MINUTES

Eugene City Council Work Session Eugene, Oregon 97401

May 11, 2022 12:00 p.m.

Councilors Present: Claire Syrett, Matt Keating, Jennifer Yeh, Mike Clark, Randy Groves, Emily Semple, Alan Zelenka, Greg Evans

Mayor Vinis opened the May 11, 2022, work session of the Eugene City Council in a hybrid inperson/virtual format.

1. WORK SESSION – Middle Housing

City Manager, Sarah Medary, introduced Planning and Development Senior Planner Jeff Gepper who presented middle housing updates.

Council Discussion:

- Mayor Vinis thanked staff for their work on this project; outlined the meeting speaking time to allow time to address multiple motions being brought forth by Council.
- Councilor Semple stated that Council has a problem and needs to take more public testimony into account; stated Council should go with minimum code implementation for HB2001, Middle Housing, and review in the future to make adjustments to the code; stated the technical difficulties experienced during past meetings have reduced the public input; agrees with parts of the proposed plan and disagrees with other parts.

MOTION: Councilor Semple, seconded by Councilor Evans, moved to direct the City Manager to revise the proposed middle housing ordinance to: (1) make the ordinance consistent with the "State Minimum Standards" set forth in the first column of Attachment C to the May 11, 2022, Middle Housing work session Agenda Item Summary; (2) to reduce the maximum lot coverage for duplexes, triplexes and fourplexes from 75% to 50%; and, (3) to revise any other standards in the proposed ordinance that go beyond the requirements of the Minimum Standards (Chapter 660, Division 46 of the Oregon Administrative Rules) to make them consistent with the Minimum Standards.

Council Discussion:

- Councilor Zelenka- clarified the process outline for the work session, stated public involvement has been tremendous and in a variety of formats over the last two years; believes that some discussion has become over-exaggerated, heated and misleading on this topic; stated belief that the majority of opposition is to HB2001, not Eugene's middle housing proposed plan; is prepared to make motions in this work session.
- Councilor Clark- expressed appreciation to staff, agreed with Councilor Zelenka; agreed that misleading rhetoric has been rampant; stated belief that neither plan (HB2001 and Eugene staff proposed middle housing code) will create affordable housing due to

construction costs and inflation; suspects, based on his experience in real estate, that middle housing code will cause the destruction of housing that costs less in favor of smaller housing that costs more; believes City should implement the least option and reevaluate with public input as the process continues on.

- Councilor Groves- expressed appreciation to staff; has concern about the public confusion surrounding HB2001, middle housing; would like a second public hearing on the matter; has been seeking a way to implement HB2001; noted that HB2001 minimum standards will kick in if Council does not approve the proposed plan and does not feel pressure to approve a middle housing code; suggested a friendly amendment of a time specific review date in the motion set forth by Councilor Semple; stated transit corridors and usable land inventory and Eugene Urban Growth Boundary need to be reviewed alongside middle housing plans.
- Councilor Syrett- expressed appreciation to staff; will vote against the motion on the table; believes the plan put forth by staff has been well vetted and encourages diverse housing; is open to other motions regarding this topic; does not believe decisions should be further delayed; reminded Council that there will be another work session on this item and more time to receive public input.
- Councilor Evans- expressed appreciation to staff; believes there should be more discussion regarding the motion; asked Councilor Semple why the motion was to move from 75 percent to 50 percent lot coverage; thinks that Council is running out of time for implementing HB2001; is in favor of local control of middle housing; thinks Council should adopt planning commission recommendation before the state deadline for HB2001 implementation.
- Councilor Yeh- expressed appreciation to staff; agrees with Councilor Evans that there
 is more work to do; does not believe Council could feasibly review the impacts of
 HB2001 in 6 months; stated it will take years to see the impact of the code adoption; is
 impressed with public input and inclusion; noted the vast majority of feedback has been
 in favor of going above the minimum standard; believes that the statements about
 confusion is from people who are not getting what they want; stated Eugene is in a
 housing crisis, will not support the motion.
- Councilor Keating- expressed appreciation to staff; concurred with Councilor Yeh; will vote against the motion; looks forward to addressing key issues such as parking, tree canopy and building height, in middle housing code; in favor of local control of specifics codes related to HB2001.
- Councilor Groves- is not suggesting Council adopt HB2001 model without adjustments; wants to move forward with middle housing, would like to move forward with something and believes HB2001 minimum is a good place to start; interested in surgical precision of creating the code that works for Eugene; concerned with parking, lot coverage and building height.
- Councilor Zelenka- asked for clarification on motion processes for the work session.
- Councilor Semple- stated a second motion will be put forth if original motion is passed.
- Councilor Clark- clarified preference for minimum adoption is to allow more public comment and input; believes the nature of the issue calls for more robust and lengthy public comment and input.

VOTE: FAILED 4:5 (opposed by Councilors Yeh, Keating, Syrett, Zelenka & Mayor Vinis)

MOTION: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City Manager to revise the proposed middle housing ordinance to delete the "Reduced Parking for Small Dwelling Units," "Reduced Parking for Income-Qualified Middle Housing," and "Proximity to Transit" parking incentives and to revise the proposed middle housing ordinance to reduce the maximum building height in the R-1 zone for a duplex, triplex, fourplex, or townhouse from 35 feet plus an additional 7 feet for roof slopes of 6:12 or steeper to 30 feet plus an additional 7 feet for roof slopes of 6:12 or steeper and to revise the proposed middle housing ordinance to reduce the maximum lot coverage for duplexes, triplexes, and fourplexes from 75% of the lot to 50% of the lot and revise the proposed middle housing ordinance to add the following special use limitations: townhouses and middle housing located on a middle housing lot may not be used as short term rentals; and no more than one of the dwelling units in a duplex, triplex, fourplex or cottage cluster may be used as a short-term rental and to direct the City Manager to schedule a work session on Solar Standards and Trees.

MOTION TO SEPARATE: Councilor Clark, seconded by Councilor Zelenka, moved to separate the motion items put forth by Councilor Zelenka. **VOTE: PASSED 8:0**

MOTION: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City Manager to revise the proposed middle housing ordinance to delete the "Reduced Parking for Small Dwelling Units," "Reduced Parking for Income-Qualified Middle Housing," and "Proximity to Transit" parking incentives.

Council Discussion:

- Councilor Zelenka- indicated that parking is one of his issues with staff proposed plan and he has three possible revisions to the plan to address the issue; if the motion at hand were to fail he would put forth an alternate motion to address parking; noted parking incentive is to reduce cost and to get vehicles off the road to reduce greenhouse gases; said that if society is moving to electric vehicles greenhouse gases would not be an issue.
- Councilor Keating- concerned with incentives in proximity to transit; has a substitute motion.

MOTION TO SUBSTITUTE: Councilor Keating, seconded by Councilor Yeh, moved to substitute the following motion for Councilor Zelenka's motion to delete certain parking incentives: Move to direct the City Manager to revise the proposed middle housing ordinance to replace the Proximity to Transit parking incentive with an allowance for no off-street parking spaces for middle housing dwelling units located within ¼ mile walking distance of an EmX stop.

Council Discussion:

• Councilor Syrett- interested in removal of parking requirement for income-qualified units; asked if substitute motion would remove that incentive; asked if the number of

lots that would be impacted by this motion have been calculated, asked staff to bring the analysis of lots impacted to the next work session.

- Councilor Clark- understands the meaning behind motion; concerned that the recommendation by staff will permanently increase street parking; noted issue with emergency vehicles navigating roads with crowded street parking.
- Councilor Zelenka- stated ¼ mile was developed from walking distance to an EmX stop; believes all new vehicle sales will be all electric by 2035, which will require charging, concerned with no future option for charging electric vehicles and the impact on residents, especially for low-income residents who could be forced to pay to charge an electric vehicle.
- Councilor Semple- is concerned with electric vehicle charging availability for residents; will not support the substitute motion, is in favor of the original motion.
- Councilor Yeh- stated she is in support of the substitute motion because it narrows the impact to a smaller area of the city; stated it would apply for those who want to live in the area that this would apply to.
- Councilor Groves- will not support the substitute motion; noted with the housing vacancy rate at 1.5 percent, people cannot always choose where they can rent; is in favor of Councilor Zelenka's original motion; looks forward to further information brought in the next work session.
- Councilor Syrett- will support motion based on Councilor Yeh's statement; would prefer the distance to be ½ mile rather than ¼ mile walking distance to an EmX stop but will support the motion as is.

VOTE ON MOTION TO SUBSTITUTE: PASSED 5:4: (opposed Councilors Clark, Groves, Semple, and Zelenka)

MAIN MOTION AS SUBSTITUTED (restated): Councilor Keating, seconded by Councilor Yeh, moved to direct the City Manager to revise the proposed middle housing ordinance to replace the Proximity to Transit parking incentive with an allowance for no off-street parking spaces for middle housing dwelling units located within ¼ mile walking distance of an EmX stop. VOTE: PASSED 7:1 (opposed by Councilor Semple)

MOTION: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City Manager to revise the proposed middle housing ordinance to delete the "Reduced Parking Small Dwelling Units" parking incentive. VOTE: PASSED 5:3 (opposed by Councilor Syrett, Keating, and Yeh)

MOTION: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City manager to revise the proposed middle housing ordinance to delete the "Reduced Parking for Income-Qualified Middle Housing."

Council Discussion:

• Councilor Syrett- concerned with items being deleted that were meant to incentivize lower cost development of housing; asked staff for data analysis on this matter; worried that Council is undermining its own values and original intentions for affordable housing.

- Mayor Vinis- reminded everyone that items are allowances, not requirements; reminds Council that they look to non-profit housing providers to make the decisions regarding those they serve and how best to do so; encouraged Council to consider not closing the door on income-qualified and allow the non-profit housing providers to craft plans accordingly, reminded Council that it has the ability to vote on those plans as they are presented by providers; believes the motion goes against the stated goals to increase affordable housing; encouraged Council to decline this motion.
- Councilor Zelenka- stated lowering affordable housing is a great concern but does not believe that this is the way to accomplish that goal; thinks this creates other issues and problems in the long-term creating congestion on the streets.
- Councilor Syrett- noted that an informed resident that is watching this work session advised her that Bluetooth technology for electric vehicle charging is in the works.
- Councilor Semple- stated a parking space can be used for other uses such as a picnic table or barbeque, having a parking place doesn't mean that you have to have a car in it, but you can if you wanted to.
- Councilor Clark- will support the motion; stated many neighborhoods are opposed to low-income housing and the increased street parking will give more reason to object to additional low-income housing development.
- Mayor Vinis- clarified middle housing refers to duplexes, triplexes and quadplexes, not large apartment complex units.

VOTE: FAILED 4:5 (opposed by Councilors Syrett, Keating, Yeh, and Groves and by Mayor Vinis voting as a tiebreaker)

MOTION: Councilor Zelenka, seconded by Councilor Semple, move to direct the City Manager to revise the proposed middle housing ordinance to reduce the maximum building height in the R-1 zone for a duplex, triplex, fourplex, or townhouse from 35 feet plus an additional 7 feet for roof slopes of 6:12 or steeper to 30 feet plus an additional 7 feet for roof slopes of 6:12 or steeper.

Council Discussion:

- Councilor Zelenka- noted that images that have been shared for dwelling types were built within 30 feet; stated that it has been possible for 16 years to build a 3-story building in residential areas; noted that HB2001 does not take away or increase that ability; noted that arguments in favor of the proposed plan make it easier to build a 3story dwelling but it is already allowable; stated that 5 feet is not a big difference in the big picture; suggested revisiting the issue in the future after ordinance is approved.
- Councilor Keating- clarified this motion moves the encouraged 35 feet proposed by staff to match state model code of 30 feet, the minimum standard of HB2001.
- Councilor Groves- noted you can build 3-stories in 30 feet plus 7 feet for roof pitch; you can also build 3 stories and 2.5 stories where the living space is in the attic space with dormers reducing 5 feet of solar blockage.
- Mayor Vinis- asked for clarification about energy efficiencies noted in the plan associated with the 5-foot additional allowance.
- Councilor Zelenka- stated information given by staff is not accurate, advised compressed foam insulation can match the energy efficiencies; stated solar access

ordinance does not go away with a height allowance change in place regardless of decisions made by Council.

VOTE: PASSED 6:2 (opposed by Councilors Yeh and Keating)

MOTION: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City Manager to revise the proposed middle housing ordinance to reduce the maximum lot coverage for duplexes, triplexes, and fourplexes from 75 percent of the lot to 50 percent of the lot.

Council Discussion:

- Councilor Zelenka- made the motion to initiate a conversation regarding lot coverage; does not intend to support the motion; believes 75 percent lot coverage option will result in better building proposals; noted that the increased lot coverage could reduce landscaping potential but trees protected under the tree ordinance would be protected and could not be cut down; would like a work session about requiring tree planting to strengthen the tree canopy.
- Councilor Clark- will likely support the motion; stated starting at 50 percent lot coverage would not prevent Council from moving to 75 percent later; noted the tree ordinance could prevent some lots from being developed at 75 percent.
- Councilor Semple- noted support for green space; noted that neither the minimum nor the model HB2001 plan grants 75 percent lot coverage; agreed with Councilor Clark's statement regarding future change to 75 percent; stated that those who do not want green space or lawns can live in a townhouse or apartment.
- Councilor Syrett- asked if there is a reason to change in 25 percent increments, what would be the impact of 60 percent lot coverage allowance; will not ask staff to provide an analysis for the 60 percent impact.
- Councilor Yeh- stated a livable home is feasible without a yard; believes the 75 percent coverage would give builders the opportunity to build more homes; noted the opportunity to buy a home, with a smaller lot, is a lot better than the alternative of not being able to own a home at all; will not support the motion.
- Councilor Semple- noted that the City of Eugene has a goal of smaller houses.
- Councilor Groves- supported analysis of 60 percent impact; feels personal value to having a yard to enjoy as a homeowner.
- Councilor Keating- stated Eugene does need more green space; would like a tree ordinance conversation; noted a lack of fines for removing trees and lack of incentive for planting new trees to strengthen the tree canopy; will not support the motion.
- Councilor Clark- stated Councilor Yeh's point swayed decision to support the motion; stated homeownership is a way to increase family wealth; noted an interest in seeing analysis for different percentage of lot coverage.
- Councilor Zelenka- inquired if the only lots that are limited with the 75 percent coverage are the really big lots and at 50 precent coverage almost all lots are limited; asked what the lot coverage standard is currently; asked if the ability to build a larger percentage is intended to decrease the cost of ownership or create more affordable housing options; inquired if adding a duplex to a lot that has an existing single family home would increase the lot coverage allowance to 75 percent.

VOTE: FAILED 0:8

Council Discussion:

- Councilor Groves- noted that the chart provided by staff was extremely helpful in deciding about lot coverage allowance and limits.
- Councilor Clark- noted that the chart would be helpful for public knowledge as it helped him to decide which way to vote on this motion.
- Councilor Semple- inquired if Council could change the percent of lot coverage in the future if it were an issue in the future.

MOTION and VOTE: Councilor Zelenka, seconded by Councilor Clark, moved to extend meeting to 1:45 p.m.

- VOTE: PASSED 5:3 (opposed by Councilors Syrett, Keating and Evans)
- Councilor Evans- noted that he will need to leave the meeting before 1:45 p.m. to attend a prior commitment.
- Councilor Syrett- noted that another middle housing work session is scheduled for next week.

MOTION: Councilor Zelenka, seconded by Councilor Semple, move to direct the City Manager to revise the proposed middle housing ordinance to add the following special use limitations: townhouses and middle housing located on a middle housing lot may not be used as short term rentals; and no more than one of the dwelling units in a duplex, triplex, fourplex or cottage cluster may be used as a short-term rental.

<u>Council Discussion</u>:

- Councilor Zelenka- noted that Council has discussed short-term rentals in the past and feels that middle housing drastically changes the issue; believes that limiting middle housing for long term rental or owner occupied housing would be sensible considering the need for long term housing in Eugene; encouraged Council to place limits on middle housing allowed for short term rental use.
- Councilor Clark- has funded at least one dozen home purchases in the last year for short term rental usage; noted that there is a lot of people moving into short term rental market as a business income; not in support of the motion as it will limit what will get built and be on the market, reducing housing availability.
- Councilor Groves- asked if the motion would apply only to new construction, asked if an existing duplex owner could convert one side to a short-term rental.
- Councilor Semple- noted short-term rentals have gotten a lot of comments and appears to be a controversial issue; believes that middle housing will increase short term rentals, will vote in favor; noted preference for another work session on the matter; asked if lots are divided and a triplex or quadplex is built, would only one unit be allowed to be a short-term rental.
- Councilor Syrett- noted that there is another work session on the issue and there was no need to extend this meeting; is against the motion; agrees with Councilor Clark's statement; believes this would place unfair restrictions on new development; stated

placing restrictions on how private property is used should be a separate conversation/work session.

- Councilor Yeh- noted a different work session is needed regarding short-term rentals, will not support the motion.
- Councilor Keating- believes this would unfairly limit use of private property; asked Council and staff to research best practices from around the country regarding shortterm rentals; outlined the City of Atlanta short-term rental limitations; believes Council can address short-term rental issues at a later work session.

VOTE: FAILED 2:6 (opposed by Councilors Yeh, Keating, Syrett, Groves, Clark, and Evans)

Councilor Evans exited the work session.

MOTION: Councilor Zelenka, seconded by Councilor Semple, moved to direct the City Manager to schedule a work session on Solar Lot Access Ordinance and Tree Preservation Ordinance including planting new trees and tree canopy potential.

MOTION TO POSTPONE: Councilor Syrett, seconded by Councilor Clark, move to postpone the motion to May 18, 2022 work session. **VOTE: PASSED 6:1** (opposed by Councilor Zelenka)

Mayor Vinis adjourned the meeting at 1:39 p.m.

Respectfully submitted,

Brooke Freed Deputy City Recorder

(Recorded by Sara McKinney) Webcast of meeting available <u>here</u>.