

## MINUTES

### Eugene City Council Virtual Work Session Eugene, Oregon 97401

November 10, 2021  
12:00 p.m.

**Councilors Present:** Emily Semple, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, Randy Groves

**Councilors Absent:** Greg Evans, Claire Syrett

Mayor Vinis opened the November 10, 2021, work session of the Eugene City Council in virtual format.

#### 1. **WORK SESSION – Housing Implementation Pipeline (HIP) Draft Review**

Senior Analyst Amanda Nobel Flannery and Community Development Director Will Dowdy presented the draft Housing Implementation Pipeline (HIP) document.

##### Council Discussion:

- Mayor Vinis – stated this coordinated strategy is an appreciated shift, especially with setting two- and five-year goals; approved of the targeting to be able to look realistically at the goals.
- Councilor Groves – expressed appreciation to staff for the work on this project; stated at the December work session he would like to hear more information on how the Riverfront and Downtown Urban Renewal Districts contribute to creating opportunities; stated he is working with staff to develop a work session poll to have a discussion on what the urban renewal districts mean for the community, whether they should be extended, and whether the cap should be raised; stated he thinks more housing is needed downtown.
- Councilor Clark – expressed appreciation for the presentation and recognized it represents a great amount of work; stated he is focused on transit corridors and the issues around the two renewal districts are complex and important; said he thinks there are underutilized opportunities especially for multifamily housing along 6<sup>th</sup> and 7<sup>th</sup> avenues; stated he would like Council to discuss a construction cost analysis of Eugene compared to nearby communities; stated there is a large lever if the City is willing to consider its effect on cost and new construction being driven outside of city limits.
- Councilor Zelenka – stated the affordable housing crisis is one of the biggest issues facing Eugene, and thousands of units in the middle housing price range are needed to help solve the problem; stated if the crisis is only going to be addressed with incentivized housing it will never be solved; stated the two ways Council can shift levers is through incentivizing and regulation.
- Councilor Semple – thanked staff for the project work; stated she is a little worried about the Urban Growth Boundary and saying we don't want to have suburbs when eventually Eugene will be a city like Portland and we need think about density and the edges; expressed concern over housing unaffordability for working families and losing housing along transit corridors; stated she is energized by this inclusive plan.
- Mayor Vinis – stated that more robust programs may come through from the federal government and it would be helpful for Council to identify what might be happening at the federal level that would influence capacity to do this work; stated she would like to know what tools are available to renovate a corridor such as 6<sup>th</sup> and 7<sup>th</sup> avenues.

- Councilor Keating – stated these are lofty goals and wondered if it would make sense to establish goal levels to be able to celebrate progress even if it falls short; asked if there could be a transportation corridor urban renewal district.
- Councilor Clark – stated he absolutely supports creating urban renewal along 6<sup>th</sup> and 7<sup>th</sup> avenues and along Highway 99 as this would be a great opportunity to remake corridors; said he feels the regulatory side is equally important to incentivizing and would like Council to analyze which regulations are costing the most money and which can be removed to bring down the cost of construction; stated regarding the HIP he would like to see a dashboard or on-going projection of how many of the resulting units will be for rent vs. for sale.
- Councilor Zelenka – stated he would like to see metrics to determine how many affordable housing units are being provided by the market; stated at this point it is hard to tell if the Housing Tools and Strategies (HTS) work has actually made a difference in getting affordable housing units into the community; stated the bottom line is the market is not helping to solve the affordable housing crisis and finding new approaches beyond modest incentive programs is needed; stated in regard to the 20-year land supply, he would be interested in knowing the inventory that will allow large-scale affordable housing projects.
- Mayor Vinis – noted the creation of student housing has not loosened the market by providing smaller, more affordable homes; pointed out there were specific actions in HTS beyond streamlining of systems (such as creation of the CET and allowing accessory dwellings) that Council has acted on; encouraged Council not to lose sight of the work that has been done when it is too soon to know the actual impact.
- Councilor Clark – stated the market responds to the changes made by Council and so what is produced by the market is directly related to the creation of policy; stated he would like to know the cost per square foot of building a home in Eugene compared to nearby communities such as Springfield, Creswell and Harrisburg; stated these markets will have relatively similar material and labor costs and the differences will be regulatory, fee and land costs, which can be addressed by Council.
- Councilor Zelenka – stated the economics of this affordable housing crisis are supply and demand and the market is not providing affordable housing so there is a market failure; stated the government can intervene in the market through incentives and regulation, and said he doesn't see the end to this crisis with only incentives.
- Mayor Vinis – stated there are 3,000 unsheltered people in this community and the first step should be subsidized affordable housing; expressed gratitude to staff for the creation of this HIP, which makes the pathway clear and triggers productive conversations.

## 2. WORK SESSION – Northwest Natural Gas Update

City Manager Sarah Medary provided an update on the City's work with Northwest Natural Gas (NWNNG) and the Energy Trust of Oregon (ETO) on greenhouse gas reductions projects.

### Council Discussion:

- Mayor Vinis – asked if this work is targeting low-income homeowners, low-income tenants, or low-income customers.
- Councilor Groves – stated he agrees with targeting low-income, disadvantaged residents but if the goal is to reduce greenhouse gas emissions targeting large commercial/industrial users would provide a greater impact and asked for more information around this idea to help refine the top objective.
- Councilor Keating – offered as an observation that a moratorium on new gas hookups and no new gas infrastructure would make the greatest impact at this juncture; asked if these negotiations raise rates for NWNNG customers and what the goal of this work will be in terms of reduction of greenhouse gas emissions.

- Councilor Clark – expressed appreciation to the City Manager for this work; stated this is another example of how Council’s decision-making affects the market; reminded Council of testimony provided by a local homebuilder who stated he has not built a home without gas in over 20 years because the market demands it; stated if Council chooses not to allow new gas hookups, the result will be these homes being built in other communities instead of Eugene.
- Councilor Semple – stated she has asked local homebuilders if it is cheaper to put in gas instead of electric, and the reply is that it is not cheaper but it is what homebuyers want; stated there are a lot of people who want to buy a home in Eugene and if Council chooses a moratorium on new gas hookups, then it becomes the buyer’s choice – buy in Eugene without gas or buy somewhere else; stated she wants to reassure the public that Council is not discussing eliminating natural gas altogether at this time.
- Councilor Zelenka – asked the City Manager if this path is mutually exclusive from the motion to ban new hookups (meaning if new hookups are banned then this process ends and NWNG goes on to do whatever it will do); stated negotiations with NWNG have gone on for two years and he is losing patience and confidence that there will be a successful result; in answer to Councilor Groves’ question, explained this project is aimed at reducing the disparity that will be felt by low-income customers (about 15,000 customers from NWNG information) when NWNG increases rates in response to negotiated franchise terms or action by Council; stated that energy efficiency improvements to structures is one of the only things that actually reduces a ratepayer’s costs.
- Councilor Groves – stated he was not opposing this work happening for low-income residents, he was only trying to understand if the intent of the work is to make the largest reductions in emissions; asked the City Manager if this process is the first of its kind and if it can be expected to take longer than anticipated due to its newness; asked the City Manager if in her opinion the City will have more influence in directing that path of natural gas use in the community with or without a franchise agreement; stated he would like to know the true average cost of natural gas locally and on the national market and by how much it is increasing.
- Councilor Semple – stated buy-in will be needed by all to get to the sacrifices it will take to reduce carbon emissions and helping natural gas customers will educate and get more people involved in climate recovery.
- Mayor Vinis – stated this is an agonizing transition because decarbonizing is a critical pathway but is also extremely expensive, and so it is important to support households through this transition by weatherization which will increase comfort and reduce costs while also reducing emissions; feels that retrofits are important to help prepare the community for electrification in response to the climate crisis.
- Councilor Zelenka – thanked Mayor Vinis for her comments and stated the main problem in addressing climate change is the amount of money and length of time it takes to make progress; the City will need to dedicate a great deal of resources to this problem.

Mayor Vinis adjourned the meeting at 1:25 p.m.

Respectfully submitted,



Brooke Freed  
City Recorder AIC

*(Recorded by Jessica Gebb)*

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