilor Clark – stated it is time to disband the ad hoc committee; said he doesn't believe Council ever asked for input; rather, Council asked for staff to measure among rental owners the negative impacts of a proposed ordinance; asked what actual problem Council is trying to solve; stated he does not believe this is a problem that requires this level of attention; asked what specific problem would be addressed in a potential ordinance that is not already covered with nuisance code ordinances; stated he is not in favor of spending any more time on this topic.
- Councilor Pryor – stated he is in favor of putting in place a registration or licensing system to collect information and advised to take it slowly; stated this is a nuisance enforcement question, and if nuisance enforcement is made more robust, it will be able to include short-term rental complaints; stated he is comfortable with disbanding the ad-hoc committee.
- Councilor Syrett – stated she supports staff implementing a registration process and gathering more information, but needs to wait on any further regulation to see how the pandemic further affects this sector of the economy; stated there are many small businesses that operate out of homes in this community, all without negative impacts; stated she is unclear exactly what problem Council is trying to solve, and it feels like Council is spending an inordinate amount of time on this topic; stated she supports registration for the purpose of collecting more data about the actual short-term rental landscape, but any further action should be deferred until there is a larger picture of the impacts of this pandemic.
- Councilor Zelenka – stated the problem is location-specific and he has received a large number of complaints in the past few years regarding short-term rentals in the University area; the problems are noise, more than five people occupying a house, and livability concerns; stated that regulation for data collection is insufficient and the data in the next year will not be useful; stated there needs to be an accountability mechanism with a fee and staff associated with it; stated the Council is are punting on dealing with complaints and the existing system doesn't work.

MOTION: Councilor Zelenka , seconded by Councilor Semple, moved to direct the City Manager to prepare an ordinance and schedule a June public hearing and July action requiring short term rentals to obtain a license from the City with the only license requirement being the provision of information related to the STR (such as whether or not the STR is owner-occupied and a local contact number) and the quarterly provision of information regarding rental dates, the number of nights stayed by each rental party, and the number of occupants per stay; and including an accountability mechanism and fee.

- Councilor Taylor - stated this is not just a nuisance problem and Council must act now to prevent homes from being bought up and turned into STRs, driving up home prices and preventing moderate-income residents from being able to rent; stated the City should be limiting the number of STRs to maintain neighborhood livability, the owner-occupy provision would take care of a lot of the problem, and nuisance enforcement has always been needed.

MOTION to SUBSTITUTE: Councilor Taylor moved to direct the City Manager to schedule a June public hearing and July action on the draft ordinance that was presented to Council on December 11, 2019. There was no second.

- Councilor Clark – stated there is a difference between registering and licensing that requires a fee; stated nuisance enforcement is the issue and not just with STRs; said he understands there may be more of an issue with STRs around the University area and suggested the fix is to do a better job enforcing the nuisance code especially around the University; stated it does not seem right to pay for an entirely new position by licensing STRs which are already down, rather than just ask for information.
- Councilor Semple – stated she doesn't think licensing is needed but could support charging a registration fee; stated the data collected now and in the near future will be reflective of the pandemic, owner occupancy should not be threatened, there should be no restriction on number of days rented, and registration should be with the online platforms; asked how much would be charged for a fee and how long before a check-in occurs.
- Councilor Evans – asked the City Attorney if a new ordinance must be developed or could existing ordinances be amended, such as the social host ordinance and a parking ordinance, to address the issues that have been outlined; stated there is already a chronic housing condition in Eugene that Council has been struggling to solve, and advised acting carefully.
- Councilor Syrett – stated she felt the original draft ordinance was over-regulatory and her preference would be a registration system first, then consider a licensing system with a fee; stated she could support the motion with a small fee and the idea of a moratorium on issuing new licenses for a certain amount of time, such as 18 months; stated she would like to see potential amendments to current ordinances that might fix these problems.

MOTION to AMEND: Councilor Syrett, seconded by Councilor Semple, moved to amend the motion to direct the City Manager to bring back recommendations for amendments to current City code that could address the issues raised by short-term rentals including occupancy numbers and parking, and to include a moratorium on the issuing of new licenses for a period of 18 months from the implementation of the proposed license ordinance.

- Councilor Zelenka – stated he feels a moratorium is unnecessary since there essentially is a moratorium due to the pandemic and doesn't think good data will be obtained during this time;

stated he likes the idea of amending other ordinances but feels the real issue is nuisance enforcement; stated any fee charged should be minimal.

- Councilor Clark – stated the actual issue Council needs to fix is nuisance enforcement; stated he feels the fee will grow over time and there will be mission creep just like what has happened with the Rental Housing Code; stated the people renting the home and behaving badly should be addressed, not the people who own the home.
- Councilor Semple – expressed concern that a moratorium would interfere with the trials and games; stated she is not against a \$20 registration fee and feels the data collection will at least be in real-time; suggested spending time after break working on the moratorium and amending ordinances.
- Councilor Syrett – withdrew her motion to amend.
- Councilor Taylor – stated she likes the idea of a moratorium and has always felt more nuisance enforcement is needed.

RESTATED MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City Manager to prepare an ordinance and schedule a June public hearing and July action requiring short term rentals to obtain a license from the City with the only license requirement being the provision of information related to the STR (such as whether or not the STR is owner-occupied and a local contact number) and the quarterly provision of information regarding rental dates, the number of nights stayed by each rental party, and the number of occupants per stay, and the ordinance including an enforceability mechanism and a fee to support the program. **PASSED 7:1**, Councilor Clark opposed.

MOTION: Councilor Syrett, seconded by Councilor Zelenka, moved to direct the City Manager to bring back recommendations for amendments to current City code that would address issues raised by short-term rental market including occupancy numbers and parking as well as recommendations for how we can make our nuisance code enforcement more robust for all aspects of enforcement of those codes at a future work session.

- Councilor Clark asked to add as a friendly amendment: 1) with special consideration to the University area and some of the specific problems experienced there; and 2) in addition to the nuisance code, review of the social host ordinance and how we could incorporate parts of it into a revision of the nuisance code as well.
- Councilors Syrett and Zelenka accepted the friendly amendment.

VOTE: PASSED 8:0.

The meeting adjourned at 1:33 p.m.

Respectfully submitted,



Beth Forrest
City Recorder

(Recorded by Jessica Gebb)

Link to the webcast of this City Council meeting [here](#).