

EUGENE CITY COUNCIL AGENDA AMENDED

July 24, 2023

7:30 p.m. CITY COUNCIL MEETING

City Council meetings will continue to be held in hybrid format using in person and virtual meeting technology. Information about online or other options for access and participation will be available at https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials

Note: this agenda has been amended to correct the title of the ordinance and the language of the motion in agenda item #5.

Meeting of July 24, 2023; Her Honor Mayor Lucy Vinis Presiding

Councilors

Randy Groves, President
Alan Zelenka
Greg Evans
Emily Semple

Matt Keating, Vice President
Jennifer Yeh
Mike Clark
Lyndsie Leech

7:30 p.m. CITY COUNCIL MEETING

- 1. CEREMONIAL MATTERS
- 2. COMMITTEE REPORTS AND ITEMS OF INTEREST
- 3. CONSENT CALENDAR 1
 - A. Approval of City Council Minutes
 - June 12, 2023 Meeting
 - June 20, 2023 Public Hearing
 - B. Approval of City Council Tentative Agenda
- 4. PUBLIC FORUM
- 5. ACTION: An Ordinance Concerning Rental Housing; Amending Sections 8.405, 8.415, 8.425, 8.430, and 8.440 of the Eugene Code, 1971; and Adding Section 8.437 to that Code.

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language

interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

For more information, contact the Council Coordinator at 541-682-5010, or visit us online at www.eugene-or.gov.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Ceremonial Matters

Meeting Date: July 24, 2023

Department: Central Services

Www.eugene-or.gov

Agenda Item Number: 1

Staff Contact: Cherish Bradshaw

Contact Telephone Number: 541-682-8340

ISSUE STATEMENT

This item is to acknowledge awards and achievements and inform the public of proclamations by the Mayor. No action is required by the City Council.

BACKGROUND

Per City Council Operating Agreements (Adopted 12/14/2020), at the first regular meeting of each month, the first agenda item shall be used to acknowledge special recognition or awards given to the City of Eugene or for the Mayor to read proclamations which serve to encourage and educate the community. Proclamations shall be made and placed on the agenda at the discretion of the Mayor.

The following proclamation for the month of July will be read during the July 24 meeting:

August 12, 2023 – Eugene/Springfield LGBTQ Pride Day

Current and previous proclamations are available on the City's Proclamation webpage.

ATTACHMENTS

A. Eugene/Springfield LGBTQ Pride Day Proclamation

FOR MORE INFORMATION

Staff Contact: Cherish Bradshaw, Mayor and Council Support

Telephone: 541-682-8340

Staff E-Mail: <u>cabradshaw@eugene-or.gov</u>

OFFICE OF THE MAYOR

City of Eugene, Oregon

PROCLAMATION

WHEREAS: The Eugene / Springfield Pride in the Park Festival celebrates

all that makes this community great; and

WHEREAS: The City of Eugene and the Pride in the Park Festival work to

ensure that all human beings are born free and equal in dignity

and rights and are treated equally regardless of sexual

orientation or gender identification; and

WHEREAS: The City of Eugene and the Pride Festival are committed to

ensuring diversity, social justice, equality and mutual respect

throughout our community; and

WHEREAS: The City of Eugene and the Pride in the Park Festival are

committed to ensuring diversity, social justice, equality, and

mutual respect throughout our community; and

WHEREAS: The City of Eugene and the Pride in the Park Festival strongly

support visibility, dignity, and equality for LGBTQ+ people in

our community; and

WHEREAS: The City of Eugene and the Pride in the Park Festival proudly

state that we support our LGBTQ+ community and Love Will

Win the Day.

NOW, THEREFORE, I, Lucy Vinis, Mayor of the City of Eugene, Oregon, do

hereby proclaim August 12, 2023 to be

"Eugene/Springfield LGBTQ Pride Day"

Mayor Lucy Vinis City of Eugene Hugust 12, 2023

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of City Council Minutes

Meeting Date: July 24, 2023 Agenda Item Number: 3A
Department: Central Services Staff Contact: Ellie Harwell

<u>www.eugene-or.gov</u> Contact Telephone Number: 541-682-8497

ISSUE STATEMENT

This is a routine item to approve City Council minutes.

BACKGROUND

Per City Council Operating Agreements (Adopted 12/14/2020), written minutes shall be taken for all City Council meetings in accordance with the Oregon Attorney General's Public Records and Meetings Manual. The minutes must give a true reflection of the matters discussed but need not be a full transcript, verbatim or recording.

As a matter of courtesy and efficiency a councilor should notify the Mayor and other councilors that they intend to propose an amendment to the minutes and should propose replacement text in advance of the meeting at which those minutes are scheduled to be approved. If the proposed amendment is a simple factual, grammatical, or spelling correction, the amendment may be proposed without consulting the minutes recorder. If the proposed amendment is substantive in nature or seeks to clarify the speaker's intent, the councilor should notify the minutes recorder and request verification of the proposed amendment.

SUGGESTED MOTION

Move to approve the minutes for the June 12, 2023, meeting and June 20, 2023, public hearing.

ATTACHMENTS

A. June 12, 2023 Meeting

B. June 20, 2023 Public Hearing

FOR MORE INFORMATION

Staff Contact: Ellie Harwell, City Council Coordinator

Telephone: 541-682-8497

Staff E-Mail: eharwell@eugene-or.gov

MINUTES

Eugene City Council Meeting Eugene, Oregon 97401

June 12, 2023 7:30 p.m.

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

Lyndsie Leech, and Randy Groves

Councilors Absent: Greg Evans

Mayor Vinis opened the June 12, 2023, meeting of the Eugene City Council in a hybrid inperson and virtual format at 101 W. 10th Avenue, Suite 114, Eugene, OR 97401.

1. PLEDGE OF ALLEGIANCE TO THE FLAG

The Pledge of Allegiance to the Flag was led by Layla Schropp, a freshman at Willamette High School and member of the Youth Advisory Council in recognition of Flag Day on June 14.

2. CEREMONIAL MATTERS

Mayor Vinis read proclamations for Eugene LGBTQ+ Pride Month, National Gun Violence Awareness Day, and Juneteenth.

3. COMMITTEE REPORTS AND ITEMS OF INTEREST

- Councilor Zelenka spoke about the effects of gun violence in the United States.
- Councilor Semple spoke about recent visits to Westmoreland Safe Spot and Schnitzer Steel.
- Councilor Keating noted Friday, June 23, 2023 is Pride Night at PK Park; spoke about the Eugene Emeralds history of supporting Pride and their donations to the HIV Alliance; noted a recent address he gave at a gun violence awareness event organized by Moms Demand Action; spoke about ways the movie industry could affect gun reform efforts.
- Councilor Groves asked City Manager to present an update to Council about a potential multi-use stadium that would serve as a home for the Eugene Emeralds.

4. CONSENT CALENDAR 1

A. Approval of City Council Minutes

- May 8, 2023 Work Session
- May 8, 2023 Meeting

B. Approval of City Council Tentative Agenda

MOTION: Councilor Groves, seconded by Councilor Keating, moved to approve the items on Consent Calendar 1.

VOTE: 7:0 PASSED

5. PUBLIC FORUM

- 1. Neel Nair and Sofia El-Shammaa provided the Youth Advisory Council annual report.
- 2. Lin Woodrich spoke in favor of a public health overlay zone in West Eugene.
- 3. Don Heady spoke about the Golden Gardens Park renovation.
- 4. Kathryn Dunn spoke in favor of rent relocation assistance exemptions.
- 5. Todd Boyle spoke about using urban renewal district funds for an amphitheater.
- 6. Marilyn Hinson spoke about safety issues in the Overpark Garage and downtown.
- 7. Gerilyn VanPykeren spoke about the need for safe and sanctioned camp sites.
- 8. Zeke Zeff spoke against budget cuts for the library.
- 9. Janet Ayres spoke about her campaign for City Council.
- 10. Jacob Trewe spoke against increases to the police budget.
- 11. Stefan Strek spoke about his father in honor of Father's Day.

Council Discussion:

- Councilor Semple addressed the use of her campaign materials without her permission.
- Councilor Keating asked City Manager to speak to library funding and the supplemental budget; noted the Human Services Commission's work to ensure that the Community Supported Shelters retained funding.
- Mayor Vinis recognized Lauren Nguyen of the Youth Advisory Council.

6. ACTION: Appointments to Boards, Commissions, and Committees

BUDGET COMMITTEE

MOTION: Councilor Groves, seconded by Councilor Keating, moved to appoint Jesse Maldonado to the Budget Committee for an unexpired term beginning July 1, 2022, and ending on June 30, 2024.

MOTION TO SUBSTITUTE: Councilor Clark, seconded by Councilor Groves, moved to substitute with John Barofsky.

Council Discussion

- Councilor Clark stated that while Jesse Maldonado seems like a good candidate John Barofsky is more qualified.
- Councilor Keating asked if today's list of appointees were the ones who received the most votes from Councilors during the nomination process.
- Councilor Clark noted that Councilors had made nominations but not yet formally voted for appointees.
- Councilor Keating stated that Councilor participation in the nominations process is an important part of the appointment process; spoke in favor of Jesse Maldonado as an appointee.
- Councilor Groves noted his support for the motion to substitute; spoke in favor of John Barofsky as an appointee.
- Councilor Zelenka thanked John Barofsky for his work on the Eugene Water and Electric Board; spoke in favor of Jess Maldonado as an appointee.

- Councilor Clark noted that he disagrees with the boards and commissions nomination process; noted the nominations are not made in public.
- Councilor Zelenka noted that while nominations are not made in public, they are published as part of the public record.

VOTE ON MOTION TO SUBSTITUTE: 2:5 FAILED (opposed by councilors Semple, Keating, Zelenka, Yeh, and Leech)

VOTE ON MAIN MOTION: 7:0 PASSED

CIVILIAN REVIEW BOARD

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Jose Cortez to the Civilian Review Board for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Carolyn Williams to the Civilian Review Board for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

HUMAN RIGHTS COMMISSION

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Silky Booker to the Human Rights Commission for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

Council Discussion

 Councilor Keating – asked staff for confirmation that Silky Booker is a Eugene resident.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Kianna Cabuco-Kounovsky to the Human Rights Commission for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

Council Discussion

Councilor Keating – clarified the spelling of the appointee's name.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Cynthia Cannon Poindexter to the Human Rights Commission for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

PLANNING COMMISSION

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Ken Beeson to the Planning Commission for a four-year term beginning July 1, 2023, and ending on June 30, 2027. **PASSED 7:0**

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Christopher Ramey to the Planning Commission for a four-year term beginning July 1, 2023, and ending on June 30, 2027. **PASSED 7:0**

TOXICS BOARD

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Janessa Sandoval to an Advocacy position on the Toxics Board for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

HISTORIC REVIEW BOARD

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Nathan Markowitz to the Historic Review Board for an unexpired term beginning July 1, 2023, and ending on June 30, 2025. **PASSED 7:0**

Council Discussion

 Councilor Keating – asked about the nomination and appointment process for the Historic Review Board, Lane Regional Air Protection Agency, Police Commission, and the Whilamut Citizen Planning Committee.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Leah Murray to the Historic Review Board for an unexpired term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

LANE REGIONAL AIR PROTECTION AGENCY

MAIN MOTION: Councilor Groves, seconded by Councilor Keating, moved to appoint Dylan Plummer to the Lane Regional Air Protection Agency for an unexpired term beginning July 1, 2023, and ending on June 30, 2024.

Council Discussion

 Councilor Zelenka – stated that environmental advocates do not always make good regulators.

MOTION TO SUBSTITUTE: Councilor Zelenka, seconded by Councilor Clark, moved to substitute with Lauren Winter.

Council Discussion

Mayor Vinis – spoke in favor of Dylan Plummer as appointee.

VOTE ON MOTION TO SUBSTITUTE: 3:4 FAILED (opposed by Councilors Semple, Keating, Yeh, and Leech)

VOTE ON MAIN MOTION: 5:2 PASSED (opposed by Councilors Zelenka and Clark)

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Howard Saxion to the Lane Regional Air Protection Agency for a three-year term beginning July 1, 2023, and ending on June 30, 2026.

PASSED 7:0

Council Discussion

Councilor Keating – noted that he has enjoyed serving with Howard Saxion.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Michael Johnston to the Lane Regional Air Protection Agency for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

POLICE COMMISSION

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint William Parham to the Police Commission for an unexpired term beginning July 1, 2023, and ending on June 30, 2024. **PASSED 7:0**

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Dallas Boggs to the Police Commission for a four-year term beginning July 1, 2023, and ending on June 30, 2027. **PASSED 7:0**

Council Discussion

 Councilor Zelenka – noted that Dallas Boggs, Sean Shivers, and Vi Huynh are currently serving on the Police Commission and doing an excellent job.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Sean Shivers to the Police Commission for a four-year term beginning July 1, 2023, and ending on June 30, 2027. **PASSED 6:0** (Councilor Groves recused due to conflict of interest)

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to reappoint Vi Huynh to the Police Commission for a four-year term beginning July 1, 2023, and ending on June 30, 2027. **PASSED 7:0**

WHILAMUT CITIZEN PLANNING COMMITTEE

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Lauren Winter to the Whilamut Citizen Planning Committee for an unexpired term beginning July 1, 2023, and ending on June 30, 2024. **PASSED 7:0**

Council Discussion

Councilor Keating – asked for the size of the Whilamut Citizen Planning Committee.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Taylor Fowler to the Whilamut Citizen Planning Committee for an unexpired term beginning July 1, 2023, and ending on June 30, 2025. **PASSED 7:0**

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Diane Garcia to the Whilamut Citizen Planning Committee for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to appoint Sam Hillmann to the Whilamut Citizen Planning Committee for a three-year term beginning July 1, 2023, and ending on June 30, 2026. **PASSED 7:0**

Mayor Vinis adjourned the meeting at 8:57 p.m.

Respectfully submitted,

Katie LaSala City Recorder

(Recorded by Cherish Bradshaw)
Link to the webcast of this City Council meeting here.

MINUTES

Eugene City Council Public Hearing Eugene, Oregon 97401

June 20, 2023 5:30 p.m.

Councilors Present: Emily Semple, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, and

Randy Groves

Councilors Absent: Greg Evans and Lyndsie Leech

Mayor Vinis opened the June 20, 2023, meeting of the Eugene City Council in a hybrid inperson and virtual format at 101 W. 10th Avenue, Suite 114, Eugene, OR 97401.

1. PUBLIC HEARING - An Ordinance Adopting Hazardous Substance User Fees.

Mayor Vinis opened the Public Hearing.

City Manager, Sarah Medary, introduced the topic and provided background information.

There were no speakers for the Public Hearing.

Mayor Vinis closed the Public Hearing.

2. PUBLIC HEARING – An Ordinance Concerning Administration and Adoption of a Technical Code for Construction; Amending Sections 8.001, 8.002, 8.003, 8.005 and 8.010 of the Eugene Code, 1971; and Repealing Sections 8.265, 8.270, 8.275, 8.280, 8.285, 8.290, 8.295, 8.300, 8.305, 8.310, 8.905 And 8.915 of That Code; and Providing an Effective Date.

Mayor Vinis opened the Public Hearing.

City Manager, Sarah Medary, introduced the topic and provided background information.

There were no speakers for the Public Hearing.

Mayor Vinis closed the Public Hearing.

3. PUBLIC HEARING – An Ordinance Concerning the Willamette River Greenway; Amending Sections 9.0500, 9.1040, 9.3147, 9.3148, 9.3725, 9.4930, 9.5750, 9.6885, 9.7005, 9.7030, 9.7055, 9.7205, 9.7210, 9.7220, 9.7305, 9.7315, 9.7335, 9.7340, 9.7415, 9.7455, 9.7520, 9.7560, 9.7605, 9.7615, 9.7635, 9.7665, 9.7685, 9.8005, 9.8030, 9.8800, 9.8805, 9.8810, 9.8815 and 9.8825 of the Eugene Code, 1971; Adding Sections 9.8811 and 9.8812 to That Code; and Adopting a

Willamette River Greenway Setback Map, a Willamette River Greenway Tree Preservation Zone Map and a Map of Properties Located Within the Willamette River Greenway and More Than 500 Feet From a Willamette River Greenway Access Point.

Mayor Vinis opened the Public Hearing.

City Manager, Sarah Medary, introduced the topic and provided background information.

- 1. Phil Farrington spoke in favor of the proposed Ordinance and recommended an amendment for specific parcels.
- 2. Jon Belcher spoke in opposition of the proposed Ordinance and recommended several amendments.

Mayor Vinis closed the Public Hearing and stated that written testimony will be accepted until Council takes action on this item.

Council Discussion

• Councilor Clark – asked staff what percentage of the City's residential buildable land supply is inside the Willamette River Greenway.

Mayor Vinis adjourned the meeting at 5:52 p.m.

Respectfully submitted,

Katie LaSala City Recorder

(Recorded by Ellie Harwell)
Link to the webcast of this City Council meeting here.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: July 24, 2023

Department: Central Services

Agenda Item Number: 3B

Staff Contact: Katie LaSala

www.eugene-or.gov Contact Telephone Number: 541-682-5010

ISSUE STATEMENT

This is a routine item to approve the City Council Tentative Working Agenda.

BACKGROUND

At each regular meeting of the Council, the City Manager shall present the Tentative Agenda. This shall be placed on the Consent Calendar. If there are any concerns about the items on the Tentative Agenda, it may be removed at the request of any councilors from the Consent Calendar and discussed separately.

COUNCIL OPTIONS

The council may choose to approve, amend, or not approve the Tentative Agenda.

SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

ATTACHMENTS

A. City Council Tentative Working Agenda

FOR MORE INFORMATION

Staff Contact: Katie LaSala, City Recorder

Telephone: 541-682-5010

Staff E-Mail: klasala@eugene-or.gov



City Council Tentative Agenda

Updated July 20, 2023

City Council meetings will continue to be held using hybrid and virtual meeting technology. Materials and information about how to access these meetings will be available at https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials.

July 2023									
Date	Day	Time	Title	Length	Dept. Contact				
24-July	Monday	5:30 pm	Executive Session pursuant to ORS 192.660(2)(i)	45 mins	Staff, CS				
			City Manager Annual Evaluation (Work Session)	45 mins	Staff, CS				
Work Session Location: Public via Virtual Only									
24-July	Monday	7:30 pm	Ceremonial Matters						
			Committee Reports and Items of Interest						
			Public Forum						
			An Ordinance Concerning Rental Housing (Action)		Staff, PDD				
			Location: Public via	Virtual & Cou	ncil Chambers, Room 114				
26-July	Wednesday	12 pm	Strategic Plan (Work Session)	45 mins	Brooke Freed, CS				
			City Manager Updates (Work Session)	45 mins	Sarah Medary, CMO				
	Work Session Virtual Only								

Note: Council Break July 27 - September 9

Approved Work Session Polls to be Scheduled	Councilor	Date Approved
Gas Stations – TBD	Keating	4/15/22
Bethel Area Plan – April 19, 2023. Follow-up work session to be scheduled.	Evans	7/22/22

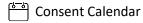


Work Session

Action



Public Forum





Committee Reports/Items of Interest



Q Ceremonial Matters



Pledge of Allegiance

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Forum

Meeting Date: July 24, 2023 Agenda Item Number: 4
Department: Central Services Staff Contact: Ellie Harwell

www.eugene-or.gov Contact Telephone Number: 541-682-8497

ISSUE STATEMENT

This item allows members of the public the opportunity to express opinions and provide information to Council. Testimony presented during the Public Forum should be on city-related issues and should not address items which have already been heard by a Hearings Official, items on the present agenda as a Public Hearing item, or items related to a quasi-judicial matter after the official record has been closed.

BACKGROUND

Per City Council's operating agreement pilots initially approved by Council in January 2020, speakers at the Public Forum will be limited to two and a half minutes, and the Public Forum will be limited to 90 minutes total. Speakers will be randomized, and no persons will be allowed to submit a "Request to Speak" form 30 minutes prior to the start of the meeting. Persons wishing to speak must sign up to do so not later than 5 minutes after the meeting has been opened by the Mayor or presiding officer.

At the end of the Public Forum, each member of the Council has the opportunity to respond to comments made during the Public Forum. The time allocated to each member of the Council for such responses shall be up to three minutes.

FOR MORE INFORMATION

Staff Contact: Ellie Harwell, City Council Coordinator

Telephone: 541-682-8497

Staff E-Mail: eharwell@eugene-or.gov

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: An Ordinance Concerning Rental Housing; Amending Sections 8.405, 8.415, 8.425, 8.430, and 8.440 of the Eugene Code, 1971; and Adding Section 8.437 to that Code.

Meeting Date: July 24, 2023

Agenda Item Number: 5

Department: Planning & Development

Staff Contact: Amy Cameron

www.eugene-or.gov Contact Telephone Number: 541-682-5383

ISSUE STATEMENT

Council is asked to take action on an ordinance adopting Phase II Renter Protections. The Phase II protections include a maximum limit on security deposits, a requirement that landlords process applications in the order received, a requirement that landlords provide tenants with relocation assistance under certain circumstances, required eviction reporting, and refined enforcement measures. The proposed Ordinance is included as Attachment A to this AIS.

BACKGROUND

On <u>March 13, 2023</u>, Council held a Public Hearing regarding a proposed Phase II Renter Protections Ordinance that limits deposits, requires that landlords process applications in the order received, and requires that landlords provide tenants with relocation assistance under certain circumstances.

Council discussed the draft Ordinance during work sessions held on June 21, 26, 28, and July 12, 2023 and directed the City Manager to make a set of revisions to the Ordinance. A summary of the revisions to the Ordinance is in Attachment B.

Summary of Phase II Protections

Maximum Security Deposit. The revised Ordinance generally limits security deposits to a maximum of two times a rental unit's monthly rent. A "security deposit" is "a refundable payment or deposit of money, however designated, the primary function of which is to secure the performance of a rental agreement or any part of a rental agreement." This includes traditional security deposits, but also cleaning and last month's rent deposits. Landlords will be allowed to collect additional security deposits (more than two times the monthly rent) under the following circumstances: a) a deposit of up to one month's rent if a landlord rents a unit to an applicant with certain risk factors, and b) a deposit of up to one month's rent if after the first year, the landlord and tenant agree to modify the lease (for example, to allow another tenant) and the new or increased deposit is related to the lease modification, as allowed by the Oregon Residential Landlord Tenant Act (ORLTA). Landlords would be required to allow the tenant at least three months to pay the additional deposit(s). The Ordinance does not regulate the timing or amount of

pet deposits, except to note that, consistent with state law, a landlord may not collect a pet deposit for a service animal.

Applications Processed in Order Received. The revised Ordinance requires landlords to process applications for rental housing units on a first-come, first-served basis, except for applications for the following units: a) Affordable Housing units, b) rental units occupied by both the landlord and tenant, c) middle housing units when the landlord resides in another middle housing unit on the same lot or parcel, d) accessory dwelling units (ADUs) where the landlord's principal residence is on the same lot or parcel as the ADU or where the landlord occupies the ADU on the same lot or parcel as the tenant, e) a dwelling unit that will be shared with an existing tenant who has a separate agreement for the dwelling unit, and f) a dwelling unit not advertised or rented to the general public. A person with limited English proficiency will be able to request up to 24 hours of additional time to use or obtain language assistance services or resources to complete their application while maintaining their position on the list of applicants.

<u>Enforcement.</u> The revised Ordinance includes language requiring eviction data reporting by landlords and provides enforcement measures if landlords do not report eviction data to the City. Landlords will only be required to report notices that result in a termination of tenancy. Evicted tenants will be able to file a complaint for violations of eviction reporting. Additionally, complaints can be reported to the City by phone.

<u>Relocation Assistance.</u> The revised Ordinance requires landlords to pay relocation assistance to a tenant when the landlord initiates one of the following triggering events:

- legal no-cause evictions;
- rent increases at the maximum annual percentage allowed by state law when the tenant moves out of a rental unit because they cannot afford the increased rate (effective July 6, 2023, SB 611 caps rent increases at 10% or 7% plus the CPI, whichever is lower);
- qualifying landlord-based reasons for termination; and
- non-renewal of a fixed-term lease of less than one year, (non-renewal includes both a landlord's refusal to renew a lease and a landlord's conditioning of lease renewal on a tenant's agreement to substantial change to the rental agreement see scenario examples in Attachment F item #29).

The revised Ordinance provides that the amount of relocation assistance payments is two months' rent for the dwelling unit. The revised Ordinance also includes 11 circumstances where a landlord who triggers relocation assistance would be exempt from having to pay it. A landlord is required to notify the tenant in writing when the tenancy is exempt from relocation assistance (specifics vary by exemption) and must register the exemption with the City within 30 days of the date the landlord provides the notice of exemption to the tenant. For exemptions 2, 3, and 4 (landlord and tenant both live on site, either in the same shared dwelling unit or in separate dwelling units on the same parcel of land), the notification requirement only applies to leases executed after September 1, 2023.

Phase II Protections, Updated Roadmap, and Additional Information

The Renter Protections Roadmap in Attachment C shows summary information on anticipated impact, funding needs and sources, implementation, and enforcement for Phase II items. A Guide to the Roadmap is included in Attachment D with more information on each roadmap item. State law information related to Phase II Renter Protections is in Attachment E and an FAQ on renter protections is in Attachment F.

Public Outreach

Staff received a great deal of input on the proposed Phase II Renter Protection Ordinance. Community members received information on the Renter Protections process via the Renter Protection Interested Parties list, the Rental Housing Code contact list, and through updates on the Renter Protection and Rental Housing Code webpages. Staff also provided information about the proposed Renter Protections and the Council process to existing advocacy and membership groups for both renters and landlords, requesting that they help distribute this information as broadly as possible. Staff met with advocates for landlords and tenants and held facilitated listening sessions in Fall 2022 to hear input on Phase II Renter Protections.

Potential Next Steps

If the Ordinance is approved, staff will initiate an update of the program's administrative rules to ensure they are consistent with the Ordinance. Staff will document the implementation and impacts of Phase I and II Renter Protections and provide Council with a report including a qualitative and quantitative analysis of impacts to renters, landlords, and the rental housing market prior to a Council two-year review work session (anticipated for Fall 2025). Many factors impact a local rental housing market, including interest rates, inflation, building costs, changes in housing supply, population growth, demographic changes, landlord decisions to owner-occupy, and more, which means the two-year report will not necessarily be able to isolate direct causal changes from the renter protections code provisions to the rental market. Local, state, and national housing trends will be included in the two-year report to demonstrate how our rental housing market sits within the larger housing landscape.

For Phase III of Renter Protections, staff will conduct the needed additional analysis and return with an updated roadmap for Council direction after Council has concluded action on Phase II.

RELATED CITY POLICIES

Housing Implementation Pipeline (HIP) Connection

Renter protections that work toward neighborhood stabilization and allow residents to stay in their changing neighborhoods, is a direct form of anti-displacement policy. Enhancing renter protections is identified as one of the anti-displacement actions in the High Priority Policies and Programs section of the HIP. The HIP is the 5-year internal work plan to coordinate current and future resources, goals, and priorities with a systems-thinking approach to housing across the full spectrum from people experiencing homelessness to overall housing supply.

PREVIOUS COUNCIL DIRECTION ON RENTER PROTECTIONS PHASE II

October 24, 2022 Work Session

Council directed the City Manager to bring back a Phase II Renter Protections Ordinance limiting the amount of deposits a landlord may charge; requiring that applications be processed in the order they are received; providing for additional enforcement options for violations of the screening fee cap [not currently applicable due to the Circuit Court January 2023 ruling]; and requiring eviction data reporting and providing for enforcement. Additionally, the Council directed that the Phase II Ordinance require landlords to provide relocation assistance [which at the time was referred to as displacement prevention assistance] in the amount equal to three times the current market rate rent published by HUD when either 1) the tenant is no-cause evicted or 2) the tenant rent is increased by five percent or more in a twelve month period and the tenant chooses to move rather than pay the increased rate, and create a small landlord compensation fund for landlords that earn less than 80 percent of area median income.

June 21, 2023 Work Session

Staff presented information about the Phase II Renter Protections. No action was taken.

June 26, 2023 Work Session

Council directed the City Manager to:

• Revise the Renter Protections Phase II draft Ordinance with the items in the administrative and programmatic package (Attachment C to that AIS).

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating moved to direct the City Manager to revise the draft Ordinance with the items in the technical and procedural package in Attachment C.

PASSED 8:0

• Require relocation assistance when rent is increased by the maximum annual percentage allowed by state law.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating moved to direct the City Manager to revise the draft Ordinance to require relocation assistance when rent is increased by the maximum annual percentage allowed under ORS 90.323(2). PASSED 7:1 (opposed by Councilor Clark)

• Set the relocation assistance payment amount at 2 months current rent.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating moved to direct the City Manager to revise the draft Ordinance to set the relocation assistance payment amount at 2 months current rent.

PASSED 6:2 (opposed by Councilors Clark and Semple)

• Exempt Affordable Housing from all relocation assistance requirements.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating moved to direct the

City Manager to amend the draft Ordinance to exempt Affordable Housing from all relocation assistance requirements.

PASSED 7:1 (opposed by Councilor Keating)

June 28, 2023 Work Session

Council directed the City Manager to amend the draft Ordinance to apply the notice requirements of relocation assistance exemptions 2, 3, and 4 (landlord and tenant both live on site, either in the same shared dwelling unit or in separate dwelling units on the same parcel of land) only to leases executed after the effective date of the Ordinance. The following motion passed in this meeting:

MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Keating, moved to direct the City Manager to amend the draft Ordinance to apply the notice requirements of exemptions 2, 3, and 4 only to leases that are executed after the effective date of the Ordinance. PASSED 5:4 (opposed by Councilors Clark, Groves, Semple, Yeh, with Mayor Vinis' vote in favor breaking the tie)

July 12, 2023 Work Session

Council directed the City Manager to amend the draft Ordinance to:

Remove relocation assistance exemption 7 (for immediate family members to move in).

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to direct the City Manager to revise the draft Ordinance to remove relocation assistance exemption 7. PASSED 6:2 (opposed by Councilors Clark and Groves)

Remove the small landlord compensation fund.

MOTION AND VOTE: Councilor Groves, seconded by Councilor Keating, moved to direct the City Manager to revise the draft Ordinance to remove the small landlord compensation fund. PASSED 7:1 (opposed by Councilor Clark)

• Revise relocation assistance trigger 4 (non-renewal of a fixed term lease) to provide that in the case of a lease with a fixed term of less than one year, the landlord must, at least 90 days prior to the end of the lease term, remind the tenant that in order for the tenant to be eligible for relocation assistance, the tenant must, at least 60 days prior to the end of the lease term give the landlord notice of the tenant's desire to renew the fixed term lease. Within 30 days of the tenant's notice, the landlord must either decline the tenant's request to renew the lease and pay relocation assistance to the tenant or the landlord must agree to renew the fixed term lease.

MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Keating, moved to direct the City Manager to revise relocation assistance trigger #4 (non-renewal of a fixed term lease) to provide that in the case of a lease with a fixed term of less than one year, the landlord must, at least 90 days prior to the end of the lease term, remind the tenant that in order for the a tenant to be eligible for relocation assistance, the tenant must, at least 60 days prior to the end of the lease term give the landlord notice of the tenant's desire to renew the fixed term lease. Within 30 days of the tenant's notice, the landlord must either decline the tenant's

request to renew the lease and pay relocation assistance to the tenant or the landlord must agree to renew the fixed term lease.

PASSED 7:1 (opposed by Councilor Keating)

• Document the implementation and impacts of the City's Phase I and II Renter Protection code provisions and to provide the Council with a report prior to a Council two-year review work session. The report should include a qualitative and quantitative analysis of impacts to renters, landlords, and the rental housing market.

MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Keating, moved to direct the City Manager to document the implementation and impacts of the City's Phase I and II renter protection code provisions and to provide the Council with a report prior to a Council two-year review work session. The report should include qualitative and quantitative analysis of impacts to renters, landlords, and the rental housing market. PASSED 8:0

COUNCIL OPTIONS

- 1. Adopt the revised Phase II Renter Protections Ordinance in Attachment A.
- 2. Direct the City Manager to bring back the Phase II Renter Protections Ordinance in Attachment A with additional specific modifications.
- 3. Take no action.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Option 1, adoption of the revised Phase II Renter Protections Ordinance in Attachment A.

SUGGESTED MOTION

Move to adopt an Ordinance Concerning Rental Housing; Amending Sections 8.405, 8.415, 8.425, 8.430 and 8.440 of the Eugene Code, 1971; and Adding Section 8.437 to that Code.

ATTACHMENTS

- A. Draft Ordinance: An Ordinance Concerning Rental Housing; Amending Sections 8.405, 8.415, 8.425, 8.430, and 8.440 of the Eugene Code, 1971; and Adding Section 8.437 to that Code.
- B. Summary of Revisions in the Proposed Ordinance
- C. Renter Protections Roadmap
- D. Guide to the Roadmap
- E. State Law Related to Phase II Renter Protections (Updated)
- F. Renter Protections Frequently Asked Questions (Updated)

FOR MORE INFORMATION

Staff Contact: Amy Cameron, Rental Housing Navigator

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Staff E-Mail: <u>acameron@eugene-or.gov</u>

ORDI	NANCE	NO.			

AN ORDINANCE CONCERNING RENTAL HOUSING; AMENDING SECTIONS 8.405, 8.415, 8.425, 8.430, AND 8.440 OF THE EUGENE CODE, 1971; AND ADDING SECTION 8.437 TO THAT CODE.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 8.405 of the Eugene Code, 1971, is amended to provide as follows:

8.405 Rental Housing – Purpose.

The purpose of this City Rental Housing Code is to provide minimum habitability criteria to safeguard health, property and public wellbeing of the owners, occupants and users of rental housing and *to provide certain renter protections. The City Rental Housing Code* is intended to supplement rather than conflict with the State of Oregon Residential Landlord and Tenant Act.

Section 2. Section 8.415 of the Eugene Code, 1971, is amended by adding the definitions of "Affordable Housing"; "Materially Incomplete Application"; "Meaningful Access"; "Open Application Period"; "Pet Deposit"; "Qualified Applicant"; "Rent"; "Screening or Admission Criteria"; "Substantial Change to Rental Agreement"; and "Week-to-Week Tenancy" to the list of definitions in alphabetical order, and amending the definition of "Security Deposit" to provide as follows:

8.415 Rental Housing – Definitions.

For purposes of sections 8.400 through 8.440 of this code, the following words and phrases mean:

Affordable Housing. Housing that is guaranteed to be affordable, under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80 percent of the median household income for the city of Eugene, for a period of at least 20 years; or housing for low-income persons that is eligible for an exemption from systems development charges pursuant to section 7.725(2) of this code.

Materially Incomplete Application. A rental housing application that does not include the information and supporting documentation required by a landlord to conduct an application screening pursuant to the landlord's adopted screening or admission criteria.

Meaningful Access. The ability of a person with limited English language proficiency to use or obtain language assistance services or resources to understand and communicate effectively, including but not limited to translation or interpretation services.

Open Application Period. The period of time during which a landlord will accept rental housing applications for a publicly advertised dwelling unit.

Pet Deposit. A refundable payment or deposit of money, however designated, the primary function of which is to secure the performance of a term of a rental agreement or any part of a rental agreement by a tenant who keeps a pet in the dwelling unit that is the subject of the rental agreement.

Qualified Applicant. An applicant that meets the landlord's screening or admission criteria.

Rent. Any payment to be made to the landlord under the rental agreement, periodic or otherwise, in exchange for the right of a tenant and any permitted pet to occupy a dwelling unit to the exclusion of others and to use the premises. "Rent" does not include security deposits, fees, or utility or service charges as described in this City Rental Housing Code or ORS Chapter 90.

Screening or Admission Criteria. A written statement of any factors a landlord considers in deciding whether to accept or reject an applicant and any qualifications required for acceptance. "Screening or admission criteria" includes, but is not limited to, the rental history, character references, public records, criminal records, credit reports, credit references and incomes or resources of the applicant.

Security Deposit. A refundable payment or deposit of money, however designated, the primary function of which is to secure the performance of a rental agreement or any part of a rental agreement. As used in the City Rental Housing Code, a pet deposit is not considered a security deposit.

Substantial Change to the Rental Agreement. A change of terms from those included in a prior rental agreement between a landlord and tenant that substantially disadvantages the tenant, and the landlord does not provide for a commensurate decrease in rent. Examples of substantial changes to a rental agreement include, but are not limited to: tenant responsibility for payment of utilities previously included in the monthly rent; tenant responsibility for payment for a parking spot previously included in the monthly rent; landlord no longer allowing pets to occupy the dwelling unit; reduction of space available for tenant use; reduction of amenities available for tenant use; and removal of furnishings from furnished units.

Week-to-Week Tenancy. A tenancy that has all of the following characteristics: occupancy is charged on a weekly basis and is payable no less frequently than every seven days; there is a written rental agreement that defines the landlord's and the tenant's rights and responsibilities under Oregon law; and there are no fees or security deposits, although the landlord may require the payment of applicant screening charge.

Section 3. Section 8.425 of the Eugene Code, 1971, is amended by renumbering subsections (15) and (16) as subsections (20) and (21) respectively, amending subsection (20), and adding new subsections (15), (16), (17), (18) and (19) to provide as follows:

8.425 Rental Housing – Standards and Protections.

(15) Maximum Security Deposit.

- (a) If a landlord requires a security deposit as a condition of tenancy, except as provided in subparagraphs (b) and (c) of this subsection (15), a landlord may not collect a security deposit that exceeds an amount equal to two months' rent for the dwelling unit.
- (b) Notwithstanding subparagraph (a) of this subsection (15), a landlord may require an additional security deposit if the landlord and tenant agree to modify the terms and conditions of the rental agreement to permit a pet or for other cause and the additional security deposit relates to the modification. The additional security deposit authorized by this subparagraph (b) may not exceed an amount equal to one month's rent for the dwelling unit.
- (c) Notwithstanding subparagraph (a) of this subsection (15), a landlord may require an additional security deposit if the landlord enters into a rental agreement with a tenant whose rental housing application the landlord could have denied pursuant to ORS 90.304. The additional security deposit authorized by this subparagraph (c) may not exceed an amount equal to one month's rent for the dwelling unit.
- (d) If a landlord requires an additional security deposit authorized by subparagraphs (b) or (c) of this subsection (15), the landlord must allow the tenant at least three months to pay the additional security deposit.
- (e) In addition to the security deposits authorized by subparagraphs (a) through (c) of this subsection (15), a landlord may collect a separate pet deposit unless the tenant's pet is a service animal or companion animal that a tenant with a disability requires as a reasonable accommodation under fair housing laws.
- (16) Applications Processed in Order Received.
 - (a) If a landlord advertises the availability of a dwelling unit, the landlord must specify in the notice advertising the dwelling unit the date and time that the landlord will begin accepting rental applications as well as the open application period. The notice advertising the dwelling unit must also inform applicants of the ability to request additional time to ensure that applicants have meaningful access to the rental housing application. The notice advertising the dwelling unit may provide the landlord's contact information and/or a website address, internet link, or other written method of communicating information to prospective tenants.
 - (b) A landlord must digitally or manually record the date and time of receipt of each rental housing application received during an open application period. If a rental housing application is received by a landlord prior to the start of the open application period, the landlord must digitally or manually record the date and time of receipt of that application as 8 hours after the start of the open application period.

- (c) A landlord may simultaneously process multiple rental housing applications, but must accept, conditionally accept, or deny rental housing applications in order of receipt.
- (d) If a landlord maintains a waitlist for filling available dwelling units instead of advertising the availability of dwelling units and using an open application period, the landlord must add applicant names to the waitlist in order of receipt.
- (e) When a landlord utilizes a waitlist to fill a dwelling unit vacancy, a landlord may simultaneously process multiple rental housing applications but must accept, conditionally accept, or deny rental housing applications in order of receipt.
- (f) If an applicant requires additional time to ensure meaningful access to a rental housing application, the applicant may submit a request for additional time to the landlord. The landlord must document the date and time of the landlord's receipt of the request for additional time. If the applicant submits a rental housing application within 24 hours from the time of submission of a request for additional time, the date and time of the request for additional time will serve as the date and time of receipt of the rental housing application for purposes of determining the order in which applications are received.
- (g) Upon request by an applicant, a landlord must notify the applicant of the applicant's position in line for a particular dwelling unit.
- (h) A landlord must offer tenancy to the first qualified applicant who provides a rental housing application. If that applicant does not accept the offer of tenancy within 48 hours of the time the offer is made, the landlord must review the rental housing applications in order of receipt and make an offer of tenancy to the next qualified applicant who provided a rental housing application. The landlord must repeat this process until an applicant accepts the offer of tenancy.
- (i) A landlord may refuse to process rental housing applications that are:
 - 1. Materially incomplete; or
 - 2. Submitted by an applicant who has violated a rental agreement with the landlord three or more times during the 12-month period preceding the date of the application, and the landlord can provide documentation of the violations.
- (j) Subparagraphs (a) through (i) of this subsection (16) do not apply to rental housing applications for the following types of dwelling units:
 - 1. Affordable housing;
 - 2. A dwelling unit occupied by the landlord as the landlord's principal residence;

- 3. A unit of middle housing when the landlord's principal residence is another unit of middle housing on the same lot or parcel;
- 4. An accessory dwelling unit located on the same lot or parcel as the landlord's principal residence;
- 5. A dwelling unit located on the same lot or parcel as an accessory dwelling unit occupied by the landlord as the landlord's principal residence;
- 6. A dwelling unit that will be shared with an existing tenant who has a separate rental agreement for the dwelling unit; and
- 7. A dwelling unit not advertised or rented to the general public.
- (k) Nothing in this subsection (16) diminishes or otherwise affects any duty of a landlord under federal, state, or local law to grant a reasonable accommodation to an individual with a disability.
- (17) Relocation Assistance.
 - (a) Termination Without Cause or for a Landlord Qualifying Reason.
 - 1. Except for those landlords and tenancies exempt from payment of relocation assistance as provided in subparagraphs (f) and (g) of this subsection (17), and except as provided in subparagraph (b) of this subsection (17), a landlord must comply with the relocation assistance notice and amount requirements in subparagraphs (a)2. and (a)3. of this subsection (17) if the landlord terminates a rental agreement:
 - a. Without cause during the first year of occupancy as provided in ORS 90.427; or
 - b. Because the landlord has a qualifying reason for termination under ORS 90.427.
 - 2. Prior to the termination of a rental agreement pursuant to subparagraph (a)1. of this subsection (17), a landlord must deliver a written notice of termination of the rental agreement to each affected tenant. The termination notice must be delivered to the tenant at least 90 days before the termination date designated in the notice. The termination notice must specify the amount of relocation assistance for which the tenant is eligible and must include a description of the tenant's rights and obligations under this subsection (17).
 - 3. Not less than 45 days prior to the termination date in the notice of termination required by subparagraph (a)2. of this subsection (17), the landlord must pay the tenant relocation assistance in an amount equal to two months' rent for the dwelling unit. The amount of relocation assistance required by this subsection applies per dwelling unit and not per each individual tenant.

- 4. A tenant who remains in the dwelling unit after the termination date in the notice of termination required by subparagraph (a)2. of this subsection (17) without the permission of the landlord must immediately repay to the landlord the relocation assistance paid by the landlord pursuant to subparagraph (a)3. of this subsection (17).
- (b) Landlord Declines to Renew Fixed Term Rental Agreement.
 - 1. Except for those landlords and tenancies exempt from payment of relocation assistance as provided in subparagraphs (f) and (g) of this subsection (17), in the case of a fixed term rental agreement with a specified ending date that falls within the first year of a tenant's occupancy of the dwelling unit, the landlord must, at least 90 days prior to the specified ending date of the fixed term rental agreement, provide the tenant with a written statement informing the tenant of the requirements of subparagraph (b)2.
 - 2. For a tenant to be eligible to receive relocation assistance pursuant to this subparagraph (b), the tenant must, at least 60 days prior to the specified ending date of the fixed term rental agreement, provide the landlord with written notice of the tenant's desire to renew the fixed term rental agreement.
 - 3. Within 30 days of the date of the notice described in subparagraph (b)2. of this subsection (17), the landlord must either:
 - a. Provide the tenant written notice that the landlord declines to renew the fixed term rental agreement and pay the tenant relocation assistance in an amount equal to two months' rent for the dwelling unit; or
 - b. Provide the tenant written notice that the landlord agrees to renew the fixed term rental agreement.
 - 4. For purposes of this subparagraph (b), a landlord declines to renew a fixed term rental agreement if the landlord conditions the renewal on a tenant's agreement to a substantial change to the rental agreement.
 - 5. A tenant who agrees to the landlord's conditions of renewal or who remains in the dwelling unit after the specified ending date in the fixed term rental agreement without the permission of the landlord must immediately repay to the landlord the relocation assistance paid by the landlord pursuant to subparagraph (b)3.a. of this subsection (17).
- (c) Rent Increases.
 - 1. Except for those landlords and tenancies exempt from payment of relocation assistance as provided in subparagraphs (f) and (g) of this subsection (17), a landlord that intends to increase a tenant's rent by the maximum annual rent increase percentage as set by the State of Oregon

pursuant to ORS 90.324 must deliver a written notice of rent increase to each affected tenant at least 90 days before the date of the rent increase designated in the notice. The notice of rent increase must specify the amount of the new rent, the dollar amount by which the rent will increase, the percentage of the increase, and the date the increase will become effective. The notice of rent increase must also specify the amount of relocation assistance for which the tenant is eligible and must include a description of the tenant's rights and obligations under this subsection (17). Expiration of rent concessions specified in a rental agreement is not considered a rent increase for purposes of this subparagraph (c).

- 2. A tenant who receives the notice of rent increase required by subparagraph (c)1. of this subsection (17), may, within 30 days of the date of the notice, request in writing relocation assistance from the landlord.
- 3. If a tenant requests relocation assistance pursuant to subparagraph (c)2. of this subsection (17), the landlord must pay the tenant relocation assistance in an amount equal to two months' rent for the dwelling unit. The landlord must pay the relocation assistance required by this subparagraph (c)3. at least 45 days prior to the date of the rent increase stated in the rent increase notice required by subparagraph (c)1. of this subsection (17). The relocation assistance required by this subparagraph (c)3. applies per dwelling unit and not per each individual tenant.
- 4. A tenant who receives relocation assistance pursuant to subparagraph (c)3. of this subsection (17) must, within 45 days of the date of receipt of the relocation assistance, either:
 - a. Provide the landlord with written notice of termination of the rental agreement and vacate the dwelling unit; or
 - b. Repay the relocation assistance to the landlord and remain in the dwelling unit, subject to the increased rent as provided in the rent increase notice required by subparagraph (c)1. of this subsection (17).
- (d) Relocation Assistance Limited. A tenant may only receive relocation assistance once per tenancy. Receipt and subsequent repayment of relocation assistance pursuant to subparagraph (c)4.b. of this subsection (17) does not count as receipt of relocation assistance for purposes of this subparagraph (d).
- (e) Within 60 days of payment of relocation assistance pursuant to this subsection (17), a landlord must report the payment to the city.
- (f) The following are exempt from the relocation assistance requirements of this subsection (17) as long as the landlord complies with the requirements of subparagraph (g) of this subsection (17):
 - 1. Week-to-week tenancies;

- 2. Occupancy of the same dwelling unit by the landlord and tenant where the landlord occupies the dwelling unit as the landlord's principal residence for at least six months prior to one of the relocation assistance eligible events set forth in subparagraphs (a) (c) of this subsection (17).
- 3. Tenants that occupy one unit of middle housing when the landlord's principal residence is another unit of middle housing on the same lot or parcel and the landlord occupies the unit of middle housing as the landlord's principal residence for at least six months prior to one of the relocation assistance eligible events set forth in subparagraphs (a) (c) of this subsection (17).
- 4. Tenancies where a tenant occupies an accessory dwelling unit and the landlord's principal residence is located on the same lot or parcel, or tenancies where the landlord occupies the accessory dwelling unit and the tenant occupies a dwelling unit on the same lot or parcel; and the landlord occupies the dwelling unit or accessory dwelling unit as the landlord's principal residence for at least six months prior to one of the relocation assistance eligible events set forth in subparagraphs (a) (c) of this subsection (17).
- 5. A landlord that temporarily rents out the landlord's principal residence during the landlord's absence of not more than 3 years and the landlord returns and reoccupies the dwelling unit as the landlord's principal residence;
- 6. A landlord that temporarily rents out the landlord's principal residence during the landlord's absence due to active-duty military service the landlord returns and reoccupies the dwelling unit as the landlord's principal residence;
- 7. Units of Affordable Housing;
- 8. A dwelling unit that is subject to and in compliance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970:
- 9. A dwelling unit rendered immediately uninhabitable not due to the action or inaction of a landlord or tenant;
- 10. A dwelling unit rented for a period of less than 6 months with appropriate verification of the submission of a demolition permit prior to the execution of the rental agreement;
- 11. A dwelling unit subject to a fixed term tenancy where the landlord's intent to sell or permanently convert the dwelling unit to a use other than as a dwelling unit is a term of the executed rental agreement.

- (g) In order to qualify for an exemption from the relocation assistance requirements of this subsection (17), a landlord must:
 - 1. For the exemptions specified in subparagraphs (f)1., (f)5., (f)6., (f)7., (f)10., and (f)11. of this subsection (17), no later than the time of execution of the rental agreement, the landlord must provide each tenant who is a party to the rental agreement with written notice that the tenancy is exempt from relocation assistance.
 - 2. For the exemptions specified in subparagraphs (f)2., (f)3., and (f)4. of this subsection (17), where the landlord is living in the dwelling unit or on the lot or parcel at the time of execution of the rental agreement, no later than the time of execution of the rental agreement the landlord must provide each tenant who is a party to the rental agreement with written notice that the tenancy is exempt from relocation assistance. The notice requirement of this subparagraph (g)2. applies to rental agreements executed on or after September 1, 2023.
 - 3. For the exemptions specified in subparagraphs (f)2., (f)3., and (f)4. of this subsection (17), if the landlord moves into the dwelling unit or onto the lot or parcel during the term of the rental agreement, within 30 days of occupying the dwelling unit or the lot or parcel, the landlord must provide each tenant who is a party to the rental agreement with a written notice that the tenancy will be exempt from relocation assistance once the landlord has occupied a dwelling unit on the lot or parcel as the landlord's principal residence for at least six months. The notice requirement of this subparagraph (g)3. applies to landlords moving into the dwelling unit or onto the lot or parcel on or after September 1, 2023.
 - 4. For the exemptions specified in subparagraphs (f)8. and (f)9. of this subsection (17), at the same time that the landlord provides a notice of termination of the rental agreement, the landlord must provide each tenant who is a party to the rental agreement with a written notice that the tenancy is exempt from relocation assistance.
 - 5. Except for landlords exempt from relocation assistance requirements pursuant to subparagraph (f)7., within 30 days of the date a landlord provides a tenant with the notice of exemption from relocation assistance required by subsections (g)1., (g)2., (g)3., or (g)4. of this subsection (17), the landlord must submit to the city a notice of relocation assistance exemption.
- (h) A landlord required to pay relocation assistance pursuant to subparagraphs (a), (b) or (c) of this subsection (17) may subtract from the amount of relocation assistance required by those subparagraphs any amount paid by the landlord to the tenant pursuant to ORS 90.427.

- (18) Termination of Tenancy Reporting.
 - (a) Except as provided in subparagraph (b) of this subsection (18), a landlord shall report to the city all of the following:
 - 1. A written notice of termination of a rental agreement that is delivered to the tenant and that results in a termination of tenancy. The landlord shall provide the city with a copy of the termination notice.
 - 2. A tenant who vacates a dwelling unit on or before the date indicated in a written termination notice delivered by the landlord. The landlord shall provide the city with a copy of the termination notice.
 - 3. Legal action taken by the landlord to remove a tenant from a dwelling unit that results in a termination of tenancy.
 - (b) A report required by subparagraph (a) of this subsection (18) must be filed with the city within 30 days of the date of the applicable action listed in that subsection.
 - (c) The requirements of subparagraph (a) of this subsection (18) do not apply in the case of a week-to-week tenancy.
- (19) Compliance with Laws. Nothing in this section 8.425 diminishes or otherwise affects any duty of a landlord to comply with applicable requirements of federal, state, or local law.
- (4520) Administrative Rules. The city manager may, pursuant to section 2.019 of this code, adopt administrative rules [pursuant to section 2.019 of this code] for implementation of this section 8.425, including rules that prescribe the form and content of the written notices and reports required by this section 8.425.
- (16**21**) Interpretations.
 - (a) The city manager is empowered to render interpretations of sections 8.400 through 8.440 of this code.
 - (b) Such interpretations shall be consistent with the purpose of this code.

Section 4. Subsections (2)(a),(b) and (d), and subsection (5)(a) of Section 8.430 of the Eugene Code, 1971, are amended to provide as follows:

8.430 Rental Housing – Enforcement.

- (2) Complaint.
 - (a) A complaint may be filed **by phone**, **e-mail**, **mail**, **or** in person or by mail or fax.

- (b) A person who files a complaint must be:
 - 1. A party to the current rental agreement covering the property in question or an agent of the party;.
 - 2. For alleged violations of EC 8.425(14), an individual who has paid an applicant screening charge or an agent of that individual.
 - 3. For alleged violations of EC 8.425(15), an individual who has paid a security deposit or an agent of that individual.
 - 4. For alleged violations of EC 8.425(16), an individual who has submitted a rental housing application or an agent of that individual.
 - 5. For alleged violations of EC 8.425(17), an individual eligible for receipt of relocation assistance or an agent of the individual.
 - 6. For alleged violations of EC 8.425(18) an individual who was a party to the rental agreement that is the subject of the notices required by EC 8.425(18) or an agent of the party.

- (d) Complaints shall be processed by the city manager. The city manager shall adopt rules pursuant to section 2.019 of this code that specify the procedure to be followed in processing complaints. Before initiating an investigation under subsection (3) of this section, the city manager shall:
 - 1. Confirm that the complainant has standing to file a complaint;
 - 2. Confirm that the subject of the complaint could be a violation of this code;
 - 3. Except for complaints regarding violations of EC 8.425(14), *(15) and (16)*, and complaints regarding lack of essential services, confirm that the owner or the owner's agent has had ten days since mailing of the written notice by the tenant to respond to the complaint;
 - 4. For complaints regarding violations of EC 8.425(14), *(15)* and *(16)*, and complaints involving lack of essential services, confirm that the owner or owner's agent has had 48 hours from the time the tenant provided written notice to respond to the complaint; and
 - 5. Provide notice to the owner or the owner's agent of the complaint per written procedures.
- (5) Notices and Orders.
 - (a) For valid complaints, the city manager shall issue an order to the owner or the owner's agent. The notice and order shall include the following:
 - 1. Address and unit number if applicable;

- 2. A statement that the city manager has found a violation of section 8.425 of this code as alleged in the complaint;
- 3. A description of the violation;
- 4. **Except as provided in subparagraph (5)(a)5. of this section, a**A deadline of ten days for remedying the violation, including completion of any repairs, unless the city manager determines that:
 - a. Repairs are needed to remedy the lack of essential services. Upon making this determination, the city manager shall fix a deadline for completing the repairs that is reasonable in the circumstances and is within 48 hours from issuance of the notice and order. However, if the city manager determines that the repairs cannot be completed within 48 hours, the owner or owner's agent shall, within 48 hours, submit a compliance schedule acceptable to the city; or
 - b. Necessary repairs of non-essential services cannot be completed within the ten-day period. If the city manager makes such a determination, the owner or owner's agent shall submit a compliance schedule acceptable to the city within ten days.;
- 5. If the city manager finds a violation of EC 8.425 (15) or (16), a deadline of 48 hours for remedying the violation.
- **56**. A statement advising the owner or the owner's agent that if the violation is not remedied by the deadline stated in the notice and order, the city manager may:
 - a. Issue an administrative civil penalty, or initiate a prosecution in municipal court, or both; and
 - b. Initiate action to recover all city costs associated with the processing of the complaint, investigation and the resolution of the issue.
- 67. A statement that the owner or the owner's agent may appeal the notice and order as specified in section 8.435 of this code; and;
- **78**. If repairs are required to remedy the violation, the date after which a reinspection will be scheduled.
- (b) The city manager shall mail the **deliver the notice and** order, and any amended or supplemental notice and order, to the tenant and to the owner or the owner's agent by **e-mail**, **personal delivery**, **phone**, **or** first-class mail. If the complaint involves lack of essential services, the city manager shall provide such notice and order by e-mail, phone, and/or personal delivery.

Section 5. Section 8.437 of the Eugene Code, 1971, is added to provide as follows:

8.437 Rental Housing – Cause of Action for Failure to Pay Relocation Assistance.

A landlord that violates the relocation assistance provisions in EC 8.425(17) is liable to an individual eligible for relocation assistance in an amount equal to three months' rent for the dwelling unit as well as actual damages, relocation assistance, and reasonable attorney fees and costs; collectively, "damages." In addition to any other rights and remedies provided in this Rental Housing Code or other applicable local, state or federal law, any tenant claiming to be aggrieved by a landlord's violation of EC 8.425(17) has a cause of action in any court of competent jurisdiction for damages and any other remedies as may be appropriate.

<u>Section 6</u>. Subsection (2) of Section 8.440 of the Eugene Code, 1971, is amended to provide as follows:

8.440 Rental Housing – Registration and Fees.

- (2) The city manager, using the process contained in section 2.020 of this code, shall set a fee for each dwelling unit covered by a rental agreement. The revenues generated by the fee *may* be used for the purpose of:
 - (a) •Offsetting the costs to the city associated with the enforcement of this City Rental Housing •Code; and
 - **(b) eC**osts associated with providing services to tenants and owners and managers of rental housing, including but not limited to: a rental housing navigator position, rental housing data collection, and tenant support services.

Section 7. Notwithstanding the requirements of EC 8.425(17)(g), rental agreements for tenancies described in EC 8.425(17)(f)1., (f)5., (f)6, (f)7., (f)10., and (f)11. executed and effective on or before the effective date of this ordinance are exempt from the relocation assistance requirements of EC 8.425(17) if within 30 days of the effective date of this ordinance, the landlord: (1) provides each tenant who is a party to the rental agreement with a written notice that the tenancy is exempt from relocation assistance; and, (2) except for tenancies described in EC 8.425(17)(f)7., submits to the city a notice of relocation assistance exemption.

<u>Section 8</u>. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

<u>Section 9</u>. The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein, or in other provisions of the Eugene Code, 1971, to the provisions added, amended, or repealed herein.

Passed by the City Council this		Approved by the Mayor this		
day of	, 2023	day of	, 2023	
City Recorder		Mayor		

Summary of Revisions in the Proposed Ordinance

This attachment provides a summary of the Council directed revisions to the Phase II Renter Protections Ordinance that are included in Attachment A.

Table 1 below includes the administrative and programmatic revisions to the Ordinance that were approved by Council at the June 26, 2023 work session.

Table 1. Administrative & Programmatic revisions

Ordinance Item	1st Draft Ordinance	Revised Ordinance
Maximum Security Deposit	Additional deposit for risk factors: ½ month's rent	1 month's rent [Section 3, EC 8.425 (15)(c)]
	Language access additional time: up to 72 hours	Up to 24 hours [Section 3, EC 8.425 (16)(f)]
Applications	"Occupied" not defined for exemptions where landlord lives on site	Added clarifying language that "principal residence" is the trigger for the exemption [Section 3, EC 8.425 (16)(j)2,3,4,5]
Processed in Order Received	Repeated violations: not defined	Defines repeated violations as 3 or more repeated violations in the preceding 12 months [Section 3, EC 8.425 (16)(i)2]
	Requires landlords to inform applicants about additional time for language access	Clarifies that "notice" refers to the "advertisement of the unit" [Section 3, EC 8.425 (16)(a)]
	Exemption 1: does not define week-to-week tenancy	Defines week-to-week tenancy based on ORS 90.100 definition [Section 2, EC 8.415 Definitions]
Relocation Assistance		Includes language to clarify that the exemption is valid when the landlord moves into the unit and the unit is their primary residence. [Section 3, EC 8.425 (17)(f)5 and 6]
Assistance	Exemption 7: Immediate family member definition based on Portland's; goes beyond the state's definition	No revision made because Council voted to remove this exemption from the draft Ordinance. (See Table 2 below.)
	Small landlord is defined as owns four or fewer units	No revision made because Council voted to remove the small landlord compensation fund from the draft Ordinance. (See Table 2 below.)

	1	Removed "per dwelling unit" (unnecessary phrase) [Section 3, EC 8.425 (17)(d)]
Ordinance Item	1st Draft Ordinance	Revised Ordinance
of Tenancy	complaint with code compliance Requires landlords to report all	Allows evicted tenants to file a complaint [Section 4, EC 8.430(2)(b)6] Report only those notices that result in a termination of tenancy [Section 3, EC 8.425
		(18)(a)1, 2, and 3]
	hours before reporting to code compliance	Allows phone calls to report violations to City; upon City review, allow City notice delivery via email, phone, or in person for security deposits [Section 4, EC 8.430(2)(a), (d)4], and (5)(b)]

Table 2 includes revisions to relocation assistance approved by Council through a series of motions during the June and July 2023 work sessions.

Table 2. Relocation Assistance revisions

Ordinance Item	1st Draft Ordinance	Revised Ordinance
	2. Rent increases of 5% or more in a 12-month period when the tenant moves out of a rental unit because they cannot afford the increased rate	Rent increased by the maximum annual % allowed by state law. [Section 3, EC 8.425 (17)(c)]
Triggers	4. Non-renewal of a fixed-term lease	Only triggered if the landlord reminds the tenant in writing 90 days before the lease end date and the tenant responds in writing with a request to renew at least 60 days prior to the fixed term lease end date, and within 30 days of the tenant's notice the landlord declines to renew the lease. [Section 3, EC 8.245 (17)(b)1-5]
Payment Amount	An amount set by the City Manager Not less than 3x HUD's Fair Market Rent	Set at 2 months' current rent. [Section 3, EC 8.245 (17)(a)3, (b)3(a), and (c)3]
Small Landlord Compensation Fund	80% Area Median Income and 4 or fewer units	Removed the fund.
Ordinance Item	1 st Draft Ordinance	Revised Ordinance

Exemptions	2. Tenants that occupy the same dwelling as their landlord 3. Tenants that occupy a unit of middle housing on the same lot or parcel as the landlord 4. A dwelling unit on a property with an Accessory Dwelling Unit (ADU) or the ADU itself where the landlord and tenant both live on the same lot or parcel	Notice requirement only applies to leases executed or landlord moving into the dwelling unit on or after September 1, 2023. [Section 3, EC 8.425 (17)(g)2 and 3]
	7. Termination for an immediate family member to occupy the unit	Removed exemption.
	8. A rent increase or termination of tenancy for a unit of Affordable Housing	Affordable Housing exempted from all relocation assistance requirements. [Section 3, EC 8.425 (17)(f)7]

Table 3 includes revisions suggested by the City Attorney's office to add clarity to existing ordinance provisions.

Table 3. Other Revisions

Ordinance Item	1st Draft Ordinance	Revised Ordinance
Maximum Security Deposit	Referenced specific state law related to additional security deposits allowable: ORS 90.300(5)	Replaced the specific ORS citation, which could be amended or renumbered in the future, with the relevant statutory language: "the landlord and tenant agree to modify the terms and conditions of the rental agreement to permit a pet or for other cause and the additional security deposit relates to the modification." [Section 3, EC 8.425 (15)(b)]
Applications Processed in Order	No definition for "Qualified Applicant"	Defines "Qualified Applicant" [Section 2, EC 8.415 Definitions]
Received	Exemptions related to ADUs grouped together as one item.	Split into two separate items, which makes the list of exemptions go to #7 (instead of #6). [Section 3, EC 8.425 (16)4 & 5]
Relocation Assistance	Tenant to repay relocation assistance if tenant stays in unit was only stated for the rent increase trigger.	Added language to clarify that if a tenant receives relocation assistance as a result of termination without cause or for a landlord qualifying reason but remains in the unit without the permission of the landlord, the tenant must immediately return the relocation assistance payment to the landlord. [Section 3, EC 8.425 (17)(a)4]

		Added language to clarify that if a tenant receives relocation assistance for a rent increase and provides the landlord with written notice of termination, the tenant must move out of the unit. [Section 3, EC 8.425 (17)(c)4.a]
		Clarifies that a landlord declines to renew a fixed term lease of less than one year if the landlord conditions renewal of the lease on substantial changes to the lease terms). [Section 3, EC 8.425 (17)(b)4]
City Manager Approved Forms	Multiple mentions of forms approved by the City Manager to be used by landlords.	Removed all the disparate references to forms adopted by the City Manager and clarified that the City Manager may adopt administrative rules, including rules that prescribe the form and content of written notices and reports required by the Rental Housing Code. [Section 3, EC 8.425 (20)17)(e) to report relocation payments and (17)(g)1-5 to qualify for relocation exemptions; and (20) administrative rules]

	IFT RENTER PROTECTIONS F d with Council's 3/16/22, 7/11/22, 10/24/22, 6/26/2:		/12/23 dire	ection				
II = Rese 3/13/23 6/26, 6/2	; work sessions and Council direction 6/21,	mpact Scale = Regular = Partial	16°	Eping People	Housed he	red Light Radial Equity		_
PHASE	RECOMMENDATION	ACTIVITY		IMPACT		FUNDING	HOW TO IMPLEMENT	ENFORCEMENT
I	Council approved July 11, 2022							
PHASE	II CONSIDERATION UNDERWAY							
	6. Limit landlords to charging deposit (combination of security, cleaning, and last month deposits) with a max of 2 times the monthly rent, not including pet deposit.	Application	0	•	0	Revenue Backed	Code Amendment	Complaint driven, code enforcement
	7. Require landlords to process applications in the order received (first-come, first-served).	Application			•	Revenue Backed	Code Amendment	Complaint driven, code enforcement
*	8. Relocation assistance for legal no-cause evictions, substantial changes in the lease, non-renewal of fixed term lease, qualified landlord reasons, or a rent increase at the maximum annual % allowed by state law with 11 exemption for when a landlord is not required to pay relocation assistance.	Support Services	•	•	•	Revenue Backed	Code Amendment	Complaint driven, code enforcement; cause of action
_	III REQUIRES FEASIBILITY ANALYSIS nent D "guide to the roadmap" for preliminary inforr	nation on the F	hase III iter	ms.				See
III	Additional research to be presented to Council aft	er Phase II con	cludes					
* In 200	ordance with Council's 10/24/22 and 6/26/23 d	iraction than	ovised dra	ft Phase II (Ordinanca	also includos land	unago roquiring d	viction data

reporting by landlords and provides enforcement measures if landlords do not report eviction data.

Guide to the Roadmap

The following guide explains the roadmap in Attachment C, Phase I enforcement follow-up information, the Phase II items in more detail, and provides preliminary information on the Phase III items (which are not the subject of the July 24, 2023 action item).

How the roadmap is organized

The renter protections roadmap is a formatted table to provide high level summary information based on feedback from Council's November 22, 2021, March 16, 2022, and October 24, 2022 work sessions. The roadmap includes phasing and summary information on the activity area, anticipated impact, funding, implementation, and enforcement. The symbol key is shown at the top of the table. Additional information about the impact categories, funding, and enforcement is below followed by information on each of the proposed renter protections.

<u>Impacts Categories</u>

The Impacts Categories were used to evaluate the renter protection items that Council asked to be explored in November 2021 after reviewing the Housing Policy Board recommendations. The Impact Categories are priority rental housing policy goals at the local, state, and federal levels and include components of stabilization that can help disadvantaged households gain access to decent and affordable rental options, decrease discrimination, and prevent lower-income renters from becoming unhoused.

- **Keeping people housed.** This Impacts Category represents an action that will prevent or ameliorate evictions, provide supports that can improve a tenant's knowledge about their rights, and improve the length of time a tenant has in accessing another rental unit. According to a 2021 *White Paper on Anti-Displacement Strategy Effectiveness*, neighborhood stabilization and renter protection policies have shown the most direct and immediate effect on mitigating displacement in California.
- Components of Rental Housing Affordability. This Impacts Category represents opportunities to lessen the costs associated with rental housing that are in addition to annual rents, such as deposits and fees. According to the Joint Center for Housing Studies of Harvard University, recent housing market trends show the cost-burdened share of renters has worsened in the face of rising rents, with an increase of cost-burdened renters among middle-income households while the lowest-income households continue to experience the most severe affordability challenges. Effective July 6, 2023, the maximum allowable annual rent increase in Oregon is 10% or 7% plus consumer price index (CPI), whichever is lower. This means that already cost burdened tenants could still see increases that would push them to become severely cost burdened (more than 50% of household income for rent).
- Housing Racial Equity: This Impacts Category represents opportunities to stop discriminatory rental housing practices that can impact renter ability to acquire, maintain,

or be financially capable of future housing. According to the US Department of Housing and Urban Development's (HUD) FY 2021 Eviction Protection Grant Program, "Landlords do not pursue evictions equally across households. While the national eviction filing rate was 1 in 20; for Black renters, it was 1 in 11. People of color, women, and families with children are more likely to be evicted. Among tenants at risk of eviction, Hispanic tenants in predominantly white neighborhoods were roughly twice as likely to be evicted as those in predominantly non-white neighborhoods. Hispanic tenants were also more likely to get evicted when they had a non-Hispanic landlord." Harvard studies have also shown that cost burdens rose fastest between 2019 and 2020 among renter households headed by a Black person from 2019 to 2020, widening the existing Black-white affordability gap.

Funding

The cost to implement Phase II protections would primarily be in code enforcement. The cost for code enforcement will depend in part on how many complaints are received. The rental housing code door fee increase put in effect in 2022 that included funding for the rental housing navigator, rental housing data collection, services to tenants and landlords, and an initial amount of code enforcement staffing will be the starting point for Phase II implementation. Additional funding may be needed depending on the volume of activity. Additional funding information is provided for each of the individual Phase II items below.

Enforcement

The primary goal of code enforcement is to raise awareness of code requirements and to focus on education over enforcement. Enforcement for the protections will utilize the existing Rental Housing Code enforcement process whereby tenants can file complaints with code compliance staff as an additional path or alternative to litigation, as litigation can be complicated, slow and costly.

The focus of Eugene's Rental Housing Code is to ensure rental properties in the City are safe for tenants by creating minimum habitability standards and offering protections for renters. The program is designed to encourage written communication between the tenant and owner and ideally resolve issues without the need for formal enforcement action. If a tenant and owner are unable to resolve the issues on their own, the City works with both parties to reach compliance.

When a complaint is received, staff contact the landlord to see if the issue may still be resolved quickly and determine next steps in the enforcement process. As with all enforcement cases, resolution with a phone call or in-person contact is preferred by all parties. In cases where staff are unable to achieve reasonable resolution, depending on the type of violation staff may issue a Notice to Correct. If a Notice to Correct is necessary, the landlord will be given either 48 hours or 10 days to correct the violation. If the landlord is unresponsive or does not correct the violation within the allowed timeframe, the City may issue a civil penalty. The landlord can appeal the City's determination. The primary goal is always to reach voluntary compliance without penalties. If a civil penalty is necessary, there may be up to a maximum of \$2,000 per day penalty. The amount of the civil penalty assessed depends on several factors and is unique

in each case. Of all rental housing complaints received to date, only five were assessed civil penalties.

The time to resolve complaints can vary. Frequently, as noted above, complaints can be resolved with one phone call from City code compliance staff to landlords. Other times, the complaint process can take several months depending on the complexity of the corrections needed and willingness of the owner to comply. The estimated cost to enforce the renter protections code will depend on the number and complexity of the complaints.

In addition, the revised Ordinance in Attachment A includes the right to a cause of action to seek judicial relief in court for alleged violations of the City's relocation assistance regulations.

See the Phase 1 section below for information on enforcement follow-up that Council provided direction on at the October 2022 work session.

Phase I Items - Approved by Council on July 11, 2022

	1. Support services (see eviction data collection enforcement follow-up info below this table)
	2. Move-in/out documentation
PHASE	3. Rental history reference before giving notice
L	4. Tenant educational information
	5. Cap applicant screening fees (see enforcement follow-up info below this table)

Eviction Data Collection Enforcement Follow-Up: An important component of the rental housing data collection approved by Council on July 11, 2022 is eviction data reporting by landlords. Currently, methods of tracking local evictions are anecdotal, only represent a portion of all evictions, or require significant investment in time to collect and analyze. For example, data is not available on the number of no-cause evictions or for-cause evictions that do not go to court. Collecting this data will help staff track the state of the rental market and inform specific anti-displacement efforts, potentially including support services for landlords and tenants. Prior efforts to collect data through the Rental Housing Code, have indicated that enforceable reporting requirements, result in better data collection. Based on Council direction from the October 24, 2022 work session, the revised Phase II Ordinance establishes enforcement consequences for landlords that do not report evictions.

Screening Fee Cap Enforcement Follow-Up: At the October 24, 2022, work session, Council also directed staff to include additional enforcement language pertaining to the \$10 cap on applicant screening charges that was imposed in Phase I. Shortly after the Council's October work session, a group of landlords filed a lawsuit challenging the \$10 cap. On January 31, 2023, a Lane County Circuit Court judge issued an order holding that the City is preempted by state law

from imposing or enforcing the \$10 cap. The City has appealed the Circuit Court's decision, but staff is not sure exactly when an appellate court will decide the appeal. During the pendency of the appeal the City will not enforce the cap. Consequently, no additional enforcement language related to the

\$10 cap has been included in the Phase II revised Ordinance in Attachment A.

Items in the Revised Phase II Ordinance

The Phase II items are the subject of the July 24, 2023 action item.

=	6. Limit deposits.	
7. Process applications in the order received.		
[d	8. Relocation Assistance under certain circumstances (formerly referred to as displacement prevention assistance).	

6. Limit deposits.

The revised Ordinance generally limits deposits to a maximum of two times the unit's monthly rent. A "security deposit" is "a refundable payment or deposit of money, however designated, the primary function of which is to secure the performance of a rental agreement or any part of a rental agreement." This includes traditional security deposits, but also cleaning and last month's rent deposits. The Ordinance does not regulate the timing or amount of pet deposits, except to note that, consistent with state law, a landlord may not collect a pet deposit for a service animal.

Although some landlords and tenants report that this limit is in line with their current experience, other Eugene and Springfield tenants report security deposits of up to 6 months' rent. The proposed maximum security deposit is consistent with national and high-cost-urban markets of U.S. states that regulate the amount of deposits using a limit of 1-2 months' rent, and some high-rental-cost cities also restricting it further, including Seattle (1 month) and Portland (1.5 months). This intends to reduce financial burden of a large upfront payment. A summary of State law information related to this item is provided in Attachment G.

Housing Policy Board recommended a limit of two times the monthly rent. Local regulated affordable housing agencies have noted that a deposit of two months' rent can often serve as extra assurance to landlords who rent to low-income residents receiving assistance from the local providers.

The revised Ordinance allows landlords to collect additional security deposits under the following circumstances:

• If a landlord rents a unit to an applicant with certain risk factors who could be denied in accordance with State law for reasons including but not limited to an unacceptable criminal history, insufficient rental history, or negative information reported by a consumer credit agency, the revised Ordinance in Attachment A allows for the additional

- security deposit to be up to one month's rent as extra assurance. (The prior draft had one half of one month's rent.)
- If the landlord and tenant agree to modify the lease during the first year of tenancy and the new or increased deposit is related to the lease modification or the landlord requires an additional deposit after the first year of tenancy, as allowed by the Oregon Residential Landlord Tenant Act (ORLTA), the revised Ordinance allows for the additional security deposit to be up to one month's rent. It sets no limit for an increase related to pets. No revisions were made to this provision.
- If the landlord requires an additional security deposit for the above reasons, the revised Ordinance in Attachment A provides that the landlord must allow the tenant at least three months to pay the additional security deposit. No revisions were made to this provision. (In Portland, a landlord must allow the tenant to pay an additional security deposit in up to three installments if requested by the tenant.)

Impact: This protection has an impact of Components of Rental Housing Affordability and to a lesser extent Keeping People Housed and Housing Racial Equity.

Funding: The cost for this protection will be for code enforcement, which will depend in part on how many complaints are received. If Phase II is moved forward as shown in the roadmap, the existing rental housing code door fee with the 2022 increase will provide the funding for code enforcement for this item. This protection will also utilize time of the rental housing navigator position established in Phase I approved by Council in July 2022.

7. Process applications in the order received (first-come, first-served).

The revised Ordinance requires landlords to process applications for rental housing units in the order received, to offer tenancy to the first qualified applicant who provides a complete rental application, and to allow applicants with limited English proficiency to request additional time (up to 24 hours) to complete their application without losing their position in line. (The prior draft had 72 hours.) The landlord must digitally or manually record the date and time of receipt of each application. If a landlord receives an application prior to the open application period, the landlord must record the date and time of receipt as 8 hours after the start of the open application period. A landlord may simultaneously process applications but must accept or deny an application in the order or receipt. A landlord must notify the applicant of their position in line if requested by the applicant. Landlords may refuse to process an application that is materially incomplete or that was submitted by an applicant who has violated a rental agreement with the landlord three or more times during the 12-month period preceding the date of the application, and the landlord can provide documentation of the violations.

Exemptions: The revised Ordinance in Attachment A includes exemptions for:

- 1. Affordable Housing units,
- 2. rental units occupied by both the landlord as the landlord's principal residence and the tenant,
- 3. middle housing units when the landlord's principal residence is another unit of middle housing on the same lot or parcel as the tenant,

- 4. an accessory dwelling unit located on the same lot or parcel as the landlord's principal residence,
- 5. a dwelling unit located on the same lot or parcel as an accessory dwelling unit occupied by the landlord as the landlord's principal residence,
- 6. a dwelling unit that will be shared with an existing tenant who has a separate agreement for the dwelling unit, and
- 7. a dwelling unit not advertised or rented to the general public.

The above exemptions are the same as exemptions in the Portland code except for item 3. The Eugene Code allows both attached and detached middle housing units, whereas Portland only allows an exemption for duplexes where the applicant would occupy one dwelling unit in a duplex where the Landlord's principal residence is the second dwelling unit in the same duplex.

A summary of State law information related to this item is provided in Attachment E.

Other examples of processing applications in the order received: The Portland code has the same requirements as described above and contained in Attachment A for time stamping complete applications, processing multiple applications, refusing to process certain applications.

In Seattle, Washington, landlords are required to date and time stamp applications in the order received; screen applications in chronological order one at a time, give applicants a minimum of 72 hours for additional information on an otherwise complete application; provide 48 hours for a response to an offer of a rental agreement, after which time the landlord can proceed screening the next applicant in line. Seattle's First-in-Time Ordinance requires landlords to make exceptions for people who require additional time to submit a complete rental application in order to ensure meaningful access to the application. For example, this would apply in situations where a person requires assistance completing the application because of limited English proficiency.

Impact: This protection has an impact of Housing Racial Equity.

Funding: The cost for this protection would be for code enforcement, which will depend in part on how many complaints are received. If Phase II is moved forward as shown in the roadmap, the existing rental housing code door fee will provide the funding for code enforcement for this item. This protection will also utilize time of the rental housing navigator position established in Phase I approved by Council in July 2022.

8. Relocation Assistance in certain landlord triggered circumstances.

The Phase II revised Ordinance requires landlords to pay relocation assistance to a tenant when the landlord initiates certain triggering events. The relocation assistance will provide a set amount of financial assistance to help tenants relocate into new housing. Before 2023, Relocation Assistance was referred to with Council as Displacement Prevention Assistance. The term "relocation assistance" makes it clear that landlords still have the authority to evict tenants

and raise rent consistent with State law. The City cannot prevent landlords from taking legally permissible actions that may result in tenant displacement.

Generally speaking, Relocation Assistance intends to provide housing stability for tenants who need to relocate due to a landlord's decision to increase rent that the tenant cannot afford or due to a landlord's decision to use the dwelling unit for another purpose. Relocation Assistance may also entail a payment from a landlord to a tenant when a landlord legally terminates a lease for reasons that do not constitute a for-cause eviction (commonly referred to as no-cause evictions) and the decision to terminate the lease is solely landlord related (i.e. to remodel the unit making it unavailable; or to lease to a family member). There is more than one model of Relocation Assistance, and best practice is to calibrate the program to address the issues in the local rental market.

State Law: State law already provides some Relocation Assistance for Oregon renters. In February of 2019, SB 608 (codified at ORS 90.427) became effective and includes two of the following renter protections: 1) prohibits most no-cause evictions after the first year of occupancy and 2) limits how much landlords can increase rent each year for dwellings that are 15 years old or older.

Effective July 6, 2023, Senate Bill 611 caps rent increases at 10% or 7% plus CPI, whichever is lower, and prohibits landlords from a) raising rents more than once in any 12-month period, and b) increasing the rent above the maximum amount the landlord could have charged the terminated tenancy when they reset rent for a new tenancy after a no-cause eviction in the first year. The new law maintains the existing exemptions: units built within the past 15 years are exempt from the rent increase cap; and Affordable Housing rent increases are exempt in certain circumstances. Additionally, as before with Senate Bill 608, a landlord that violates the rent increase cap is liable to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

After one year of tenancy, landlords are only allowed to evict tenants for cause or for one of the four qualifying "landlord based" reasons:

- 1. for demolition or conversion of the unit to non-residential use,
- 2. to make repairs or renovations that would make the property unsafe to live in,
- 3. for the landlord or the landlord's immediate family member to move in, or
- 4. if the landlord has sold the unit to someone who plans to move in.

Landlords must give the tenant a 90-day notice for any of the four "landlord-based" reasons to evict. Landlords with ownership interest in more than four units are also required to pay the tenant one month's rent in relocation assistance if they use any of the four "landlord-based" reasons. Landlords that live in the same building or on the same property as the tenant and the property has 2 or fewer units have some extra allowances related to no cause eviction.

Elements in the Revised Ordinance: The revised Ordinance in Attachment A includes the payment amount, triggers, and exemptions that are summarized below.

• <u>Triggers</u>. The circumstances upon which a landlord would trigger relocation assistance include:

- 1. legal no-cause evictions;
- 2. rent increases at the maximum annual percentage allowed by state law when the tenant moves out of a rental unit because they cannot afford the increased rate (effective July 6, 2023, SB 611 caps rent increases at 10% or 7% plus the CPI, whichever is lower);
- 3. qualifying landlord-based reasons for termination as defined by state law; and
- 4. non-renewal of a fixed-term lease of less than one year, which includes conditioning renewal on substantial changes to the lease.
- Payment Amount. The revised Ordinance sets the payment amount at 2 months' current rent. (The prior draft had the City Manager set the amount of relocation assistance by administrative rule, provided that the amount is not less than three times the current fair market rent published by the US Department for Housing and Urban Development (HUD).)
- <u>Trigger Notices</u>. Different notice periods apply to different triggers. (See Attachment F #29 and #30 for additional information.)
 - 1. For triggers 1, 2, and 3 above, landlords must provide tenants with written notice of termination of the rental agreement or rent increase that would trigger relocation assistance at least 90 days before the effective date of the termination or rent increase. Notices must include a description of the tenant's rights and obligations and the amount of relocation assistance they are eligible to receive.
 - 2. For trigger 4 above, landlords must provide tenants with a written statement 90 days before the end date of a fixed term lease informing the tenant that to be eligible for relocation assistance, the tenant must, at least 60 days prior to the end of the lease term provide the landlord written notice if the tenant wishes to renew the lease. Within 30 days of the tenant's notice, the landlord must either a) decline the tenant's request to renew the lease and pay relocation assistance to the tenant or b) agree to renew the fixed term lease. If the landlord conditions the renewal on a tenant's agreement to a substantial change to the lease, the landlord must also provide the tenant with the substantially changed lease offer and the relocation payment. If the tenant accepts the substantially changed lease and stays in the unit, the tenant must repay the relocation assistance payment.
- Exemptions. The revised Ordinance exemptions for when a landlord would trigger relocation assistance but not be required to pay it are:
 - 1. Week-to-week tenancies (with notice of the exemption to the tenant at execution of the rental agreement);
 - 2. Tenants that occupy the same dwelling as their landlord (with notice of the exemption to the tenant at execution of the lease or, if the landlord moves into the dwelling unit during the term of the rental agreement, within 30 days of the landlord occupying the unit that the exemption will apply after six months of the landlord living there; the notice requirement only applies to rental agreements executed on or after September 1, 2023);
 - 3. Tenants that occupy a unit of middle housing on the same lot or parcel as the landlord (same notice details as exemption #2 above; the notice requirement only applies to rental agreements executed the or landlord moving into the dwelling unit on or after September 1, 2023);

- 4. A dwelling unit on a property with an Accessory Dwelling Unit (ADU) or the Accessory Dwelling Unit itself where the landlord and tenant both live on the same lot or parcel (same notice details as exemption #2 above; the notice requirement only applies to rental agreements executed the or landlord moving into the dwelling unit on or after September 1, 2023);
- 5. A landlord that temporarily rents out their principal residence for no more than 3 years and the landlord returns to live in the unit as their principal residence (with notice of the exemption to the tenant at execution of the rental agreement);
- 6. A landlord that temporarily rents out their principal residence due to active duty military service and the landlord returns to live in the unit as their principal residence (with notice of the exemption to the tenant at execution of the rental agreement);
- 7. A unit of affordable housing, as defined in the Ordinance: "Housing that is guaranteed to be affordable, under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80 percent of the median household income for the city of Eugene, for a period of at least 20 years; or housing for low-income persons that is eligible for an exemption from systems development charges pursuant to section 7.725(2) of this code." (with notice of the exemption to the tenant at execution of the rental agreement) (The prior draft only exempted affordable housing from a rent increase or termination of tenancy.);
- 8. A dwelling unit that is subject to and in compliance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (with notice of the exemption at the time the landlord provides the 90-day termination notice);
- 9. A dwelling unit rendered immediately uninhabitable not due to the action or inaction of a landlord or tenant (with notice of the exemption at the time the landlord provides the termination notice);
- 10. A dwelling unit rented for a period of less than 6 months with appropriate verification of the submission of a demolition permit prior to the execution of the rental agreement (with notice of the exemption to the tenant at execution of the rental agreement);
- 11. A dwelling unit subject to a fixed term tenancy where the landlord's intent to sell or permanently convert the dwelling unit to a use other than as a dwelling unit is a term of the executed rental agreement. (with notice of the exemption to the tenant at execution of the rental agreement)

Within 30 days of the landlord providing the required notice about the exemption as described above, a landlord must register the exemption with the City.

Exemption #3 included in the revised Ordinance differs from Portland's code and is explained below in the "how the draft Ordinance compares to Portland's relocation assistance" section.

At the July 12, 2023 work session, Council removed the exemption for immediate family member to move in to the unit and removed the small landlord compensation fund.

How the revised Ordinance compares to Portland's relocation assistance: The triggering events in the Phase II draft Ordinance were based on the City of Portland's mandatory relocation assistance with the exception of the rent increase amount, which is 10% in Portland (not tied to the state rent increase cap maximum allowable amount). The other triggers in Portland relocation assistance are the same as in the revised Ordinance in Attachment A.

The amount of relocation assistance in Portland is fixed as of the year the code was approved (2017) and based on the unit size: Studio or Single Room Occupancy is \$2,900; 1-Bedroom is \$3,300; 2-Bedroom is \$4,200; and 3-Bedroom or larger is \$4,500.

The noticing requirements in Portland are the same as in the revised Ordinance in Attachment A with the exception of the non-renewal of a fixed lease trigger (#4 above). For that trigger in Portland, a landlord must pay Relocation Assistance to a tenant at least 45 days before termination of lease; no action is required by the tenant in order to be eligible for relocation assistance.

The Portland relocation assistance program applies to all rental units regardless of age – with exemptions available by application in defined situations. The two exemptions included in the revised Ordinance that differs from Portland's code are: a) related to middle housing that was added to be consistent with the accessory dwelling unit exemptions as there is no practical difference between the two types of dwelling units in the Eugene Code; and b) an immediate family member moving in.

Portland does not have a small landlord compensation fund.

Other examples of relocation assistance: Additional examples of Relocation Assistance in other jurisdictions demonstrate the ways in which cities provide renter protections that extend beyond state laws and craft ordinances to meet the specific needs of renters. California has state mandated relocation assistance equal to one month of the tenant's rent for no cause evictions after one year of tenant occupancy. In Healdsburg, California, low- or moderateincome households may be eligible to receive additional Tenant Relocation Assistance from landlords when no-cause evicted after the first year of tenancy; in addition to state-mandated payments, tenants who earn 120% or less of area median income receive a relocation payment equal to one month of rent, and tenants who earn 80% or less of area median income receive two months of rent. Tenants must provide proof of income within seven calendar days of eviction notice. In January 2023, Los Angeles City Council approved a new tenant protection requiring landlords to pay economic displacement relocation assistance to tenants who receive a rent increase of more than 10% within 12 months and are unable to afford the rent increase. The payment amount is based on bedroom size published by the Los Angeles Housing Department, plus \$1,411 in moving costs. Relocation assistance for tenants who rent a Single Family Dwelling (SFD) is one month's rent if the landlord is a natural person who owns no more than four residential units and a SFD on a separate lot in the City of Los Angeles.

Housing Policy Board: The Housing Policy Board (HPB) met on June 6, 2022, October 3, 2022, December 5, 2022, January 9, 2023, February 6, 2023, February 27, 2023, and March 6, 2023, to review and discuss Relocation Assistance. (HPB did not consider relocation assistance in its 2021 deliberations on Renter Protections due to litigation processes that were underway at the time regarding the Portland Mandatory Relocation Assistance Ordinance, which later concluded in 2022.) HPB received presentations from individuals of the Eugene Tenant Alliance and the Eugene Rental Homeowners Association. HPB members had several questions, many focused on unintended outcomes that might hurt tenants in the long run and, at the October 2022 meeting, expressed an interest in taking more time for a greater analysis of the impacts of Relocation Assistance, including a review of the research on these types of market interventions. On March 6, 2023, HPB finalized their recommendations to Council on Relocation Assistance, which can be found online at https://www.eugene-or.gov/DocumentCenter/View/70691/HPB-Relocation-Assistance-Recommendation.

Impact: This protection has an impact of Keeping People Housed, Components of Rental Housing Affordability, and Housing Racial Equity.

Funding: The cost for this protection would be for code enforcement, which will depend in part on how many complaints are received. If Phase II is moved forward as shown in the roadmap, the existing rental housing code door fee would provide the funding for code enforcement for this item. This protection would also utilize time of the rental housing navigator position established in Phase I approved by Council in July 2022.

Reporting on Impacts of Phase Renter Protections

Staff will document the implementation and impacts of Phase I and II renter protections and provide Council with a report including a qualitative and quantitative analysis of impacts to renters, landlords, and the rental housing market prior to a Council two-year review work session (anticipated for fall 2025). Many factors impact a local rental housing market, including interest rates, inflation, building costs, changes in housing supply, population growth, demographic changes, landlord decisions to owner-occupy, and more, which means the two-year report will not necessarily be able to isolate direct causal changes from the renter protections code provisions to the rental market. Local, state, and national housing trends will be included in the two-year report to demonstrate how our rental housing market sits within the larger housing landscape.

Phase III Items – NOT the subject of the 7/24 action item

Renter protections listed in Phase III are more complex and need additional research on the feasibility of enforcement, the extent of the impact, and potential changes in State law. Phase III protections may also be more difficult or complex to effectively administer. The information provided below is based on preliminary research and is subject to change after more thorough research that will be completed and presented to Council after Phase II is concluded.

PHASE III	9. Prohibit medical and education debt and limit credit score.
	10. Loosen minimum monthly gross income screening standards.
PI	11. Local prevention of, or moratorium on, no-cause evictions.

9. Prohibit landlords from: a) including medical or education debt when evaluating an applicant's income vs. expense and b) using a mandatory credit score of above 500. (Items 9 & 10 need to be considered together).

This protection would protect renters by lowering barriers to housing access by recognizing that credit score does not correlate with present ability to pay rent. Specifically, it would require landlords not to reject an applicant based on a credit score lower than 500 and to exclude medical debt and education debt. These are part of Portland's Low-Barrier screening criteria that landlords are encouraged to utilize.

10. Loosen minimum monthly gross income screening standards (Items 9 & 10 need to be considered together).

This recommendation would allow a landlord to require an applicant to show monthly gross income up to but not greater than 2 times amount of rent. This follows the spirit of the Portland FAIR Ordinance guidelines but would be simpler to implement. This protects renters by improving access to housing for lower- and moderate-income tenants. It also reflects existing disparities between local incomes and local prices for rental housing as reported in the 2020 Eugene- Springfield Consolidated Plan: "Households paying more than 30% of household income are considered to have a 'housing cost burden.' Most of all renters in Eugene (55%) and slightly under half of all renters in Springfield (48%) are considered housing cost burdened."

11. Local prevention of, or moratorium on, no-cause evictions.

This item would establish a local moratorium on no-cause evictions. The State had a moratorium on evictions that expired on June 30, 2022. That protection was in place for renters who were unable to pay rent due to the impacts of the pandemic. A ban on no-cause evictions would go a step further than the Relocation Assistance in item #8 above. If the Relocation Assistance and a moratorium were both in place, landlords would not be able to use a no-cause eviction and would not need to pay for tenant Relocation Assistance. This item in particular will require additional legal research and input from enforcement staff regarding feasibility.

State Law Related to Phase II Renter Protections (Updated)

The Oregon Residential Landlord Tenant Act, codified in ORS Chapter 90 regulates certain aspects of the landlord-tenant relationship. This document highlights specific portions of state law related to Renter Protections Phase II; it is not intended to address all state regulations related to the landlord-tenant relationship. This document was not created by an attorney and is not legal advice.

UPDATE: Senate Bill 611 was signed by the Governor on July 6, 2023 and became effective immediately to:

- cap rent increases at 10% or 7% plus the consumer price index (CPI), whichever is lower,
- prohibit landlords from raising rents more than once in any 12-month period, and
- prohibit landlords from increasing the rent above the maximum amount the landlord could have charged the terminated tenancy when they reset rent for a new tenancy after a nocause eviction in the first year.

The pre-existing exemptions and violation penalty are maintained:

- units built within the past 15 years are exempt from the rent increase cap; and Affordable Housing rent increases are exempt in certain circumstances, and
- a landlord that violates the rent increase cap is liable to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

ITEM 6: LIMIT DEPOSITS

The state does not cap the amount a landlord can charge for a security deposit. Landlords are allowed to collect a pet deposit but may not charge a pet deposit for an assistance or service animals. During the first year of a tenancy State law allows landlords to collect a new or increased deposit only if a tenant and landlord agree to modify the terms of the lease *and* the additional security deposit is related to the modified terms. After the first year of a tenancy, landlords can require a new or increased deposit. If landlords do require an additional deposit, they must allow tenants up to three months to pay the additional deposit. Landlords are also allowed to collect prepaid rent or "last month's rent" in addition to the security deposit, but prepaid rent cannot be applied towards anything other than unpaid rent. State law requires that a landlord provide a receipt to the tenant for all security deposits. State law also requires that landlords provide a written accounting to the tenant stating the basis of a claim for all or any part of a security deposit within 31 days after the tenancy terminates and the tenant delivers possession of the unit.

ITEM 7: PROCESS APPLICATIONS IN THE ORDER RECEIVED

State law does not require landlords to process applications in the order received. State law prohibits discrimination based on protected class, including the race, color, religion, sex, sexual orientation, national origin, marital status, familial status or source of income of the applicant.

If landlords require an application screening charge, they must adopt written screening or admission criteria and inform the applicant of those criteria, including the cost of the screening fee, the landlord's typical screening process, the tenant's right to dispute any information provided by a screening company, a right to appeal a negative determination, and the landlord's nondiscrimination policy.

When evaluating an applicant, a landlord may only consider evictions and criminal history under certain circumstances (listed below), and they must give the applicant a chance to explain, provide more context, or submit additional evidence regarding past offenses before denying an applicant. Examples of conduct that a landlord may consider include:

- An eviction that occurred in the last 5 years, as long as it was not dismissed or decided in favor of the tenant.
- Evictions for nonpayment of rent, unless it occurred between April 1, 2020 and March 1, 2022.
- Arrests for certain types of criminal conduct that resulted in convictions or pending charges and the applicant is not presently participating in a diversion, conditional discharge or deferral of judgment program on the charges.

If a landlord denies an application after the landlord's application of screening or admissions criteria, within 14 days of the denial the landlord must provide the applicant with a written statement of one or more reasons for the denial.

ITEM 8: RELOCATION ASSISTANCE

State law requires that landlords provide relocation assistance to Oregon renters under certain circumstances. In February of 2019, SB 608 (codified in ORS Chapter 90) became effective and includes the following renter protections:

- 1) Prohibits most no-cause evictions **after** the first year of occupancy. (Landlords that live in the same building or on the same property as the tenant and the property has 2 or fewer units have some extra allowances related to no cause eviction);
- 2) Limits how much landlords can increase rent each year for dwellings that are 15 years old or older (see the UPDATE regarding Senate Bill 611 above), and
- 3) Requires landlords with five or more units to pay the tenant one month's rent for relocation assistance if they use one of the four qualifying landlord-based reasons (listed below) to terminate a tenancy.

<u>Qualifying landlord-based reasons</u>. After the first year of occupancy a landlord can terminate tenancy with 90 days of notice for one of these four qualified "landlord-based" reasons:

- A. To demolish or convert the unit into something other than a residence;
- B. To make repairs or renovations to the unit, and the property will be unsafe to live in during renovations:
- C. For the landlord or the landlord's immediate family member to move in; or
- D. A unit sold to someone who plans to occupy as their primary residence.

Renter Protections Frequently Asked Questions (Updated)

MAXIMUM SECURITY DEPOSIT

1. Does the Oregon Landlord Tenant Act (ORLTA) regulate security deposits?

The state does not cap the amount a landlord can charge for a security deposit. Landlords are allowed to collect a pet deposit but may not charge for assistance animals, as defined by Fair Housing & Equal Opportunities. State law allows landlords to collect a new or increased deposit if a tenant and landlord agree to modify the terms of the lease after the first year of tenancy and the additional security deposit is related to the modified terms. If landlords do require an additional deposit due to modified terms, they must allow tenants up to three months to pay the additional deposit. Landlords are also allowed to collect "last month's rent" in addition to the security deposit, but prepaid rent cannot be applied towards anything other than unpaid rent. State law requires that a landlord provide a receipt to the tenant for all security deposits. State law also requires that landlords provide a written accounting to the tenant stating the basis of a claim for all or any part of a security deposit within 31 days after the tenancy terminates and the tenant delivers possession of the unit. Landlords are also required to provide a written accounting to the tenant stating the basis of a claim for all or any part of a security deposit within 31 days after the tenancy terminates and the tenant moves out of the unit.

2. Does the City of Eugene's Rental Housing Code regulate any aspect of security deposits already?

Only related to documentation of the housing condition at move-in and move-out and written justification if the full deposit is not returned at move-out. On or before the date State law requires landlords to provide a written accounting to the tenant stating the basis of a claim for all or part of a security deposit (within 31 days after the tenancy terminates and the tenant moves out), the City of Eugene requires the landlord to provide a) documentation of the condition of the rental housing, and b) a written statement describing the condition or damage the landlord believes justifies the landlord's refusal to refund the full security deposit. This Move-in/out Documentation of Unit Condition requirement applies to move-in/out dates starting 8/13/2022, which is the Phase I Ordinance effective date.

3. Why allow landlords to charge an additional security deposit for risk factors? Allowing landlords to collect an additional security deposit for applicants who do not me

Allowing landlords to collect an additional security deposit for applicants who do not meet screening criteria incentivizes landlords to accept applicants with risk factors, such as income or credit scores that do not meet the screening requirements, criminal history, and previous evictions that may be used to deny an applicant pursuant to State law.

4. What defines Assistance Animal?

An assistance animal provides assistance or performs tasks for the benefit of a person with a disability. Assistance animals can also provide emotional support that alleviates the effects of a person's disability. An assistance animal is not a pet. Even if a lease says "no pets" or restricts

pets, under the Fair Housing Act, landlords are required to make a "reasonable accommodation" to allow assistance animals. There is no official certification or training for assistance animals, and they can assist in a wide variety of ways. Breed and weight restrictions do not apply to assistance animals.

APPLICATIONS PROCESSED IN ORDER RECEIVED

5. Do landlords have to offer the rental unit to the first application that comes along even if the applicant doesn't meet the screening criteria (such as bad credit, unable to pay rent, or poses a risk of danger)?

No. The revised ordinance states that a landlord must process applications in the order received and accept the first *qualified* applicant. Landlords are legally allowed to apply screening criteria and deny an application in accordance with the Fair Housing Act and the Oregon Residential Landlord and Tenant Act (ORS 90.303 & ORS 90.304).

6. Is there some flexibility in processing applications in the order received for shared housing situations?

Yes. The revised ordinance exempts units shared with other tenants under separate rental agreements. Similarly, if the landlord shares the dwelling unit with a tenant, or lives on the same parcel of land with an ADU, duplex, or in a unit of Middle Housing as the landlord's principal residence, they are exempt from the requirement to process applications in the order.

7. What is "meaningful access" and who is it for?

Meaningful access is for applicants with limited English proficiency that may need to use or obtain language assistance services or resources to understand and communicate effectively. If an applicant with limited English proficiency requests additional time to complete their application, the revised ordinance requires that a landlord "hold" the applicant's place in line for up to 24 hours.

8. Why allow applicants more time to apply and how would this effect the order of applications?

Applicants with limited English proficiency may need to request extra time so they can obtain language assistance or resources (on their own) to complete an application. The revised ordinance says the applicant must submit their completed application within 24 hours of the request for extra time to be considered for the rental unit. If after 24 hours, the applicant does not submit a completed application, the landlord can move to the next application in line. The landlord is not required to provide translation or language assistance. The revised ordinance only requires that a landlord inform applicants of the ability to request additional time in the advertisement of the rental unit.

RELOCATION ASSISTANCE

9. Is relocation assistance required by state law?

State law requires relocation assistance to Oregon renters under certain circumstances. In February of 2019, SB 608 (codified in ORS Chapter 90) became effective and includes the following renter protections:

- A. Prohibits most no-cause evictions after the first year of occupancy,
- B. Limits how much landlords can increase rent each year for dwellings that are 15 years old or older (see question #23 below), and
- C. Requires landlords with five or more units to pay the tenant one month's rent for relocation assistance if they use one of the 4 qualifying landlord-based reasons (listed below) to terminate tenancy.

Landlords that live in the same building or on the same property as the tenant and the property has 2 or fewer units have some additional allowances related to no cause eviction.

<u>Qualifying landlord-based reasons</u> (relocation assistance trigger 3 in the proposed ordinance). After the first year of occupancy a landlord can terminate tenancy for one of these four qualified "landlord-based" reasons:

- 1. To demolish or convert the unit into something other than a residence;
- 2. To make repairs or renovations to the unit, and the property will be unsafe to live in;
- 3. For a landlord's immediate family member to move in; or
- 4. A unit sold to someone who plans to move in.

Senate Bill 611 became effective on July 6, 2023 and caps rent increases at no more than 10% or 7% plus inflation, whichever is lower.

10. What are the costs for relocation?

Moving costs can range from hundreds to thousands of dollars depending on the household size, number of bedrooms, equipment rentals, daycare costs, cleaning fees, lost wages, plus application fees and move-in costs to secure new housing. 55% of renters in Eugene are housing cost-burdened (paying 30% or more of their income on housing) and generally have lower household incomes. In 2019, renters' median household income was \$32k compared to homeowners \$80k and in 2021 renters' median household income was \$37k compared to homeowners \$88k. This means that many renters live paycheck to paycheck and are unable to save for unexpected moving costs, even when given several months' notice. Landlords are not required to return a security deposit to a tenant until 31 days after the tenant vacates, which means that even if the landlord returns any or all of the security deposit, the security deposit is not available for relocation costs until after a tenant has already moved.

11. If I rent a room to a tenant in my principal residence, am I exempt from relocation assistance?

Yes, the revised ordinance says the landlord is exempt and does not need to pay relocation assistance, if prior to the landlord triggering relocation assistance, the landlord has a) lived in

the unit for a least six months b) informed the tenant of the exemption in writing per the timing in the revised ordinance, and c) registered the exemption with the City within 30 days of informing the tenant.

In the revised ordinance, the noticing and registration requirements (b and c above), do not apply to leases executed before September 1, 2023.

12. If I rent a unit of middle housing, a duplex, or an ADU on the same parcel as my principal residence, am I exempt from relocation assistance?

Yes, the revised ordinance says the landlord is exempt and does not need to pay relocation assistance, if prior to the landlord triggering relocation assistance, the landlord has a) lived on the same lot or parcel for a least six months, b) informed the tenant of the exemption in writing per the timing in the revised ordinance, and c) registered the exemption with the City within 30 days of informing the tenant.

In the revised ordinance, the noticing and registration requirements (b and c above), do not apply to leases executed before September 1, 2023, for exemptions 2, 3, and 4 where a landlord and tenant both live on a site, either in the same shared dwelling unit or in separate dwelling units on the same parcel of land.

13. Why exempt shared dwellings, ADUs, and Middle Housing from relocation assistance?

The exemptions in the revised ordinance for shared dwellings, ADUs, and Middle Housing only apply when the landlord has lived in the unit as their principal residence for at least six months prior to triggering relocation assistance and, for leases executed after September 1, 2023, provided the required notice to the tenant and registered the exemption with the City. The exemptions align with state law which provides an exception to the ban on no-cause evictions after the first year for landlords who live on the property (for example in a duplex or house with an ADU). The City wants to encourage ADUs, Middle Housing, and property owners to help address the rental housing supply shortage. Exempting these types of housing aims to strike a balance and help provide relief for smaller landlords who are adding to the supply.

14. Why exempt Affordable Housing (AH) from all relocation assistance?

AH developments already follow a myriad of state and federal regulations aimed at protecting tenants from extreme rent increases and keeping housing affordable for low-income and extremely low-income tenants. Two specific reasons relocation assistance triggers would not apply to AH developments are: 1) they need pre-approval for rent increases above 5%, which is a rigorous, administratively burdensome process, and requires the AH development to justify the increase; and 2) AH developments are generally prohibited from no-cause evictions.

15. I am the tenant who is party to the rental agreement with my landlord. I sublet to another renter. If my landlord triggers relocation assistance would I be required to pay the subletter relocation assistance?

No. A "lead tenant" who is party to the rental agreement with a landlord would not be required to pay relocation assistance to a subletter.

16. If a landlord issues a rent increase notice that triggers relocation assistance and the tenant requests relocation assistance, can the landlord and tenant renegotiate the increase, so that the tenant chooses to stay in unit, which would not trigger relocation assistance?

Yes. The revised ordinance does not prohibit a landlord and tenant from renegotiating the rent increase after a tenant requests relocation assistance. If a tenant stays in the unit after a rent increase, the rent increase does not trigger relocation assistance.

17. What if the tenant requests relocation assistance for a rent increase that triggers relocation assistance, receives the payment from the landlord and then decides to remain in the unit?

The revised ordinance says if the tenant decides to remain in the unit after receiving a relocation assistance payment, the tenant must return the relocation payment to the landlord within 45 days of receiving it. The tenant is obligated to pay the increased rent in order to remain in the unit.

18. What if the landlord triggers relocation assistance and the landlord believes the tenant owes the landlord money? Can the landlord deduct that amount from the relocation assistance payment?

If a tenant owes the landlord money, a landlord has a remedy under Oregon Residential Landlord and Tenant Act to seek action, and the landlord may have grounds for issuing a forcause eviction notice, which does not trigger relocation assistance.

The revised ordinance does not provide an option to deduct money owed to a landlord from the relocation assistance payment. Relocation assistance is a separate transaction from any money a tenant owes for past due rent, late fees, utilities, damages, or the security deposit as these transactions are already regulated by state law.

19. If Council adds relocation assistance to the Rental Housing Code and a 90-day rent increase by the maximum allowed by state law notice had already been issued when the ordinance becomes effective, will it apply retroactively?

No. Relocation assistance will not apply retroactively. If the revised ordinance is adopted by Council, it will only apply to triggering events that occur after the ordinance effective date.

20. If Council adds relocation assistance to the Rental Housing Code, how will the City circle back and analyze how it's going?

The revised ordinance requires landlords to report a payment to the City within 60 days of making a relocation assistance payment. The data collected will be used to track the number of relocation assistance payments, the triggering events, number of bedrooms in the unit, and location. The revised ordinance also requires landlords to report evictions. The eviction data will be used to better understand how, when, and where evictions happen for the purpose of assessing community needs and informing policy makers.

Rental property owners have raised concern that small landlords/rental property owners will sell their properties as a potential consequence of additional regulations on landlords. Data pulled from the City's Rental Housing Code billing program can be used to monitor the number of rental units registered with that program and whether they increase or decrease year over year. However, the query is challenging to complete and even though the data may indicate an increase/decrease in the number of rental units, there is no way of identifying the direct cause for the change. Anecdotally, it is possible that some small landlords will sell their rental property with additional regulation, but there are many unrelated factors that could lead a rental owner to sell a property. Further, if a rental property is sold, that does not guarantee that the property will cease to be used as a rental property.

See the "Impact and Outcomes of Renter Protections" section below for more information about reporting on the impacts of Phase I and II renter protections on renter, landlords, and the rental housing market.

21. Why is the no-cause trigger for relocation assistance only for the first year of occupancy? (From the 6/26/23 work session handout)

State law generally prohibits no-cause evictions after the first year of occupancy. The City relocation assistance would be triggered during that first year of occupancy when no-cause evictions are allowed by the state. Housing Policy Board identified in their discussions that the no-cause trigger is likely to be used inappropriately in the first year and that if a landlord chooses to move a tenant out quickly, that landlord should be prepared to compensate the tenant for the cost of relocation.

22. Can we have more data on the rent increase trigger percentage for relocation assistance? (From the 6/26/23 work session handout)

Examples of other jurisdictions rent increase triggering amounts:

- Portland 10%
- Seattle 10%
- Los Angeles 10%

Rent Increases in Eugene (historical data)

The average annual rent increase for the 2012-2019 growth monitoring period in Eugene was 4.2% (Envision Eugene Growth Monitoring Comprehensive Report, May 25, 2022 ACS 1-year).

Examples of rent % increases for multifamily market rate

CoStar is a real estate data company that provides information on market rent conditions. The table below shows rent conditions from December for Eugene, and then shows how those rents are impacted by different percentage increases. (Note: CoStar rents on the table below are limited to multifamily units.)

		5% inc	rease	8% inc	rease	10% inc	rease
CoStar Multifamily Unit Rent as of 12/2022	Rent	\$ increase	New Rent	\$ increase	New Rent	\$ increase	New Rent
Studio Asking Rent	\$1,146	\$57	\$1,203	\$92	\$1,238	\$115	\$1,261
1 Bedroom Asking Rent/Unit	\$1,250	\$63	\$1,313	\$100	\$1,350	\$125	\$1,375
2 Bedroom Asking Rent/Unit	\$1,464	\$73	\$1,537	\$117	\$1,581	\$146	\$1,610
3 Bedroom Asking Rent/Unit	\$1,683	\$84	\$1,767	\$135	\$1,818	\$168	\$1,851

23. What was included in SB 611 the recent State legislation related to relocation assistance?

Senate Bill 611 went into effect on July 6, 2023. The new law:

- Caps rent increases at 7% plus CPI or 10%, whichever is lower;
- Prohibits landlords from raising rents more than once in any 12-month period;
- After a no-cause eviction in the first year, landlords are prohibited from exceeding the
 maximum amount the landlord could have charged the terminated tenancy when they
 reset rent for a new tenancy; and

The pre-existing exemptions and violation penalty was maintained:

- Units built within the past 15 years are exempt from the rent increase cap, and Affordable Housing rent increases are exempt in certain circumstances, and
- A landlord that violates the rent increase cap is liable to the tenant in an amount equal to three months' rent plus actual damages suffered by the tenant.

24. What are the qualifying landlord-based reasons that trigger relocation assistance in the draft Ordinance? (From the 6/26/23 work session handout)

The four qualifying landlord-based reasons that would also trigger the City relocation assistance are listed below and included in Attachment G (State Law Related to Phase II Renter Protections). After one year of tenancy and based on State law, generally landlords are only allowed to evict tenants for cause or for one of the four qualifying "landlord based" reasons:

- 1. for demolition or conversion of the unit to non-residential use,
- 2. to make repairs or renovations that would make the property unsafe to live in,
- 3. for the landlord or the landlord's immediate family member to move in, or
- 4. if the landlord has sold the unit to someone who plans to move in.

The revised Ordinance would not prohibit a landlord from evicting a tenant for one of these four reasons. It would require the landlord to pay relocation assistance to the tenant (unless the landlord had qualified for one of the identified exemptions).

25. Does Fair Market Rent benefit lower income tenants more if they are paying low rents versus using current rents for the relocation payment amount? (From the 6/26/23 work session handout)

The primary difference between using a standard such as HUD's Fair Market Rents (FMR) and monthly rent, is that FMR would be applied universally to tenants and landlords based on the number of units regardless of the unit's current rent amount, whereas current monthly rent responds to the agreement in place between the tenant and landlord at the time the landlord triggers relocation assistance. Under the latter scenario, if the landlord has been charging high rent, the relocation assistance amount is bigger; if the landlord has kept rents low, then the tenant receives less relocation assistance.

Staff does not have data about the relationship between household income and rents for market rate housing. While it may be plausible to assume that lower income households are not living in units charging top-of-market rents, anecdotal evidence suggests that many low-income households are paying rents above FMR.

26. What is the timeline for relocation assistance exemptions 2, 3, and 4? How long do landlords have to "occupy" a unit in order to be eligible to use 2, 3, and 4? (From the 6/26/23 work session handout)

For exemptions 2-4, the revised Ordinance only applies to landlords that:

- occupy a unit or same parcel as the tenant as their principal residence for <u>at least six</u> <u>months</u> prior to trigger relocation assistance; and
- have provided the tenant with a written notice that the tenancy is exempt from relocation assistance and notified the City of the exemption unless the lease was executed prior to September 1, 2023.

27. For Exemption 9, what does uninhabitable mean? (From the 6/26/23 work session handout)

Exemption 9 applies when a dwelling unit is rendered immediately uninhabitable <u>not due</u> to action or inaction of a landlord or tenant (e.g. natural disaster, neighbor's tree falling on the unit, arson).

ORS 90.320 requires a landlord to maintain a rental unit in a habitable condition and defines what is "habitable" and "uninhabitable." If a unit is rendered uninhabitable <u>due</u> to the inaction or action of the tenant or landlord, the revised ordinance exemption 9 would not apply.

28. How does relocation assistance work if a landlord terminates a tenancy for renovations or a remodel? (From the 6/26/23 work session handout)

Under state law, terminating a tenancy for a remodel is allowed after the first year of occupancy. (In the first year, a landlord could use a no cause eviction.) If the property will be unsafe for the tenant to live in during the renovations, and the tenant must move, the state requires a landlord with 5 or more properties to pay the tenant one month's rent for relocation assistance.

Additional information: The City's revised ordinance will require landlords who terminate a tenancy for renovations to pay City relocation assistance, regardless of the number of units they own. If the landlord *is* required to pay the State relocation assistance as well as City relocation assistance, the revised ordinance will allow the landlord to deduct the State relocation assistance payment (one month's rent) from the City relocation assistance payment amount (two months' rent).

29. What are some real-world examples of the relocation assistance timing requirements in the revised ordinance for leases with a specified ending date that falls within the first year of a tenant's occupancy of the unit?

Scenario 1: Tenant wants to renew; landlord declines and triggers relocation assistance.

- a. *Lease signed* (September 1, 2023): Tenant signs a 10-month lease with a lease end date of July 1, 2024
- b. *90 days before the end date* (April 2, 2024): Landlord sends a written statement informing the tenant that to be eligible for relocation assistance, the tenant must give written notice to the landlord 60 days before the end date if they wish to renew the lease.
- c. *60 days before the end date* (May 2, 2024): Tenant provides the landlord with written notice of the tenant's desire to renew the rental agreement.
- d. *Within 30 days of tenant's answer* (June 1, 2024): Landlord responds with a) a written notice that the landlord declines to renew the lease and b) a relocation payment in the amount of two months' current rent.
- e. On end date (July 1, 2024): Tenant moves out of the unit with relocation assistance.

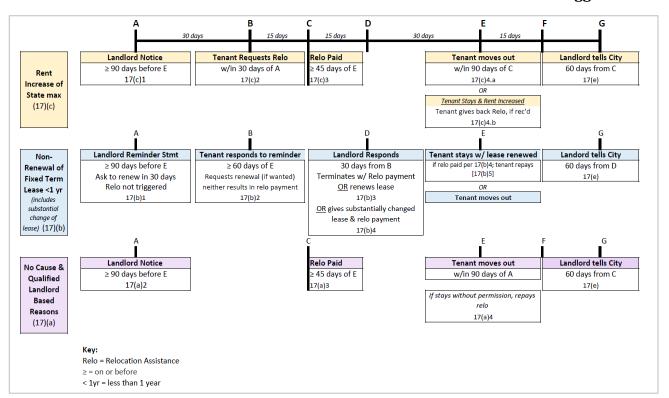
<u>Scenario 2:</u> Tenant wants to renew; landlord offers a renewal with substantial changes to the lease. Tenant does not accept the substantial changes and landlord triggers relocation assistance.

- a. *Lease signed* (September 1, 2023): Tenant signs a 11-month lease with a lease end date of August 1, 2024
- b. *90 days before the end date* (May 3, 2024): Landlord sends a written statement informing the tenant that to be eligible for relocation assistance, the tenant must give written notice 60 days before the end date if they wish to renew the lease.
- c. 60 days before the end date (June 2, 2024): Tenant provides the landlord with written notice of the tenant's desire to renew the rental agreement.
- d. Within 30 days of tenant's answer (July 2, 2024): Landlord responds with a lease renewal offer with substantial changes to the lease and a relocation payment in the amount of two months' current rent.
- e. *On end date* (August 1, 2024): Tenant moves out of the unit with relocation assistance. (Had the tenant accepted the substantial changes, the tenant would sign the new lease and immediately return the relocation assistance payment.)

<u>Scenario 3:</u> Tenant does not plan to renew but stays silent. Landlord terminates tenancy and does not trigger relocation assistance.

- a. *Lease signed* (January 1, 2023): Tenant signs a 6-month lease with a lease end date of July 1, 2023
- b. *90 days before the end date* (April 2, 2023): Landlord sends a written statement informing the tenant that to be eligible for relocation assistance, the tenant must give written notice to the landlord 60 days before the end date (by May 2, 2023) if they wish to renew the lease.
- c. *60 days before the end date* (May 2, 2023): Tenant has not responded to the landlord in writing that they wish to renew the lease.
- d. *Within 30 days of tenant's answer* (June 1, 2023): Landlord gives the tenant a termination notice in writing.
- e. *On end date* (July 1, 2023): The tenant moves out of the unit with no relocation assistance.

30. What does the notification timeline look like for the relocation assistance triggers?



EVICTIONS

31. How do landlords terminate tenancy and evict tenants?

Terminating a tenancy is not a single event. The Oregon Landlord Tenant Act (ORLTA) defines the process of eviction as a series of steps for landlords and tenants. First, a landlord must serve a tenant with a written termination notice. If the tenant does not move out by the

designated termination date, a landlord can file a complaint with the court. A court eviction case includes the potential for a default judgment of eviction, negotiating an agreement between the tenant and landlord, going to trial; and finally, may end in a judgment of eviction and tenant lockout by the sheriff's department if the tenant does not move out by the date/time chosen by the judge. Below are the types of evictions allowed in Oregon.

No cause or without cause. This is when a landlord terminates tenancy without giving a reason. In Oregon, no cause evictions are only allowed within the first year of tenancy (unless the tenant lives in the same building or on the same property as the landlord's primary residence, and the building or the property contains not more than two units). This is also referred to as terminating without cause. Landlords must give tenants 30-day's notice before terminating without cause for a month-to-month tenancy during the first year. Landlords may not terminate a fixed term tenancy without cause unless the ending date for the fixed term tenancy falls within the first year of occupancy.

<u>For cause.</u> This is when a landlord believes a tenant has violated the terms of the rental agreement. The most common for cause termination is for non-payment of rent. For cause reasons can also be for pet violations, unauthorized smoking, noise violations, and dangerous or extreme behavior. Timelines to cure or fix the alleged violation vary depending on the terms of tenancy and the type of violation. The tenant can generally remain in the unit if they fix the issue within the timeframe allowed. If the tenant does not fix the issue and remains in the unit, the landlord can start the eviction process in court.

Qualifying landlord-based reasons. After the first year of occupancy a landlord can terminate tenancy for cause or one of these four qualified "landlord-based" reasons (listed above in #9). If a landlord uses any of the four qualifying landlord-based reasons to evict a tenant, the landlord must pay the tenant one month's rent as relocation assistance. Landlords with ownership interest in 4 or fewer residential properties do not have to pay relocation assistance.

IMPACT AND OUTCOMES OF RENTER PROTECTIONS

32. Have we seen rental units pulled off the market since Phase I was implemented? Have we observed any changes or patterns?

We do not have data on the number and types of rental units that have been pulled off the market as a direct result of Phase I. Staff are working to establish an ongoing system to track rental market changes and patterns. For example, staff can analyze the number of units registered with the City over time and utilize the Growth Monitoring Report's changes of Single Dwelling Units. However, even though the data may indicate an increase/decrease in the number of rental units, there is no way of identifying the direct cause for the change. We have anecdotal reports from current Eugene landlords and people interested in buying rental properties in Eugene that the current and proposed Renter Protections are too complicated for small landlords to navigate and that increasing regulations make it too costly to be a landlord

in Eugene. Some landlords are seeking a better understanding of the regulatory framework so that they can manage their rental units in compliance with state and local laws, and budget accordingly.

See below for more information on the data we are currently gathering.

33. Do we have a set of goals for Renter Protections? What does success look like?

The Impacts Categories of renter protections are priority housing goals at the local, state, and federal levels and include components of stabilization that can help disadvantaged households gain access to decent and affordable rental options, decrease discrimination, and prevent lower-income renters from becoming unhoused. The Impacts Categories include the goals of 1) keeping people housed; 2) components of rental housing affordability; and 3) housing racial equity. The Impacts Categories for each Phase II protection are shown on the Roadmap in Attachment B and are described in Attachment C Guide to the Roadmap.

Renter Protections work in conjunction with other housing and economic development policies and programs that aim to improve our community members' ability to attain housing that is affordable to them and, once there, stay housed. One way to measure success is by asking renters and landlords about their rental housing stability, affordability and move-in/move-out experiences. In 2019, the Housing Policy Board developed and designed a survey related to renters' experience around themes of affordability, availability, access, quality, and stability. A total of 851 surveys were completed. Staff will conduct additional rental experience survey methodologies to implement on a recurring basis. The next opportunity for such a survey could occur after Renter Protections phases are completed.

Additionally, if Council approves the eviction data reporting requirement in the Phase II draft ordinance, staff will be able to track the rate of evictions in our community and include it in the annual Rental Housing Code report.

Many factors impact a local rental housing market, such as interest rates, inflation, building costs, population growth, demographic changes, landlord decisions to owner-occupy, and more, which means the two-year report will not necessarily be able to identify direct causal changes from the renter protections code provisions to the rental market.

34. Are we tracking with metrics the average rents now, what they are in the future, and whether rents are increased over time?

The City tracks key data that can help us better understand the health of the rental housing market. These data include; median gross rent, households by income compared to the number of existing dwellings they can afford, households by tenure (total % of renter: owner), owner and renter households by housing type, median sales price of single-family housing, % of housing cost-burdened (and extremely housing cost burdened) renters, and Eugene's rental housing vacancy rate. The data is published in the Comprehensive Growth Monitoring (CGM) report and when feasible, will be included in the annual CGM update. The CGM includes housing development data and tracks the mix of new dwellings, however, we do not currently track how many of the new single-family detached/attached dwellings are used for rental housing. Staff will document the implementation and impacts of Phase I and II renter protections and provide Council with a report including a qualitative and quantitative analysis

of impacts to renters, landlords, and the rental housing market prior to a Council two-year review work session (anticipated for fall 2025). Many factors impact a local rental housing market, including interest rates, inflation, building costs, changes in housing supply, population growth, demographic changes, landlord decisions to owner-occupy, and more, which means the two-year report will not necessarily be able to isolate direct causal changes from the renter protections code provisions to the rental market. Local, state, and national housing trends will be included in the two-year report to demonstrate how our rental housing market sits within the larger housing landscape.