



Eugene City Council

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Eugene, OR 97401-2793
541-682-5010 • 541-682-5414 Fax
www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

December 12, 2016

**7:30 p.m. CITY COUNCIL MEETING and
MEETING OF THE EUGENE URBAN RENEWAL AGENCY
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**Meeting of December 12, 2016;
Her Honor Mayor Kitty Piercy Presiding**

Councilors

Greg Evans, President
George Brown
George Poling
Claire Syrett

Alan Zelenka, Vice President
Mike Clark
Chris Pryor
Betty Taylor

**7:30 p.m. MEETING OF THE EUGENE CITY COUNCIL and
EUGENE URBAN RENEWAL AGENCY
Harris Hall, 125 East 8th Avenue**

1. PUBLIC FORUM

2. CONSENT CALENDAR

(Note: Time permitting, action on the Consent Calendar may be taken at the 5:30 p.m. work session.)

- A. Approval of City Council Minutes**
- B. Approval of Tentative Working Agenda**
- C. Adoption of Resolution Acknowledging Receipt of City of Eugene, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2016**
- D. Adoption of a Resolution Annexing Land to the City of Eugene (JLA Investments; A 16-8)**
- E. Adoption of a Resolution Annexing Land to the City of Eugene (Cowan, Doug; A 16-9)**
- F. Appointment to the Citizen Planning Committee of the Whilamut Natural Area of Alton Baker Park**

- 3. URBAN RENEWAL AGENCY (URA) ACTION**
Resolution Acknowledging Receipt of the Annual Financial Report of the Urban Renewal Agency of the City of Eugene for the Fiscal Year Ended June 30, 2016
- 4. URA PUBLIC HEARING and ACTION**
Resolution Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2016, and Ending June 30, 2017
- 5. PUBLIC HEARING and ACTION**
Resolution Adopting a Supplemental Budget; Making Appropriations for the City of Eugene for the Fiscal Year Beginning July 1, 2016 and Ending June 30, 2017
- 6. PUBLIC HEARING and POSSIBLE ACTION**
An Ordinance Allowing a Licensed Recreational Marijuana Retail Facility to Locate Less Than 1000 Feet from Looking Glass Intensive Treatment Residential Treatment Facility; Declaring an Emergency; and Providing For an Immediate Effective Date
- 7. ACTION**
An Ordinance Concerning Erosion Prevention and Amending Sections 6.406, 6.625, 6.630, 6.635, and 6.640 of the Eugene Code, 1971.

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



Public Forum

Meeting Date: December 12, 2016
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This segment allows citizens the opportunity to express opinions and provide information to the 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, or are on the present agenda as a public hearing item.

SUGGESTED MOTION

No action is required; this is an informational item only.

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: beth.l.forrest@ci.eugene.or.us

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of City Council Minutes

Meeting Date: December 12, 2016
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2A
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This is a routine item to approve City Council minutes.

SUGGESTED MOTION

Move to approve the following minutes: November 21, 2016, Work Session, November 28, 2016, Work Session and Meeting, and November 30, 2016, Work Session.

ATTACHMENTS

- A. November 21, 2016, Work Session
- B. November 28, 2016, Work Session and Meeting
- C. November 30, 2016, Work Session

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: beth.l.forrest@ci.eugene.or.us

MINUTES

Eugene City Council
Bascom-Tykeson Room, Eugene Public Library
Eugene, Oregon 97401

November 21, 2016
5:30 p.m.

Councilors Present: George Brown, Betty Taylor, Alan Zelenka, George Poling, Mike Clark, Greg Evans, Claire Syrett, Chris Pryor

Mayor Piercy opened the November 21, 2016, meeting of the Eugene City Council.

1. EXECUTIVE SESSION: Pursuant to ORS 192.660 (2)(e)

The City Council met in an executive session pursuant to ORS 192.660 (2)(e)

2. WORK SESSION: Coordinated Downtown Development

Assistant City Manager Sarah Medary and Central Services Executive Director Kristie Hammitt gave a PowerPoint presentation discussing decision-making and meeting timelines related to coordinated downtown development efforts; overview of City Hall scenarios; re-bid timeline, EWEB project values, and Phase 2 considerations.

Council discussion item #1 – Given range of options and decisions does Council want to proceed with, or postpone, preparation of bid documents for this winter?

- Considering cost and effort that goes into a bid, it wouldn't be prudent to do.
- Not looking to rebid right now; reserve this option for the future.
- Intentions aren't clear now; need to decide where Phase 1 will be located.
- A feasibility study of remodeling the old courthouse for potential Phase 1 is needed.
- More information about timelines and total costs for Phase 1 and 2 is needed.
- Council should make an appropriate decision not a hasty decision; support postponement.

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to direct the City Manager to postpone preparation of Phase 1 construction documents until Phase 1 site is affirmed by Council. **PASSED 8:0**

Council discussion item #2 – For EWEB scenario, what level of renovation/improvement does Council want staff to assume in project estimates?

- Energy and LED targets are very important; seismic considerations are extremely important.
- Future Phase 2 is not just about cost but about functionality.

- Eventually the goal is to have a City Hall where the public can engage services in one location.
- People want a building that is functional; giving people value for their tax dollars.
- Common theme is to have all services in one area; EWEB building needs a seismic study.
- Important to make the right decision that reflects shared values.
- A comparison of the options to the degree possible is needed.
- Need to be forward thinking; everyone talks about the river and downtown development is moving towards it.
- Stewardship is understanding needs versus wants; need to recognize what is needed.
- Stewardship values were abandoned when the old City Hall was demolished.
- EWEB is in the wrong place and not accessible; need to be close to the County.
- It is foolish to spend an enormous amount on a building that may be useless after an earthquake.
- Downtown is downtown; City government moving to the river is a concern.
- All options get us a consolidated City Hall; EWEB is isolated from downtown.
- A cost per square foot for all options is needed.
- A cost estimate for seismic upgrades of 1.25 and 1.5 is needed

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to direct the City Manager to cost out an EWEB option using as close to an apples to apples comparison with respect to the values as is practicable. **PASSED 7:1**, Councilor Taylor opposed.

Council discussion item #3 – For all scenarios (A,B,C and EWEB) how much information does Council need on Phase 2 possibilities in order to make Phase 1 decision?

- Need accurate comparisons for Phase 2; EWEB would save a lot on a Phase 2.
- Building a Phase 2 may never happen; not important on where we go for Phase 2.
- Little confidence that voters would support any measure for City hall funding.
- Need to answer the question of where funds for construction of City Hall will come from.
- Conversations about Phase 2 should inform decision, not drive it.
- This is not a building for City Council, but for the community.

3. COUNCIL AGENDA ACTIONS

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to replace the deadlines identified in the October 10th motion regarding next steps on South Willamette as follows: staff proposal will be due January 31st 2017, with a Council work session to follow, ideally in February. **PASSED 8:0**

MOTION AND VOTE: Councilor Syrett, seconded by Councilor Zelenka, moved to direct the City Manager to prepare an ordinance to bring back to Council before Council goes on break that would exempt the business on River Road from the provisions related to the 1,000 foot buffer. **PASSED 8:0**

The meeting adjourned at 7:59 p.m.

Respectfully submitted,

Chuck Crockett
Deputy City Recorder

MINUTES

**Eugene City Council
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**November 28, 2016
5:30 p.m.**

Councilors Present: George Brown, Betty Taylor, Alan Zelenka, George Poling, Mike Clark, Greg Evans, Chris Pryor

Councilors Absent: Claire Syrett

Mayor Piercy opened the November 28, 2016, meeting of the Eugene City Council.

1. WORK SESSION: Equity in Contracting Program

Vicki Silvers, Kristie Hammitt, and Clay Stillwell gave a PowerPoint presentation discussing the background of the Equity in Contracting program, program focus areas, current efforts and goals.

Council discussion:

- Important to look at what other cities have done and create ordinances to achieve goals.
- This is not just a Public Works issue but a citywide issue.
- This should not just be a value but something the City does as a regular business practice.
- City is moving in the right direction; would like to see top five answers in all categories of survey.
- Codifying this program could cause some unintended consequences; more of a policy.
- The process is extremely important; need to be clear on what expectations are.
- Program should be applied in a fair and equitable way consistently; needs to be open and transparent.
- This is about enshrining the City's operational value system.
- Very timely to implement this both internally and externally; addresses inclusion values.
- Business Night Out is a great opportunity to let people know what we are doing.

2. WORK SESSION: Council Communications

City Manager John Ruiz led the Council in a discussion on different ways communications occurs with Council.

Council discussion:

- We need consistent, constant feedback loop.

- We need to be very clear on what our policy intents are and implementations of the policy.
- Distinctions must be made between requests from one Councilor and those from the Council as a body.
- It is incumbent on staff to make sure Council understands the implications of changes.
- Develop a system to avoid surprises; communicate as much about policy as necessary.
- Anytime there is a potential for an issue, council needs to know right away.
- Need to provide much more interactive, complete and open communications with public.
- City Manager and staff have done a great job of improving communications.
- Council has done a much better job on making motions clearer.
- We don't tell the City story very well; great work should be publicized.
- New newsletter format more difficult now than it was; need to communicate to the public first.
- Need to have more proactive communications; get ahead of the issues.

3. CONSENT CALENDAR

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to approve the items on the Consent Calendar, except item C. **PASSED 7:0**

VOTE ON ITEM C: PASSED 7:0

The meeting adjourned at 6:59 p.m.

Respectfully submitted,

Chuck Crockett
Deputy City Recorder

MINUTES

**Eugene City Council
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**November 28, 2016
7:30 p.m.**

Councilors Present: George Brown, Betty Taylor, Alan Zelenka, George Poling, Mike Clark, Greg Evans, Chris Pryor

Councilors Absent: Claire Syrett

Mayor Piercy opened the November 28, 2016, meeting of the Eugene City Council.

1. PUBLIC FORUM

1. Coreal Riday-White – Gave an update on the youth climate court case.
2. Dave Lemmon – Supported police efforts in the Whiteaker and more money for police.
3. John Thielking – Opposed to sellers' permit and dog license proposals.
4. Wayne Martin – Supported more efforts to help the homeless.
5. Raging Grannies – Sang a song in opposition to oil trains moving through the City.
6. Patty Hine – Supported a “no crude oil by rail” resolution for Eugene.
7. Joshua Schneider – Supported a “no crude oil by rail” resolution for Eugene.
8. Joel Iboa – Supported a “no crude oil by rail” resolution for Eugene.
9. Joan Kleban – Supported a “no crude oil by rail” resolution for Eugene.
10. Katharine Hunt – Supported a “no crude oil by rail” resolution for Eugene.
11. Jim Neu- Supported a “no crude oil by rail” resolution for Eugene.
12. Dillon Thomson – Supported a “no crude oil by rail” resolution for Eugene.
13. Tai Pruce-Zimmerman – Supported making Eugene a sanctuary city by ordinance.
14. Samantha Krup – Supported local government and community efforts for change.
15. Laurie Powell – Supported city polices related to actions on climate change.
16. Ian Curtis – Supported stronger efforts and progress on climate change at the local level.
17. Charmaine Rehg – Opposed tax breaks for developers and a sanctuary city ordinance.
18. Hillary Johnson – Supported the resolution approving LIRHPTE for a youth house.
19. Drix – Supported collaboration and idea sharing on city issues.
20. Alfredo Gormezano – Supported police efforts, more training, and more officers.
21. Jodie Wiktorowski – Supported making Eugene a sanctuary city by ordinance.

Council discussion:

- Would like to see a new report on level of policing the community wants and supports.
- There is already a state law in place protecting people from immigration concerns.
- Whatever the City can do to reassure people they will be protected should be done.
- There is nothing more important than to save the planet; action needed now.
- The council passed a coal train resolution and now should pass a similar statement about oil trains.
- Supportive of having Eugene becoming a sanctuary city.

2. PUBLIC HEARING: An Ordinance Concerning Erosion Prevention and Amending Sections 6.406, 6.625, 6.630, 6.635, and 6.640 of the Eugene Code, 1971.

No testimony was given.

3. WORK SESSION: Industrial Corridor Community Organization

AIC Planning and Development Director Denny Braud lead the council in a discussion on future development inside the industrial corridor.

Council discussion:

- Important component of this proposal is speed; area is critical for industrial expansion.
- Recommend a conversation with the County on this issue; better communication needed.
- Ultimately this area will become a part of Eugene; it's important to create a clear policy.
- It would be valuable to reach out to the group this will affect; recommendations are reasonable.

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to direct the City Manager to develop a proposed ordinance and schedule a public hearing on an ordinance to enable someone who owns property within the Industrial Corridor Community Organization boundary and outside the City limits but inside the UGB, to obtain necessary permits and services by either (a) annexing to the City if legally able to do so, or (b) signing an irrevocable consent to annex authorizing the City to annex the property whenever the annexation is authorized by state law. The draft ordinance shall provide that the consent to annex shall allow the property to be subject to whatever conditions and standards exist at the time that the property is annexed. **PASSED 7:0**

The meeting adjourned at 9:03 p.m.

Respectfully submitted,

Chuck Crockett
Deputy City Recorder

MINUTES

**Eugene City Council and Urban Renewal Agency
Harris Hall, 125 East 8th Avenue
Eugene, Oregon 97401**

**November 30, 2016
12:00 p.m.**

Councilors Present: George Brown, Betty Taylor, *Alan Zelenka via phone*, George Poling, Mike Clark, Greg Evans, Chris Pryor

Councilors Absent: Claire Syrett

Mayor Piercy convened the meeting of the Eugene Urban Renewal Agency.

1. URBAN RENEWAL AGENCY EXECUTIVE SESSION: Pursuant to ORS 192.660(2)(e)

The Eugene Urban Renewal Agency met in an executive session pursuant to ORS 192.660(2)(e).

The Urban Renewal Agency moved out of executive session into regular session.

City Attorney Glenn Klein gave a brief update on the changes to the purchase and sales agreement with EWEB on the EWEB riverfront development site.

MOTION AND VOTE: Councilor Evans, seconded by Councilor Zelenka, moved to amend the Urban Renewal Agency's July 27, 2016 motion to add the words "and environmental laws" after the words "environmental contamination." **PASSED 7:0**

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

2. WORK SESSION: Parks and Recreation System Plan Update

Recreation Services Director Craig Smith, Parks and Open Space Division Manager Craig Carnagey and Project Manager Carolyn Burke gave a PowerPoint presentation discussing the background of the project, community engagement, long-range vision, project priorities, and implementation and funding.

Council discussion:

- Part of the discussion should be focused on where efficiencies and saving will occur related to the proposed projects.
- None of the funding options presented are innovative; parks foundation could be utilized more.

- Would like more baseline information on project plan list and the current status.
- We need to build and renovate more infrastructure while building more partnerships.
- Underlying concept that shouldn't be lost in the discussion and planning efforts is what is best for the user.
- A proper balance between capitol and operational costs is important.
- Modest community center representation needs to be in all areas of the city.
- Look for better ways to utilize schools, gyms, and playgrounds.
- Important to have a new pool, renovation of Echo Hollow pool, and cover for Amazon pool.

The meeting adjourned at 1:30 p.m.

Respectfully submitted,

Chuck Crockett
Deputy City Recorder

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: December 12, 2016
Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 2B
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

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

BACKGROUND

On July 31, 2000, the City Council held a process session and discussed the Operating Agreements. Section 2, notes in part that, "The City Manager shall recommend monthly to the council which items should be placed on the council agenda. This recommendation shall be placed on the consent calendar at the regular City Council meetings (regular meetings are those meetings held on the second and fourth Monday of each month in the Council Chamber). If the recommendation contained in the consent calendar is approved, the items shall be brought before the council on a future agenda. If there are concerns about an item, the item may be pulled from the consent calendar at the request of any councilor or the Mayor. A vote shall occur to determine if the item should be included as future council business." Scheduling of this item is in accordance with the Council Operating Agreements.

RELATED CITY POLICIES

There are no policy issues related to this item.

COUNCIL OPTIONS

The council may choose to approve, amend or not approve the tentative agenda.

CITY MANAGER'S RECOMMENDATION

Staff has no recommendation on this item.

SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

ATTACHMENTS

A. Tentative Working Agenda

FOR MORE INFORMATION

Staff Contact: Beth Forrest

Telephone: 541-682-5882

Staff E-Mail: beth.l.forrest@ci.eugene.or.us

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

December 7, 2016

DECEMBER 12	MONDAY
5:30 p.m. Harris Hall	Council Work Session Expected Absences: A. WS: Coordinated Downtown Development
	90 mins - CS/Medary
7:30 p.m. Harris Hall	Council Meeting Expected Absences: 1. Public Forum 2. Consent Calendar a. Approval of City Council Minutes b. Approval of Tentative Working Agenda c. Adoption of Resolution Acknowledging Receipt of CAFR d. Approval of Annexation for JLA Investments (A 16-8) e. Approval of Annexation for Cowan, Doug (A 16-9) f. Interim Appointment to Whilamut CPC 3. URA Action: Resolution Acknowledging Receipt of Annual Financial Report 4. URA PH and Action: Supplemental Budget 5. PH and Action: Supplemental Budget 6. PH and Action: Ordinance Regulating Recreational Marijuana Business 7. Action: Ordinance Concerning Erosion and Sediment Control Program
	CS/Forrest CS/Forrest CS/Lauderbach PDD/Sullivan PDD/Sullivan PW/Cary-Hobbs CS/Lauderbach CS/Miller CS/Miller CAO/Klein PW/Gillespie

DECEMBER 14	WEDNESDAY
Noon Harris Hall	Council Work Session Expected Absences: A. WS: Coordinated Downtown Development
	90 mins – CS/Medary

COUNCIL BREAK: DECEMBER 15, 2016 – JANUARY 4, 2017

JANUARY 4	WEDNESDAY
5:30 p.m. Hult Center Lobby	State of the City Expected Absences: A. State of the City

JANUARY 11	WEDNESDAY
Noon Harris Hall	Council Work Session Expected Absences: A. Election of 2017 Council Officers B. Process Session (including Minutes Recording)
	90 mins – CS/Cariaga

JANUARY 17	TUESDAY
7:30 p.m. Harris Hall	Council Public Hearing Expected Absences: 1. PH: Resolution on Measure 49 Claim 2. PH: Ordinance on Rental Housing Code
	CAO/Davies PDD/Nicholas

JANUARY 18	WEDNESDAY
Noon Harris Hall	Council Work Session Expected Absences: A. WS: Commercial Setback Code Requirement B. WS: \$15 Minimum Wage for City and Contract Employees
	45 mins – PDD/Planning 45 mins – CS/Hammitt

A=action; PH=public hearing; WS=work session

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EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

December 7, 2016

JANUARY 23	MONDAY
5:30 p.m. Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
7:30 p.m. Harris Hall 1. Public Forum 2. Consent Calendar a. Approval of City Council Minutes b. Approval of Tentative Working Agenda	Council Meeting Expected Absences: CS/Forrest CS/Forrest
JANUARY 25	WEDNESDAY
Noon Harris Hall A. WS: New Housing Development on Unimproved Roads B. WS: Renter Protections	Council Work Session Expected Absences: 45 mins - PW 45 mins – PDD/Jennings
FEBRUARY 8	WEDNESDAY
Noon Harris Hall A. WS: Inclusionary Zoning B. WS: Public Notice Requirements and Policies for Property Sales	Council Work Session Expected Absences: 45 mins – PDD/ 45 mins – PDD/Community Dev
FEBRUARY 13	MONDAY
5:30 p.m. Harris Hall A. Committee Reports and Items of Interest B. WS:	Council Work Session Expected Absences:
7:30 p.m. Harris Hall 1. Public Forum 2. Consent Calendar a. Approval of City Council Minutes b. Approval of Tentative Working Agenda	Council Meeting Expected Absences: CS/Forrest CS/Forrest
FEBRUARY 15	WEDNESDAY
Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
FEBRUARY 21	TUESDAY
7:30 p.m. Harris Hall 1. PH: Enterprise Zone Revised Public Benefit Criteria 2. PH: Ordinance Adopting Hazardous Substance User Fees	Council Public Hearing Expected Absences: PDD/D’Souza Fire/Eppli
FEBRUARY 22	WEDNESDAY
Noon Harris Hall A. WS: South Willamette Next Steps	Council Work Session Expected Absences: 90 mins – PDD/Harding

A=action; PH=public hearing; WS=work session

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EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

December 7, 2016

FEBRUARY 27	MONDAY
5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports and Items of Interest from Mayor, City Council and City Manager	30 mins
B. WS:	
7:30 p.m.	Council Meeting
Harris Hall	Expected Absences:
1. Public Forum	
2. Consent Calendar	
a. Approval of City Council Minutes	CS/Forrest
b. Approval of Tentative Working Agenda	CS/Forrest

MARCH 8	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS: Overview of Chronic Nuisance Code	45 mins – PDD/Nicholas
B. WS:	

MARCH 13	MONDAY
5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports: PC, South Willamette EDC, LTD/EmX, OMPOC, McKenzie Watershed	
B. WS:	
7:30 p.m.	Council Meeting
Harris Hall	Expected Absences:
1. Public Forum	
2. Consent Calendar	
a. Approval of City Council Minutes	CS/Forrest
b. Approval of Tentative Working Agenda	CS/Forrest
3. PH and Action: Capital Improvement Program	CS/Streepey

MARCH 15	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. WS: Parks and Recreation System Plan	45 mins – PW/Burke
B. WS:	

COUNCIL BREAK: MARCH 16, 2017 – APRIL 10, 2017

APRIL 10	MONDAY
5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports and Items of Interest	
B. WS:	
7:30 p.m.	Council Meeting
Harris Hall	Expected Absences:
1. Public Forum	
2. Consent Calendar	
a. Approval of City Council Minutes	CS/Forrest
b. Approval of Tentative Working Agenda	CS/Forrest

A=action; PH=public hearing; WS=work session

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EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

December 7, 2016

APRIL 12

WEDNESDAY

Noon

Council Work Session

Harris Hall

Expected Absences:

A. WS:

B. WS:

APRIL 17

MONDAY

7:30 p.m.

Council Public Hearing

Harris Hall

Expected Absences:

1. PH:

APRIL 19

WEDNESDAY

Noon

Council Work Session

Harris Hall

Expected Absences:

A. WS:

B. WS:

APRIL 24

MONDAY

5:30 p.m.

Council Work Session

Harris Hall

Expected Absences:

A. WS:

B. WS:

7:30 p.m.

Council Meeting

Harris Hall

Expected Absences:

1. Public Forum

2. Consent Calendar

a. Approval of City Council Minutes

b. Approval of Tentative Working Agenda

CS/Forrest

CS/Forrest

APRIL 26

WEDNESDAY

Noon

Council Work Session

Harris Hall

Expected Absences:

A. WS:

B. WS:

MAY 8

MONDAY

5:30 p.m.

Council Work Session

Harris Hall

Expected Absences:

A. Committee Reports and Items of Interest

B. WS:

7:30 p.m.

Council Meeting

Harris Hall

Expected Absences:

1. Public Forum

2. Consent Calendar

a. Approval of City Council Minutes

b. Approval of Tentative Working Agenda

CS/Forrest

CS/Forrest

MAY 10

WEDNESDAY

Noon

Council Work Session

Harris Hall

Expected Absences:

A. WS:

B. WS:

A=action; PH=public hearing; WS=work session

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EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

December 7, 2016

MAY 15	MONDAY
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5:30 p.m. Harris Hall A. PH:	Council Public Hearing Expected Absences:
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May 17	WEDNESDAY
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Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
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May 22	MONDAY
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5:30 p.m. Harris Hall A. Committee Reports and Items of Interest from Mayor, City Council and City Manager B. WS:	Council Work Session Expected Absences: 30 mins
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7:30 p.m. Harris Hall 1. Public Forum 2. Consent Calendar a. Approval of City Council Minutes b. Approval of Tentative Working Agenda	Council Meeting Expected Absences: CS/Forrest CS/Forrest
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MAY 24	WEDNESDAY
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Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
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MAY 31	WEDNESDAY
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Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
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JUNE 12	MONDAY
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5:30 p.m. Harris Hall A. Committee Reports: PC, South Willamette EDC, LTD/EmX, OMPOC, McKenzie Watershed B. WS:	Council Work Session Expected Absences:
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7:30 p.m. Harris Hall 1. Public Forum 2. Consent Calendar a. Approval of City Council Minutes b. Approval of Tentative Working Agenda	Council Meeting Expected Absences: CS/Forrest CS/Forrest
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JUNE 14	WEDNESDAY
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Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
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A=action; PH=public hearing; WS=work session

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EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

December 7, 2016

JUNE 19	MONDAY
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5:30 p.m. Harris Hall A. PH:	Council Public Hearing Expected Absences:
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JUNE 21	WEDNESDAY
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Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
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JUNE 26	MONDAY
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5:30 p.m. Harris Hall A. Committee Reports and Items of Interest B. WS:	Council Work Session Expected Absences:
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7:30 p.m. Harris Hall 1. Public Forum 2. Consent Calendar a. Approval of City Council Minutes b. Approval of Tentative Working Agenda	Council Meeting Expected Absences:
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CS/Forrest
CS/Forrest

JUNE 28	WEDNESDAY
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Noon Harris Hall A. WS: B. WS:	Council Work Session Expected Absences:
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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Adoption of Resolution Acknowledging Receipt of City of Eugene, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2016

Meeting Date: December 12, 2016
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2C
Staff Contact: Douglas Lauderbach
Contact Telephone Number: 541-682-5026

ISSUE STATEMENT

This is a resolution acknowledging receipt of the City of Eugene, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This resolution demonstrates compliance with ORS 297.465(2), which requires that a copy of the City's CAFR, containing a signed expression of opinion, be furnished to each member of the governing body. The resolution is included as Attachment A.

BACKGROUND

Under Oregon Municipal Audit Law, the City is required each fiscal year to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs (ORS 297.425). The firm of Isler CPA (auditors) has completed the audit of the City of Eugene's financial statements for the fiscal year ended June 30, 2016 and issued an unmodified opinion on the basic financial statements.

City staff changed the timeline for completion of the audit for FY16. This audit is being presented a full month earlier than it has been presented in the past. The reason for the change is to be more timely in presentation of this information and to be more transparent by having this audit ready at the same meeting as the supplemental budget presentation.

This is the second year, the City has included the value of the City's net pension asset or liability related to pension promises to employees in the financial statements. For FY16, the City's pension liability increased \$105.9 million from a pension asset of \$30.5 million in FY15 to a pension liability of \$75.4 million in FY16. The increase in the pension liability was the result of lower than projected Oregon Public Employee Retirement System investment earnings and the Oregon Supreme Court's *Moro* decision. The Court's decision reversed a significant portion of the reductions that the 2013 Oregon Legislature made to future cost of living adjustments. The reversal increased the benefits projected to be paid compared to those developed in the prior actuarial valuation, and consequently increased the plan liabilities. There is a significant delay in the timing of pension reporting, which is why the *Moro* decision is just now being recognized.

The key pages of the CAFR are pages 11-13 and pages 155-156, where two of the auditors' reports are found. In the first report, the auditors have issued an unmodified opinion (also known as a

"clean opinion") on the City's basic financial statements, indicating that the City has prepared these statements in conformity with generally accepted accounting principles (GAAP). GAAP for state and local governments is promulgated by the Governmental Accounting Standards Board to ensure consistency in accounting and comparability in financial reporting among state and local governments. A clean opinion is a fundamental financial goal for every government, as it represents the highest level of opinion a government can receive from its independent auditors. A clean opinion is an important indicator of sound financial management and creditworthiness to the citizens, other governmental jurisdictions (state and federal), credit rating agencies, investment bankers, bond holders, and other private sector entities. For policy makers, a clean opinion means that the information in the CAFR is accurate and reliable.

In the second report, the auditors address the City's compliance with applicable provisions of Oregon Revised Statutes including requirements related to debt, deposit of public funds, preparation and adoption of the budget, accounting records and related internal control structure, etc. In addition, the auditors also report if the City had any significant internal control weaknesses. The auditors noted that the City complied with all laws.

The auditors conduct the audit of the City's basic financial statements in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations. In addition, as a recipient of federal grants, the City is subject to the Federal Single Audit Act of 1984, which requires that the audit be conducted in accordance with Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). These standards and the Uniform Guidance require that the auditors plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement and whether the City complied with the laws and regulations pertaining to federally-funded programs. In addition to state and federal requirements, the City has a contractual obligation in connection with its debt issuances which requires that the City issue annual audited financial statements.

Management is responsible for the information contained in, and the preparation of, the City's financial statements. To effectively fulfill this responsibility and to contain the cost of auditor services, City staff devotes significant effort to the closing of accounting records, the preparation of schedules and audit workpapers, and the production of the CAFR. This also results in staff expertise being developed on specific financial and service issues that can then be used to assist departments and other pertinent parties.

Two additional reports, beginning on page 159, specifically address compliance with Federal laws, regulations, contracts and grants, and indicate that the auditors found no material instances of the City's noncompliance with these requirements, nor were there any findings or questioned costs noted in relation to Federal awards made to the City.

Professional requirements mandate auditors provide a report to the governing body that addresses any concerns or findings they encountered in such audit-related issues as significant audit findings, accounting estimates and disagreements with management. Isler CPA's memo

addressing these issues for fiscal year 2016 is included as Attachment B. It states that there was one immaterial misstatement identified during the audit.

In the governmental fund financial statements, property taxes collected during the fiscal year plus the estimated amount of property taxes collected within 60 days of the fiscal year end are recorded as revenue. The 60 day property tax estimate that was recorded as FY16 revenues was \$194,567 less than the actual amount of property taxes collected. The auditors are required to communicate any immaterial misstatement that exceeds 0.09% of a fund's total expenditures. For FY16 the General Fund's total expenditures were \$132 million, which makes the reporting threshold \$118,800 (\$132 million multiplied by 0.09%). Because the difference between the estimated and actual amount of property tax collected exceeded this threshold the auditors are required to communicate it to the City's governing body, even though it is an immaterial difference.

The cause of this misstatement was the accelerated timeline necessary to complete the audit and the financial statements a month earlier so as to coincide with the presentation of the FY17 supplemental budget. In prior years the actual amount of property taxes collected was used for the 60 day property tax estimate. The new accelerated timeline required that we use an estimate. As part of our timeline preparation for the FY17 audit and financial statement preparation we will examine potential alternatives as to how and when we calculate the 60 day property tax estimate.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Eugene for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. This was the 40th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, which satisfies both generally accepted accounting principles and applicable legal requirements. In addition, the requirements for the certificate provide much of the information needed for the City's credit assessments.

One piece of information of particular interest to Council may be the most recent accounting of the General Fund fund balance. Attachment C includes updated fund balance statistics for FY16 along with changes from the prior year statistics.

RELATED CITY POLICIES

Policy B.1 of the City's Financial Management Goals and Policies states that "The City will maintain an accounting and financial reporting system that allows reporting in conformance with Generally Accepted Accounting Principles and Oregon Local Budget Law and will issue a Comprehensive Annual Financial Report each fiscal year." This action signifies formal completion of this process for the fiscal year ended June 30, 2016, and demonstrates Council's compliance with the Policy.

COUNCIL OPTIONS

None.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the resolution.

SUGGESTED MOTION

Move to adopt Resolution 5176, acknowledging receipt of the Comprehensive Annual Financial Report (CAFR) for the City of Eugene, for the fiscal year ended June 30, 2016.

ATTACHMENTS

- A. Resolution
- B. Copy of the Isler CPA memo
- C. Information on General Fund, Fund Balance Trends

FOR MORE INFORMATION

Staff Contact: Douglas Lauderbach
Telephone: 541-682-5026
Staff E-Mail: douglas.k.lauderbach@ci.eugene.or.us

RESOLUTION NO.

A RESOLUTION ACKNOWLEDGING THE RECEIPT OF THE
COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE
CITY OF EUGENE FOR THE FISCAL YEAR ENDED
JUNE 30, 2016

The City Council of the City of Eugene finds that:

The firm of Isler CPA has completed the audit of the financial statements of the City of Eugene for the fiscal year ended June 30, 2016, as required by ORS 297.425 and, pursuant to ORS 297.465, reported to the Mayor and City Council on its findings.

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Eugene, a Municipal Corporation of the State of Oregon, as follows:

Section 1. That the Council hereby acknowledges that it has received the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016.

The foregoing resolution adopted the 12th day of December, 2016.

City Recorder



November 30, 2016

To the City Council
City of Eugene, Oregon



We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eugene for the year ended June 30, 2016, and have issued our report thereon dated November 21, 2016. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 9, 2016, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Eugene are described in the footnotes to the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.

The financial statements include:

- the second year implementation of GASB 68 relating to pension reporting – see the expanded disclosures in footnote (5)(C).
- implementation of GASB 72, fair value reporting of investments - see footnote (4)(A).

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. The most significant estimate affecting the financial statements is the determination of depreciation on capital assets. The accounting policies relating to capital assets and depreciation are described in the footnotes to the comprehensive annual financial report. The PERS footnote (5)(C) discusses assumptions used to value the pension obligation.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit. There was one immaterial misstatement identified during the audit. The City accrued property tax revenue based partly on an estimate. The auditor eventually obtained the actual amounts and compared it to the City's estimate to actual amount and noting that the City's property tax accrual was \$194,567 less than the actual amount. The cause of this misstatement was the accelerated timing of the audit and report issuance – fully one month earlier than the prior year. The misstatement is considered immaterial and management acknowledges the matter in the representation letter provided to the auditor.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 21, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles, implementation of new accounting standards, and the impact of new auditing standards with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the City Council and management of the City of Eugene and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

ISLER CPA

A handwritten signature in black ink that reads "Gary Iskra". The signature is written in a cursive, flowing style.

By Gary Iskra, a member of the firm

Information on General Fund, Fund Balance Trends

The FY16 Comprehensive Annual Financial Report (CAFR) includes key data related to the General Fund's Ending Fund Balance. Fund balance information is contained in several places:

- Governmental Funds, Balance Sheet, Exhibit 3, page 27.
- Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balance, Exhibit 4, page 28.
- Notes to Basic Financial Statements, Note 1(P), Fund Balance, pages 44-46.
- General Fund, Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual, Schedule A-1, page 81.

Included in these exhibits and statements is information on the change in the General Fund's fund balance from the prior year, as well as a breakdown of elements of fund balance.

General Fund Ending Working Capital (Budget Basis)

FY16 actual results show an ending working capital (EWC) in the General Fund, reporting fund (including the Main Subfund, Cultural Services Subfund and Equipment Replacement Subfund) of \$57,191,384 which is \$17,011,918 more than the FY15 EWC and \$20,267,854 more than anticipated for carryover resources in the FY17 Adopted Budget. These figures are reported on a Budget Basis of accounting. The chart below compares FY15 and FY16 Ending Working Capital for the General Fund (Budget Basis). For the Main Subfund, the increase in EWC capital is a result of the Comcast settlement agreement. Without the settlement, the total change in EWC would have been a decrease of \$1.6 million as a result of strategically using reserves to balance the FY16 budget.

General Fund Ending Working Capital Budget Basis	Main Subfund	Cultural Services Subfund	Equipment Replacement Subfund	Total Reporting Fund *
FY15	\$36,559,410	\$2,378,693	\$1,241,363	\$40,179,466
FY16	53,668,202	2,759,443	763,739	57,191,384
Change	17,108,792	380,750	(477,624)	17,011,918

General Fund Ending Fund Balance (GAAP Basis)

On a Generally Accepted Accounting Principles (GAAP) basis, the FY15 EWC represented 31% of the General Fund revenues in FY15, which increased to 38% based upon FY16 actual results. GAAP results differ from budget basis results because the budget is created on a modified accrual basis while GAAP rules are slightly different in terms of when revenues and expenditures are recognized. The chart below compares FY15 and FY16 ending working capital for the General Fund (GAAP Basis).

General Fund Ending Working Capital GAAP Basis	Main Subfund	Cultural Services Subfund	Equipment Replacement Subfund	Total Reporting Fund *
FY15	\$37,411,228	\$2,380,537	\$1,241,849	\$41,033,614
FY16	54,621,021	2,784,570	784,503	58,190,094
Change	17,209,793	404,033	(457,346)	17,156,480

*Source: CAFR Exhibit 3, page 29 (FY15).

*Source: CAFR Exhibit 3, page 27 (FY16).

General Fund Ending Balance Classifications

The General Fund Ending Fund Balances for FY15 and FY16 are shown below according to the classifications in the CAFR. This chart shows the components of the Ending Fund Balance and how they have changed from FY15 to FY16. It is important to remember that, although at June 30, 2016 there was a portion of fund balance that was considered, under accounting rules, to be “Unassigned”, that amount is recommended to be appropriated by City Council on Supplemental Budget #1 and will no longer be available for spending.

General Fund Ending Balance Classifications (FY15 and FY16)

Category	Item	Explanation	FY15	FY16
Non-Spendable		Prepays and deposits have already been paid out and are not available for other spending	\$837,243	\$953,774
Restricted	Cultural Services	From Transient Room Tax; must be spent according to state law.	1,107,064	1,168,970
Assigned	Unappropriated Ending Fund Balance	Pay bills and payroll until property taxes are received in November; set at 2 months of expenditures per Council policy	23,040,000	23,930,000
	Cultural Services	Prudent reserve for operation of Hult Center, etc.	1,273,473	1,615,600
	Reserve for Encumbrance	Contracts that were in effect but not complete as of June 30	2,543,769	2,027,252
	Reserve for Next Year's Spending	Used to balance the subsequent year's budget	810,398	768,507
	Reserve for Revenue Shortfall	Prudent reserve for the General Fund; target is 8% of expenditures	9,451,371	6,530,703
	Other Reserves	For property tax appeals and equipment replacement	1,069,153	1,391,340
Unassigned		Appropriated on supplemental budget #1 in December of the subsequent year and no longer available for spending	901,143	19,803,948
		Total Fund Balance	\$41,033,614	\$58,190,094

Source: CAFR Exhibit 3, page 29, and CAFR Note (1)(P), page 46-47 (FY15).

Source: CAFR Exhibit 3, page 27, and CAFR Note (1)(P), page 44-46 (FY16).

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Adoption of a Resolution Annexing Land to the City of Eugene (JLA Investments; A 16-8)

Meeting Date: December 12, 2016
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2D
Staff Contact: Althea Sullivan
Contact Telephone Number: 541-682-5282

ISSUE STATEMENT

This item is a request to annex an approximately 0.62 acre property located at 1325 Maxwell Road, on the northern side of Maxwell Road and east of Northwest Expressway. The property is located within the Urban Growth Boundary and is contiguous to city limits. The adjacent public rights-of-way are not proposed for annexation as part of this request. A vicinity map is provided as Attachment A.

The property is zoned R-1 Low-Density Residential with /UL Urbanizable Lands, and /WR Water Resources Conservation Overlays. The Metro Plan and the River Road – Santa Clara Urban Facilities Plan designate the subject property for medium-density residential use. Annexation will allow for future development consistent with the property's designation and the Eugene Code. Plans for future development of the site are not included as part of this annexation application, and no other concurrent land use applications have been submitted for the subject property.

BACKGROUND

The Metro Plan provides that ultimately land within the urban growth boundary will be annexed into the city and provided with a minimum level of urban services. Approval of annexation requests are based on the Eugene Code criteria at 9.7825 which require that (1) the land proposed to be annexed is within the city's urban growth boundary (UGB) and is contiguous to the city limits or separated from city limits only by a right-of-way or water body; (2) the proposed annexation is consistent with the applicable policies in the Metro Plan and in any applicable refinement plans and (3) the proposed annexation will result in a boundary in which the minimal level of key urban facilities and services can be provided in an orderly, efficient, and timely manner. Draft findings demonstrating that the annexation request is consistent with these approval criteria are included as Exhibit C to the draft resolution (Attachment B).

The city's annexation procedures provide for the council to adopt a resolution approving, modifying and approving, or denying an application for annexation; or provide for the council to hold a public hearing before consideration of the annexation request.

To provide nearby property owners and residents an opportunity to review and comment on this annexation request, public notice for this annexation request was provided consistent with Eugene Code requirements. No written testimony has been received as of this date. Referral comments were provided by affected agencies including City of Eugene Public Works, Lane County Public Works, and EWEB. These referral comments confirm that the property can be provided with the minimum level of key urban services consistent with the approval criteria. Given the findings of compliance and lack of testimony, a public hearing is not recommended in this instance.

Additional background information regarding this request, including relevant application materials, is included for reference as Attachment C. A full copy of all materials in the record is also available at the Permit and Information Center located at 99 West 10th Avenue.

RELATED CITY POLICIES

The Metro Plan contains the policies that are related to this annexation request. The River Road – Santa Clara Urban Facilities Plan is the refinement plan applicable to the subject property. The policies applicable to this request are addressed in the Planning Director’s findings and recommendation (Exhibit C to Attachment B).

COUNCIL OPTIONS

City Council may consider the following options:

1. Adopt the draft resolution
2. Adopt the draft resolution with specific modifications as determined by the City Council
3. Deny the draft resolution
4. Defer action until after the council holds a public hearing on the proposed annexation

CITY MANAGER’S RECOMMENDATION

The City Manager recommends that the City Council adopt the draft resolution by finding that the request complies with all applicable approval criteria, and that the annexation be approved.

SUGGESTED MOTION

Move to adopt Resolution No. 5177, which approves the proposed annexation request consistent with the applicable approval criteria.

ATTACHMENTS

- A. Vicinity Map
- B. Draft Annexation Resolution with Exhibits A through C
 - Exhibit A: Map of Annexation Request
 - Exhibit B: Legal Description
 - Exhibit C: Planning Director Findings and Recommendation
- C. Application Materials for Annexation Request

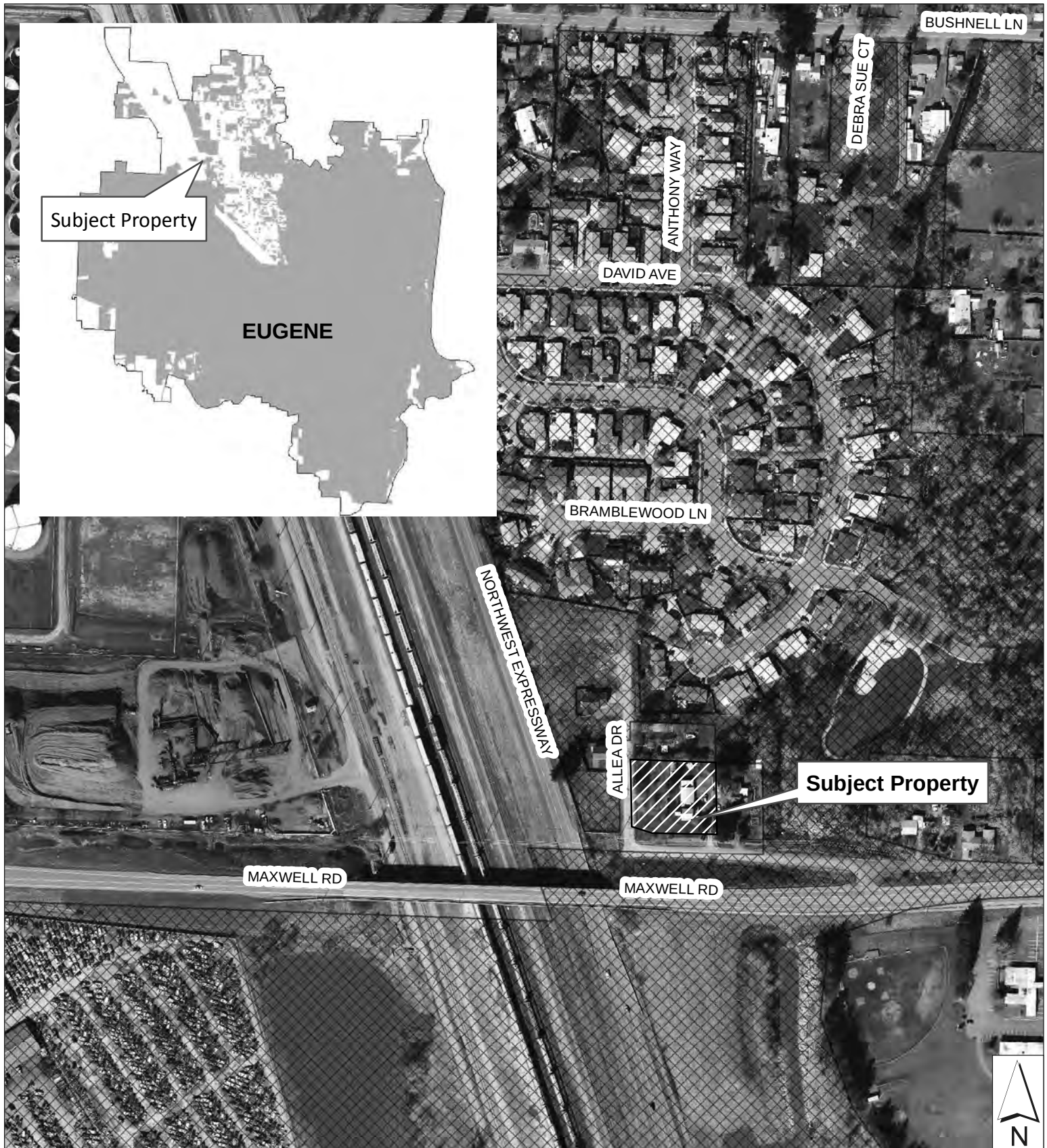
FOR MORE INFORMATION

Staff Contact: Althea Sullivan

Telephone: 541/682-5282

Staff E-Mail: althea.c.sullivan@ci.eugene.or.us

JLA Investments (A 16-8)



Legend

-  Subject Property
-  City Limits

0 125 250 500 Ft

Caution:
This map is based on imprecise
source data, subject to change,
and for general reference only.

November 2016



RESOLUTION NO. _____**A RESOLUTION ANNEXING LAND TO THE CITY OF EUGENE
(PROPERTY IDENTIFIED AS ASSESSOR'S MAP 17-04-15-41, TAX LOT
1700).****The City Council of the City of Eugene finds that:**

A. An annexation application was submitted by Walter A. Drews on behalf of JLA Investments, LLC on September 8, 2016, in accordance with the provisions of Section 9.7810 of the Eugene Code, 1971, ("EC") for annexation to the City of Eugene of the property identified as Assessor's Map 17-04-15-41, Tax Lot 1700.

B. The territory proposed to be annexed is depicted on the map attached as Exhibit A to this Resolution. The legal description of the property described is attached to this Resolution as Exhibit B.

C. The City's Planning Director has submitted a written recommendation that the application be approved based on the criteria of EC 9.7825. The Planning Director's Findings and Recommendation is attached as Exhibit C.

D. On November 10, 2016, a notice containing the street address and assessor's map and tax lot number, a description of the land proposed to be annexed, and the Planning Director's preliminary recommendation was mailed to the applicant, owners and occupants of property within 500 feet of the subject property, and the River Road Community Organization. The notice advised that the City Council would consider the Planning Director's full recommendation on the proposed annexation on December 12, 2016.

E. After considering the Planning Director's recommendation, the City Council finds that the application should be approved.

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a
Municipal Corporation of the State of Oregon, as follows:**

Section 1. Based on the above findings and the Planning Director's Findings and Recommendation attached as Exhibit C which are adopted in support of this Resolution, it is ordered that the land identified as Assessor's Map 17-04-15-41, Tax Lot 1700, depicted on the map attached as Exhibit A, and described in the attached Exhibit B, is annexed to the City of Eugene.

Section 2. This Resolution is effective immediately upon its passage by the City Council. The annexation and automatic rezoning of the land from R-1/UL/WR to R-1/WR pursuant to EC 9.7820(3) shall become effective in accordance with State law.

The foregoing Resolution adopted the _____ day of December, 2016.

City Recorder

Exhibit A

Attachment B

ASSESSOR'S MAP: 17-04-15-41
TAX LOT: #1700

DATE: SEPTEMBER 6, 2016
REVISED: OCTOBER 17, 2016

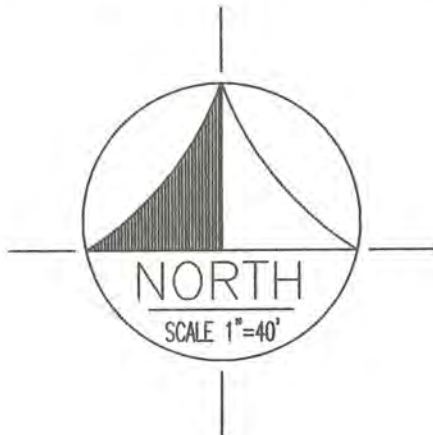
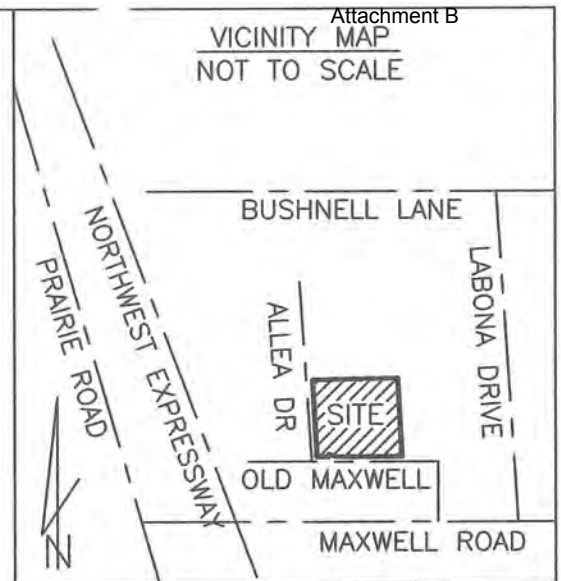
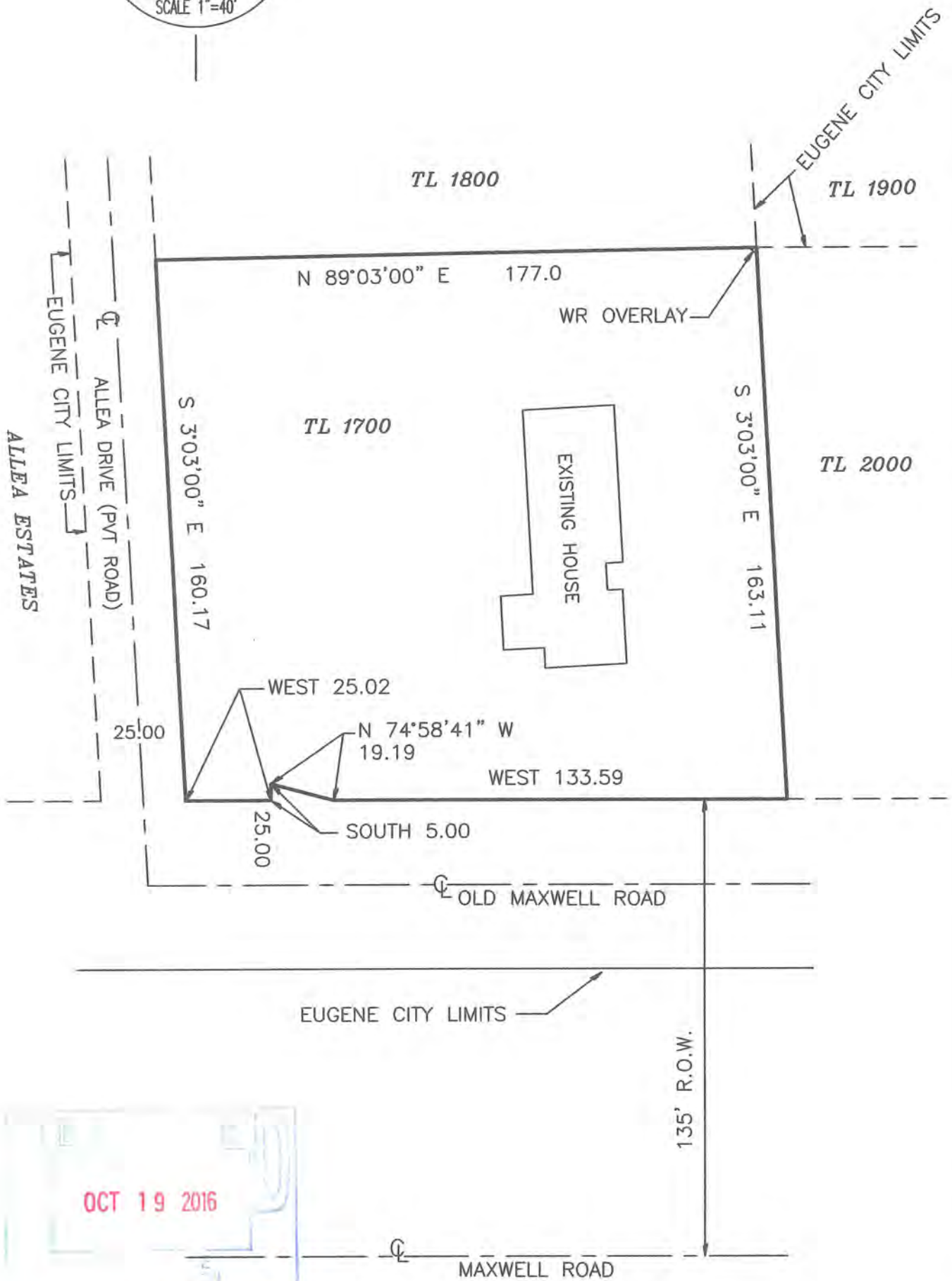


Exhibit B

Description of Property to be Annexed

Beginning at the Southeast corner of ALLEA ESTATES as platted and recorded in document No. 2013-054010, Lane County Oregon Official Records, said point also being on the Northerly margin of Maxwell Road; thence leaving said Northerly margin along the Easterly boundary of said ALLEA ESTATES, North 3° 03' 00" West 160.17 feet; thence North 89° 03' 00" East 177.00 feet; thence South 3° 03' 00" East 163.11 feet to said Northerly margin of Maxwell Road; thence along said Northerly margin of Maxwell Road the following courses and distances West 133.59 feet, North 74° 58' 41" West 19.19 feet, South 5.00 feet, West 25.02 feet to the point of beginning in Lane County, Oregon.



Exhibit C

Planning Director's Findings and Recommendation Annexation Request for JLA Investments (City File A 16-8)

Application Submitted: September 8, 2016
Applicant: JLA Investments, LLC
Location: 1325 Maxwell Road
Property Included in Annexation Request: Tax Lot 1700 of Assessor's Map 17-04-15-41
Zoning: Low-Density Residential (R-1) with Urbanizable Lands (/UL) and Water Resources Conservation (/WR) overlays
Surveyor: Krush & Associates
Lead City Staff: Althea Sullivan, City of Eugene Planning Division, 541-682-5282

EVALUATION:

Based on the information provided by the applicant, the City has determined that this request complies with Eugene Code (EC) Section 9.7805 Annexation - Applicability. As such, it is subject to review and approval in accordance with the requirements, application criteria and procedures of EC 9.7800 through 9.7835. The applicable approval criteria are presented below in bold typeface with findings and conclusions following each.

EC 9.7825(1) The land proposed to be annexed is within the city's urban growth boundary and is:		
(a) Contiguous to the city limits; or		
(b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.		
Complies		Findings: The annexation area is within the City's urban growth boundary (UGB), and is contiguous to the City limits, consistent with subsection (a). As shown in the application materials and confirmed by City staff.
☒ YES	☐ NO	
EC 9.7825(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.		
Complies		Findings: Several policies from the <u>Metro Plan</u> provide support for this annexation by encouraging compact urban growth to achieve efficient use of land and urban service provisions within the UGB, including the following policies from the Growth Management section (in <i>italic</i> text):
☒ YES	☐ NO	
<i>Policy 8. Land within the UGB may be converted from urbanizable to urban only through annexation to a city when it is found that:</i>		
<i>a. A minimum level of key urban facilities and services can be provided to the area in an orderly and efficient manner.</i>		
<i>b. There will be a logical area and time within which to deliver urban services and facilities. Conversion of urbanizable land to urban shall also be consistent with the Metro Plan. (page II-C-4)</i>		

		<p><i>Policy 10. Annexation to a city through normal processes shall continue to be the highest priority. (page II-C-5).</i></p> <p><i>Policy 15. Ultimately, land within the UGB shall be annexed to a city and provided with the required minimum level of urban facilities and services. While the time frame for annexation may vary, annexation should occur as land transitions from urbanizable to urban. (page II-C-5)</i></p> <p>The <u>Metro Plan</u> designates the annexation area as appropriate for Medium Density Residential use. The <u>River Road – Santa Clara Urban Facilities Plan (RR/SC UFP)</u> is the adopted refinement plan for the subject property. The subject property is located within the Maxwell/Park Avenue subarea of the <u>RR/SC UFP</u>, and is designated for Medium Density residential.</p> <p>With regard to applicable policies of the <u>RR/SC UFP</u> none of the general "Residential Land Use Policies" appear to be directly applicable to the subject request. The "Public Facilities and Services Element" policies of the <u>RR/SC UFP</u> are directed at local government; however, the premise of these policies (regarding the provision of urban services) is the assumption that the properties within the UGB will be annexed.</p> <p>As discussed in this subsection, and further detailed under subsection (3) below, the proposed annexation is consistent with the <u>Metro Plan</u> growth management policies and can be served by the minimum level of key urban services. The annexation procedures beginning at EC 9.7800 are consistent with State law and therefore, as found throughout this report, the annexation is consistent with State law.</p> <p>Therefore, based on the findings above, the proposal is consistent with the applicable policies of the <u>Metro Plan</u>.</p>
EC 9.7825(3)		The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.
Complies ☒ YES	☐ NO	<p>Findings: Consistent with this criterion, the proposed annexation will result in a boundary in which the minimum level of key urban facilities and services can be provided in an orderly, efficient, and timely manner as detailed below:</p> <p><u>Wastewater</u> Public wastewater service is available within Maxwell Road. Sewer connection record 30636 shows an existing connection to the 8-inch main line, additionally the wastewater equivalent assessment has been paid.</p> <p><u>Stormwater</u> Public Works staff notes that the existing stormwater system is not owned or maintained by the City of Eugene. However, there are options for complying with stormwater standards which will be further evaluated at the time of future development.</p>

		<p><u>Transportation</u></p> <p>The property abuts Old Maxwell Road to the south, which is under the jurisdiction of the City of Eugene, and Allea Drive, a private road, to the west. Compliance with applicable street standards will be ensured at the time of development.</p> <p><u>Solid Waste</u></p> <p>Collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.</p> <p><u>Water and Electric</u></p> <p>EWEB Water staff and Electric staff state no objection to the proposed annexation. Water and electric services can be extended in accordance with EWEB policies and procedures.</p> <p><u>Public Safety</u></p> <p>Police protection can be extended to this site upon annexation consistent with service provision through the City. Fire protection will be provided by the City of Eugene Fire Department. Emergency medical services are currently provided on a regional basis by the cities of Eugene and Springfield to central Lane County and will continue in the same manner upon annexation.</p> <p><u>Parks and Recreation</u></p> <p>Parks and recreation programs are provided on a City wise basis. The inclusion of the subject property in the City is sufficient evidence to demonstrate the minimum level of this key urban service is met.</p> <p><u>Planning and Development Services</u></p> <p>Planning and building permit services are provided for all properties located within the urban growth boundary by the City of Eugene. The Eugene Code, Chapter 9, will provide the required land use controls for future development of the subject property upon annexation.</p> <p><u>Communications</u></p> <p>A variety of telecommunications providers offer communications services throughout the Eugene/Springfield area providing a minimum level of this key urban service.</p> <p><u>Public Schools</u></p> <p>The subject property is within the Bethel school district. As access to schools is evaluated on a district wide basis, the property's location within the school district is sufficient evidence to demonstrate the minimum level of this key urban service is met.</p>
--	--	--

CONCLUSION:

Based on the above findings, information submitted to date, and the criteria set forth in EC 9.7825, the proposed annexation is consistent with the applicable approval criteria. A map and legal description showing the area subject to annexation are included in the application file for reference. The effective

date is set in accordance with state law.

INFORMATION:

- Upon approval of the annexation, the base zoning of R-1 Low Density Residential and the /WR Water Resources Conservation overlay will remain; however, the /UL Urbanizable Lands overlay will be automatically removed from the annexation area. Please contact the Permit Information Center, Planner-on-Duty at 541-682-5377 for more information.
- Approval of this annexation does not relieve the applicant from complying with applicable codes and statutory requirements.



9.7825 APPLICABILITY OF ANNEXATION APPLICATION

G&R Building Concepts Inc.
1135 Cal Young Road
Eugene, OR 97401

9.7825 ANNEXATION – APPROVAL CRITERIA. The city council shall approve, modify and approve, or deny a proposed annexation based on the application's consistency with the following:

9.7825(1) The land proposed to be annexed is within the city's urban growth boundary and is:

9.7525(1)(a) Contiguous to the city limits.

The property proposed for annexation is within the urban growth boundary. The closest point to the UGB is to the West and a mile or more distant.

This property is contiguous to Eugene city limits by way of the Northeast corner of this parcel is contiguous to Tax Lot 1900 which is within the Eugene city limits and on the South across right of way of old Maxwell Road..

9.7825(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.

The Metro Plan designates this property for annexation into the City of Eugene and zoned low density residential (R-1).

Consistency with the Metropolitan Area General Plan policies:

#8.a., Key urban facilities and services can be provided to the property in an orderly and efficient manner.

#10. The applicant is using the normal processes to annex the property to the City of Eugene.

#15. The property is currently served with the required minimum level of urban facilities and services.

#17. The subject property is located within the River Road Water District and the River Road Park and Recreation district. The property will need to be removed from both districts once annexed, in accordance with ORS 222.

#19. The property is located within the Lane County Metropolitan Wastewater Service District, and will be automatically annexed into said district upon the effective date of annexation.

#20a. The applicant is proposing to annex the property to the City of Eugene.

9.7825(3) The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services as defined in the Metro Plan, can be provided in an orderly efficient and timely manner.

The property proposed for annexation is connected to all urban facilities. The existing house is connected to city sewer, EWEB electric and water, cable TV and telephone.

WARRANTY DEED

86645

CT 55135

FOR VALUE RECEIVED

GRACE E. MAXWELL, widow and unmarried,
herein referred to as grantors, hereby grant, bargain, sell, and convey unto

GEORGE M. SCHANK and CLARA J. SCHANK, his wife,
herein referred to as grantees, the following described real property, with tenements, hereditaments and appurtenances, to wit:

Beginning at a point in the centerline of a certain 50 foot road, said point being 3,583.32 feet West and 1006.26 feet south of the Northeast corner of the James E. McCabe Donation Land Claim Number 46, Notification Number 2089 in Township 17 South, Range 4 West, of the Willamette Meridian; running thence North 89° 03' East 177.00 feet, thence South 3° 03' East 218.60 feet to the centerline of Maxwell Road, thence along the centerline of said Maxwell Road North 89° 49' West 177.16 feet to the centerline of the first mentioned road; thence along the centerline of the first mentioned road North 3° 03' West 215.10 feet to the point of beginning, in Lane County, Oregon

No livestock or fowl shall be kept, maintained or harbored upon the above described premises.

25 feet along the entire West side of said property is hereby reserved for road purposes only.

TO HAVE AND TO HOLD the said premises unto said Grantees, their heirs and assigns forever. And the said Grantors hereby covenant that they are lawfully seized in fee simple of said premises, that they are free from all incumbrances,

and that they will warrant and defend the abovegranted premises against all lawful claims whatsoever, except as above stated.

Dated February 4, 1939.

Grace E. Maxwell (Seal)
(Seal)

STATE OF OREGON, County of Lane ss.

On this 4 day of February 1939, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named

GRACE E. MAXWELL, widow and unmarried,

known to me to be the identical individual described in and who executed the within instrument, and acknowledged to me that she executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written

H. V. JOHNSON
NOTARY
PUBLIC
STATE OF OREGON

My Commission Expires 6-6-41

Notary Public for Oregon

Compliments of

CASCADE TITLE COMPANY
972 Oak Street Eugene, Oregon

WARRANTY DEED

13590 711a Maxwell
GRACE E. MAXWELL,
widow and unmarried,

State of Oregon,
County of Lane ss.
I, Ina Randolph, Director of the
Department of Records and Elections,
in and for the said County, do hereby
certify that the within instrument was
received for record at

1939 NOV 5 PM 4 02 7

Reel 458-R

Lane County OFFICIAL Records

INA RANDOLPH, Director of the
Department of Records & Elections.

By

C29-083-105 Deputy

3y

Deputy

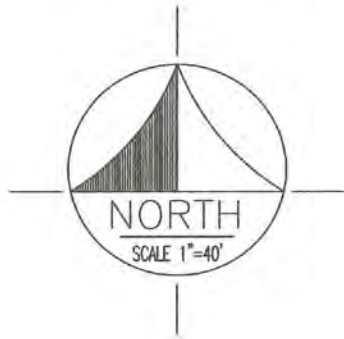
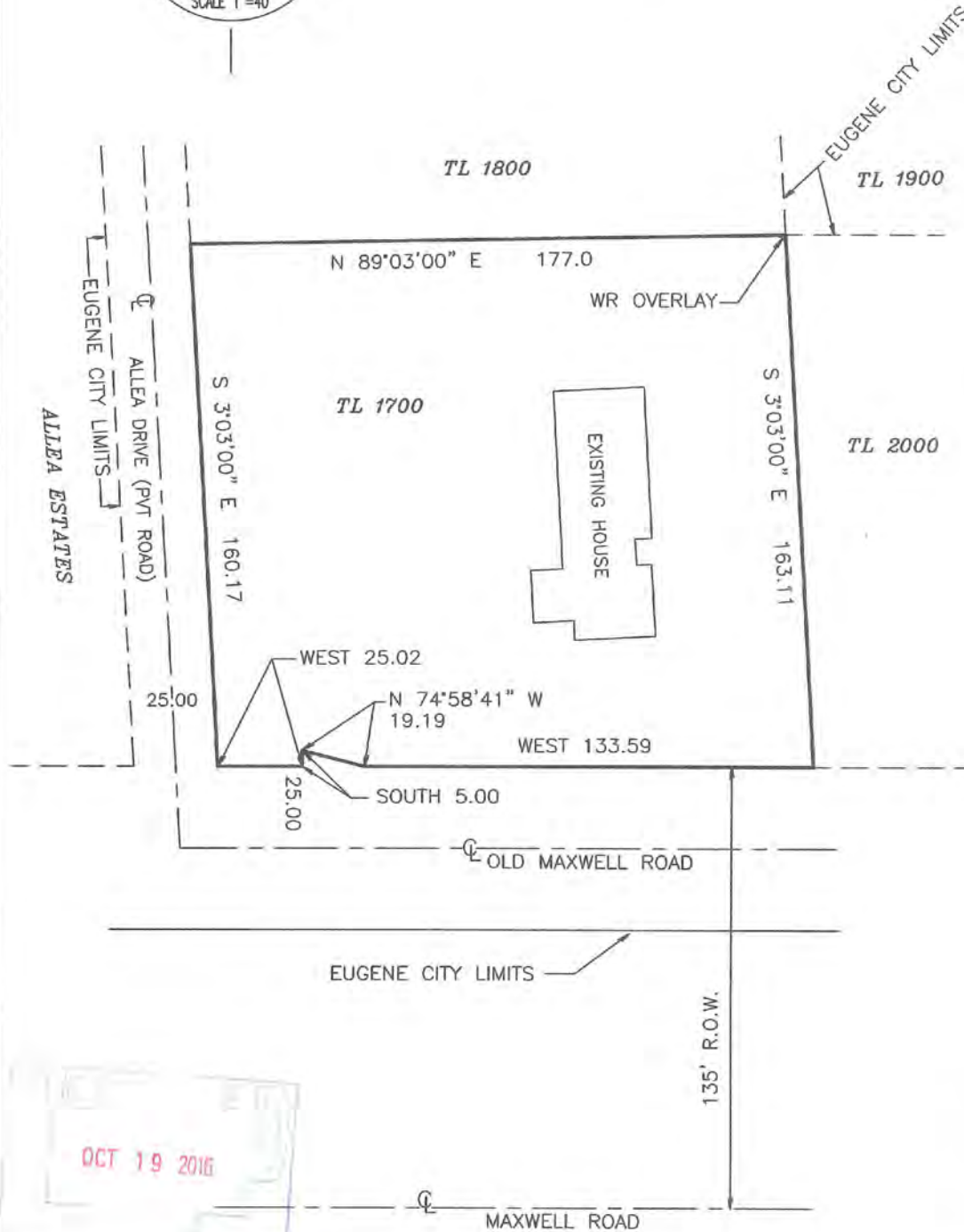
Return To:

Wick & Co.
107 1/2 72
Eugene, Or

50

ASSESSOR'S MAP: 17-04-15-41
TAX LOT: #1700

DATE: SEPTEMBER 6, 2016
REVISED: OCTOBER 17, 2016



Summary of Urban Service Provision

This form is intended as a guide to assist applicants in demonstrating that a minimum level of key urban services can be provided to the area proposed for annexation. Space is provided on this form for you to provide detailed information on service provision. Please add additional pages if necessary to provide details of servicing issues related to the area you are annexing. To assist you in providing this information, some contacts are listed below. For large or difficult to serve properties, you may wish to contact a private land use planning consultant to prepare your application.

Property Owner(s) Name:

Assessor's Map and Tax Lot Numbers for Properties Proposed for Annexation
(For example: Map 17-03-19-31, Tax Lot 100)

17-04-15-41 TL 1700

Wastewater -- All new development must connect to the wastewater (sanitary sewer) system. Is wastewater service available to serve the area proposed for annexation? (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

The property(ies) in this annexation request:

X will be served from an existing gravity wastewater line.

Location and size of existing wastewater line:

8" PIPE IN OLD MAXWELL Rd

_____ will be served by an extension of an existing gravity wastewater line.

Where will a wastewater line be extended from? When will it be extended? By whom?

Stormwater -- Site plans for all new development must provide for drainage to an approved system consistent with the Comprehensive Stormwater Management Plan. City approval for storm drainage will be required as part of the development process. (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

Is the site currently served by an approved stormwater system?

YES

If yes,
location? DITCHES IN OLD MAXWELL Rd.

If no, how will stormwater be handled after development? -

Streets – What existing streets provide access to this site. List existing streets that provide access to this site from River Road, the Northwest Expressway, or Beltline Highway. FROM RIVER ROAD OR NORTHWEST

EXPRESSWAY TO MAXWELL RD TO OLD MAXWELL RD.

Will dedication for additional street right-of-way be required upon further development of this site?

_____ Yes X No _____ Unknown

Will existing streets be extended or new streets constructed upon further development of this site?

_____ Yes X No _____ Unknown

(For more information, contact the City of Eugene Public Works staff at (682-6004.)

Parks, Recreation, and Cultural Services

Systems Development revenues generated by new development and Ballot Measure 20-30, which authorized the issuance of \$25.3 million in general revenue bonds, will help to fund future City park acquisition and development in this area and throughout the city. Please list the parks and recreation facilities that already exist or are planned in the general vicinity of the property(ies) included in this annexation:

Key services, defined by the Metropolitan Plan as parks and recreation programs, will be available to new city residents in this area on an equal basis with residents throughout the city.

Public Safety

Police services – Police protection can be extended to this site upon annexation consistent with service provision throughout the city.

For River Road/Santa Clara area-

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city. Police currently travel along River Road to provide service to areas throughout the River Road and Santa Clara area. Infill annexations and development in this area will increase the efficiency of service delivery to this area.

Fire and emergency services (Please indicate which fire district serves subject property.)

_____ Santa Clara - Fire protection services are currently provided to the subject property by the Santa Clara Rural Fire Protection District.

_____ River Road - Fire and emergency services - Fire protection is currently provided to the subject property by the River Road Water District under contract with the City of Eugene. Upon annexation, fire protection will be provided directly by the City of Eugene Fire & EMS Department.

Emergency medical transport (i.e., ambulance) services are currently provided on a regional basis by Eugene, Springfield, and Lane Rural Fire/Rescue to central Lane County, including the River Road and Santa Clara areas. After annexation, this service will continue to be provided by the current provider. All ambulance service providers have mutual aid agreements and provide back-up service into the other providers' areas.

Planning and Development Services -- Planning and building permit services are provided to the area outside the city limits but within the urban growth boundary by the City of Eugene. This service would continue after annexation.

EWEB (Eugene Water and Electric Board) currently provides water and electric service in the Eugene area and can provide service to new development in the River Road and Santa Clara area upon annexation. Some properties in northern Eugene receive electric service from EPUD (Emerald People's Utility District). Some properties in south Eugene receive electric services from the Lane Electric Cooperative; please note if this is the case for your property. For more information contact EWEB, ph. 484- 2411, EPUD, ph. 746-1583 or Lane Electric Co-op, 484-1151.

Electric Service -- Which electric company will serve this site?

EWEB

Water Service -- Please provide the size and location of the water main closest to your property. 6" PIPE

IN OLD MAXWELL ROAD

Solid Waste -- Solid waste collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

Natural Gas -- Northwest Natural Gas can extend service to new development in this area.

Communications -- US West Communications and a variety of other telecommunications providers offer communications services throughout the Eugene/Springfield Area.

* CB = Coburg
CR = Creswell
FL = Florence
OA = Oakridge
CG = Cottage Grove
EU = Eugene
JC = Junction City
SP = Springfield

PETITION

Petition Signature Sheet
Annexation by Individuals

We, the following property owners/electors, consent to the annexation of the following territory to the City of (Insert Name of City):

Signature	Date Signed m/d/y	Print Name	Residence Address (street, city, zip code)	Map and Tax Lot Number (example: 17-04-03-00-00100)	Land Owner	Reg Voter	Acres (qty)
	9/7/16	JACK LOUIE	P.O. Box 2617 Eugene, OR 97402	# 1700 17-04-15-41	☒	☐	

Note: With the above signature(s), I am attesting that I have the authority to consent to annexation on my own behalf or on behalf of my firm or agency. (Attach evidence of such authorization when applicable.)

I, WALTER A DREWS (printed name of circulator), hereby certify that every person who signed this sheet did so in my presence.
X WALTER A DREWS (signature of circulator)

CERTIFICATION OF PROPERTY OWNERS

The total landowners in the proposed annexation are 1 (qty). This petition reflects that 1 (qty) landowners (or legal representatives) listed on this petition represent a total of 100 (%) of the landowners and 100 (%) of the acres as determined by the map and tax lots attached to the petition. A&T is not responsible for subsequent deed activity which may not yet be reflected on the A&T computerized tax roll.

CERTIFICATION OF ELECTORS

The total active registered voters in the proposed annexation are 1. I hereby certify that this petition includes 1 valid signatures representing 100 (%) of the total active registered voters that are registered in the proposed annexation.

Lane County Department of Assessment and Taxation

Date Certified

Lane County Clerk or Deputy Signature

Date Certified

Consent to Annexation

Consent is hereby given to the annexation by the City of Eugene, Oregon of the following described real property:

Map and Tax Lot: 17-04-15-41 1700 Address: 1325 MAXWELL RD.

Legal Description:

In the corporate limits of said city, which is owned by the undersigned

DATED this 7 day of Sept, 2016.

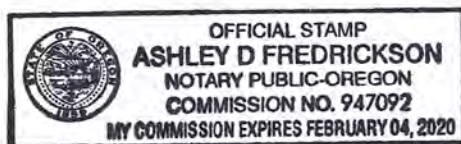
[Signature]

STATE OF OREGON)

County of Lane) ss

On this 7 day of Sept., 2016, before me, the undersigned, a notary public in and for the said county and state, personally appeared the within-named, *[Signature]*, who is known to me to be the identical individual described herein and who executed the same freely and voluntarily.

Seal:



IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.

[Signature]
Notary Public for Oregon
My Commission Expires 2-4-2020

Certification of Description

Pursuant to EC 9.7810(7), Annexation Application Requirements, I hereby certify the metes and bounds description of the real property proposed for annexation closes; and the map outlining the boundary is a true representation of the description.

Signature: Marvin S. Krush
Registered Land Surveyor

Print Name: MARVIN S. KRUSH

Date: 9-06-16

Seal:



ANNEXATION

Please complete the following application checklist. Note that additional information may be required upon further review in order to adequately address the applicable criteria for approval. If you have any questions about filling out this application, please contact Planning staff at the Permit and Information Center, phone (541)682-5377, 99 West 10th Avenue, Eugene.

List all Assessor's Map and Tax Lot numbers of the property included in the request.

Assessor's Map	Tax Lot	Zoning	Acreage
17-04-15-41	1700		

Property Address: 1325 MAXWELL ROAD

Plans for Future Development & Permit Number (if applicable): _____

Public Service Districts:

Name			
Parks:	BRAMBLE WOOD CITY PARK		
Electric:	EWEB		
Water:	CITY EWEB		
Sanitary Sewer:	CITY OF EUGENE		
Fire:	RR WE EUG FIRE & EMS		
Schools:	Elementary: IRVING	Middle: SHASTA	High: WILLAMETTE
Other:			

Filing Fee

- ☐ A filing fee must accompany all applications. The fee varies depending upon the type of application and is adjusted periodically by the City Manager. Check with Planning staff at the Permit and Information Center to determine the required fee or check website at

Written Statement (Submit 5 copies)

- ☐ Submit a detailed written statement describing how this request is consistent with all applicable criteria (Section 9.7825 of the Eugene Code).

Site Plan Requirements

Submit 3 paper copies and 1 digital copy of a site plan, drawn to an engineer's scale on 8 ½" x 14" sheet of paper. Site plans shall include the following information:

- ☒ Show the date & north arrow on site plan.
- ☒ Show the Assessor's Map and Tax Lot number(s) on the site plan.
- ☒ Show a vicinity map on the site plan (vicinity map does not need to be to scale).
- ☒ Show city limits & UGB (if applicable)
- ☒ Clearly label the affected territory and any public right of ways to be annexed.
- ☒ Show all adjacent streets, alleys, and accessways.
- ☒ Show all dimensions of existing public utility easements and any other areas restricting use of the parcels, such as conservation areas, slope easements, access easements, etc.
- ☒ Show the location of all existing structures.

Other Application Requirements (Submit 3 paper copies and 1 digital copy of all)

- ☒ Petition for Annexation form listing all owners, including partial owners, and electors. This form includes the Certification of Electors which must be signed by the Lane County Elections/Voter Registration Department and also includes the Verification (Certification) of Property Owners which must be signed by the Lane County Department of Assessment and Taxation. *This form is required even if the land is vacant.*
- ☒ Notarized Consent to Annexation form.
- ☒ A legal description of the land proposed for annexation, including any public right of way prepared by a registered land surveyor. Oregon Revised Statutes (ORS) 308.225 requires submittal of a closing metes and bounds description or subdivision block and lot number description. Please see example of acceptable legal descriptions contained in the application packet. The legal description must exactly correspond with the map included with the application or the Assessor's map.
- ☒ Summary of Urban Service Provision form.
- ☒ A county Assessor's cadastral map. *(Available at Lane County Assessment & Taxation)*
- ☒ Census Information Sheet.

Note: This is not a complete list of requirements. Additional information may be required after further review in order to adequately address the applicable approval criteria.

Attachment C
By signing, the undersigned certifies that he/she has read and understood the submittal requirements outlined, and that he/she understands that omission of any listed item may cause delay in processing the application. I (We), the undersigned, acknowledge that the information supplied in this application is complete and accurate to the best of my (our) knowledge.

PROPERTY OWNER OF TAX LOT: 1700

Name (print): LLA Investments LLC
Address: P.O. Box 2617 Email: Jack Louie 53@gmail.com
City/State/Zip: Eugene OR 97402 Phone: 541-579-1518 Fax: 541-844-1155
Signature: [Signature] Date: 9/7/16

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____
Address: _____ Email: _____
City/State/Zip: _____ Phone: _____ Fax: _____
Signature: _____ Date: _____

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____
Address: _____ Email: _____
City/State/Zip: _____ Phone: _____ Fax: _____
Signature: _____ Date: _____

SURVEYOR:

Name (print): _____
Company/Organization: KRUSH & ASSOCIATES
Address: 115 W 8TH #240
City/State/Zip: EUG OR. 97401 Phone: 541-6869211 Fax: NA
E-mail: MARVIN KRUSH @ YAHOO.COM
Signature: [Signature] Date: 9-6-16

REPRESENTATIVE (If different from Surveyor):Name (print): WALTER A DyeusCompany/Organization: G+R-BUILDING Concepts Inc.Address: 1135 CAL Young RoadCity/State/Zip: Eugene Ore 97401Phone: 541-606-1755 Fax: 541-683 5652E-mail: GSignature: Walter A DyeusDate: 9/7/16****Attached additional sheets if necessary.**

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Adoption of a Resolution Annexing Land to the City of Eugene (Cowan, Doug; A 16-9)

Meeting Date: December 12, 2016
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2E
Staff Contact: Althea Sullivan
Contact Telephone Number: 541-682-5282

ISSUE STATEMENT

This item is a request to annex an approximately 0.78 acre property which abuts Susan Street to the east and is located south of Hunsaker Lane, and east of River Road. The property is located within the Urban Growth Boundary and is contiguous to city limits. The public rights-of-way are not proposed for annexation as part of this request. A vicinity map is provided as Attachment A.

The property is zoned R-1 Low-Density Residential with a /UL Urbanizable Lands Overlay. The Metro Plan and the River Road – Santa Clara Urban Facilities Plan designate the subject property for low-density residential use. Annexation will allow for future development consistent with the property's designation and the Eugene Code. Plans for future development of the site are not included as part of this annexation application, and no other concurrent land use applications have been submitted for the subject property.

BACKGROUND

The Metro Plan provides that ultimately land within the urban growth boundary will be annexed into the city and provided with a minimum level of urban services. Approval of annexation requests are based on the Eugene Code criteria at 9.7825 which require that (1) the land proposed to be annexed is within the city's urban growth boundary (UGB) and is contiguous to the city limits or separated from city limits only by a right-of-way or water body; (2) the proposed annexation is consistent with the applicable policies in the Metro Plan and in any applicable refinement plans and (3) the proposed annexation will result in a boundary in which the minimal level of key urban facilities and services can be provided in an orderly, efficient, and timely manner. Draft findings demonstrating that the annexation request is consistent with these approval criteria are included as Exhibit C to the draft resolution (Attachment B).

The city's annexation procedures provide for the council to adopt a resolution approving, modifying and approving, or denying an application for annexation; or provide for the council to hold a public hearing before consideration of the annexation request.

To provide nearby property owners and residents an opportunity to review and comment on this annexation request, public notice for this annexation request was provided consistent with Eugene Code requirements. As of this date, one letter has been received with no name or return

address provided, expressing general concern about traffic and questioning how access would be provided to the property when developed in the future. Specific plans for development of the subject property are not included as part of the annexation request, and any future development would be required to meet applicable code standards for access management and traffic impact. Referral comments were provided by affected agencies including City of Eugene Public Works, Lane County Public Works, and EWEB. These referral comments confirm that the property can be provided with the minimum level of key urban services consistent with the approval criteria. Given the findings of compliance and limited testimony received, a public hearing is not recommended in this instance.

Additional background information regarding this request, including relevant application materials, is included for reference as Attachment C. A full copy of all materials in the record is also available at the Permit and Information Center located at 99 West 10th Avenue.

RELATED CITY POLICIES

The Metro Plan contains the policies that are related to this annexation request. The River Road – Santa Clara Urban Facilities Plan is the refinement plan applicable to the subject property. The policies applicable to this request are addressed in the Planning Director’s findings and recommendation (Exhibit C to Attachment B).

COUNCIL OPTIONS

City Council may consider the following options:

1. Adopt the draft resolution
2. Adopt the draft resolution with specific modifications as determined by the City Council
3. Deny the draft resolution
4. Defer action until after the council holds a public hearing on the proposed annexation

CITY MANAGER’S RECOMMENDATION

The City Manager recommends that the City Council adopt the draft resolution by finding that the request complies with all applicable approval criteria, and that the annexation be approved.

SUGGESTED MOTION

Move to adopt Resolution No. 5178, which approves the proposed annexation request consistent with the applicable approval criteria.

ATTACHMENTS

- A. Vicinity Map
- B. Draft Annexation Resolution with Exhibits A through C
 - Exhibit A: Map of Annexation Request
 - Exhibit B: Legal Description
 - Exhibit C: Planning Director Findings and Recommendation
- C. Application Materials for Annexation Request

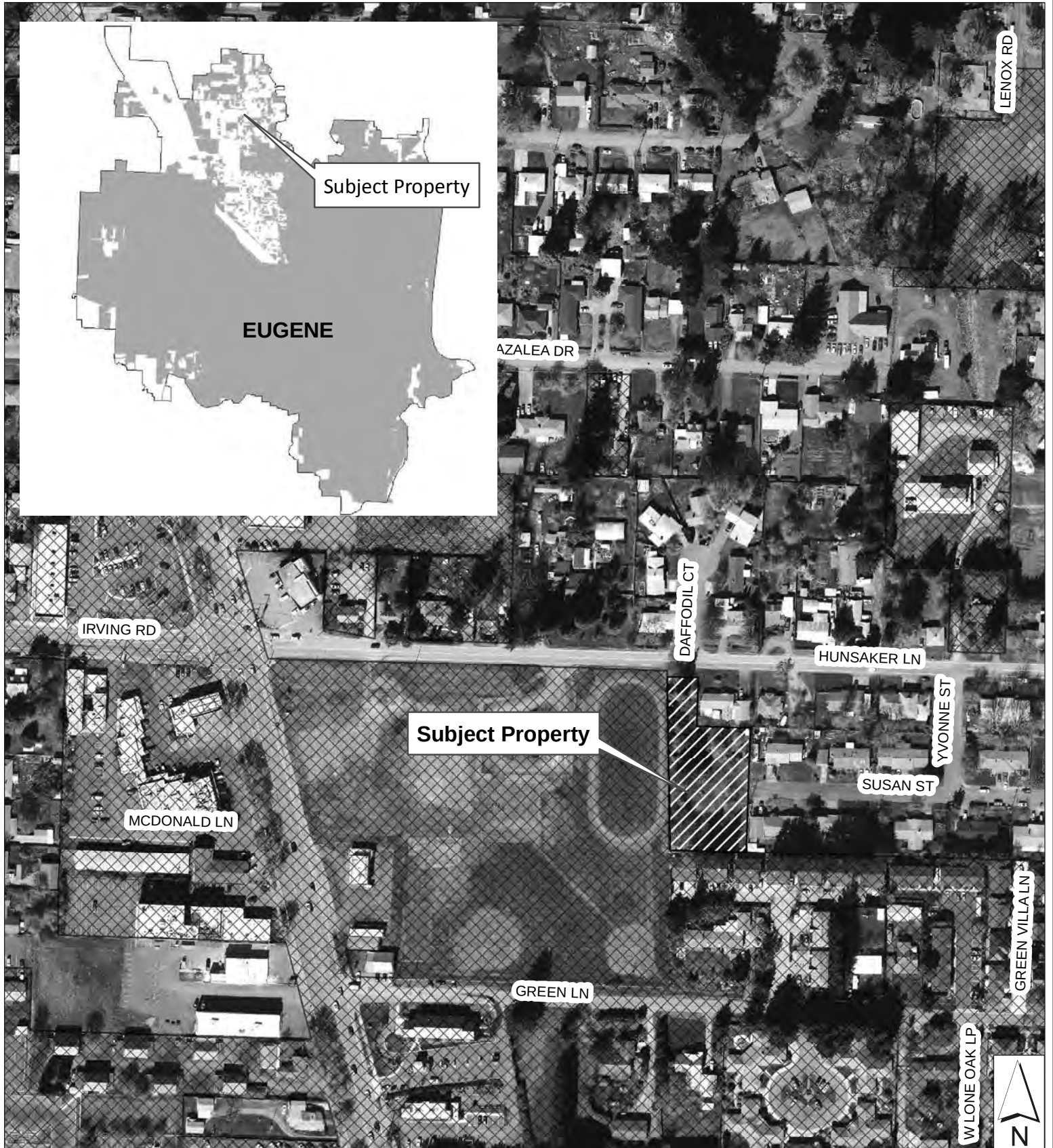
FOR MORE INFORMATION

Staff Contact: Althea Sullivan

Telephone: 541-682-5282

Staff E-Mail: althea.c.sullivan@ci.eugene.or.us

Cowan, Doug (A 16-9)



RESOLUTION NO. _____

**A RESOLUTION ANNEXING LAND TO THE CITY OF EUGENE
(PROPERTY IDENTIFIED AS ASSESSOR'S MAP 17-04-11-41, TAX LOT
9402).**

The City Council of the City of Eugene finds that:

A. An annexation application was submitted by Douglas S. Cowan on September 26, 2016, in accordance with the provisions of Section 9.7810 of the Eugene Code, 1971, ("EC") for annexation to the City of Eugene of the property identified as Assessor's Map 17-04-11-41, Tax Lot 9402.

B. The territory proposed to be annexed is depicted on the map attached as Exhibit A to this Resolution. The legal description of the property described is attached to this Resolution as Exhibit B.

C. The City's Planning Director has submitted a written recommendation that the application be approved based on the criteria of EC 9.7825. The Planning Director's Findings and Recommendation is attached as Exhibit C.

D. On November 10, 2016, a notice containing the street address and assessor's map and tax lot number, a description of the land proposed to be annexed, and the Planning Director's preliminary recommendation was mailed to the applicant, owners and occupants of property within 500 feet of the subject property, and the Santa Clara Community Organization. The notice advised that the City Council would consider the Planning Director's full recommendation on the proposed annexation on December 12, 2016.

E. After considering the Planning Director's recommendation, the City Council finds that the application should be approved.

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a
Municipal Corporation of the State of Oregon, as follows:**

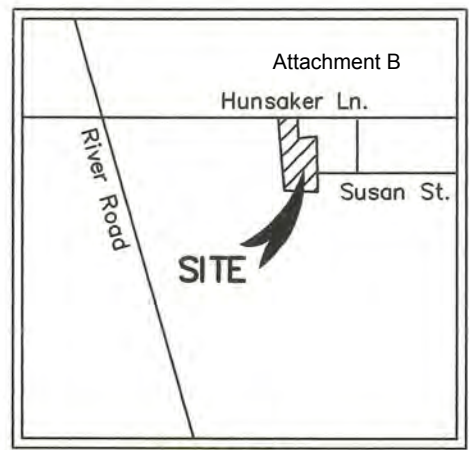
Section 1. Based on the above findings and the Planning Director's Findings and Recommendation attached as Exhibit C which are adopted in support of this Resolution, it is ordered that the land identified as Assessor's Map 17-04-11-41, Tax Lot 9402, depicted on the map attached as Exhibit A, and described in the attached Exhibit B, is annexed to the City of Eugene.

Section 2. This Resolution is effective immediately upon its passage by the City Council. The annexation and automatic rezoning of the land from R-1/UL to R-1 pursuant to EC 9.7820(3) shall become effective in accordance with State law.

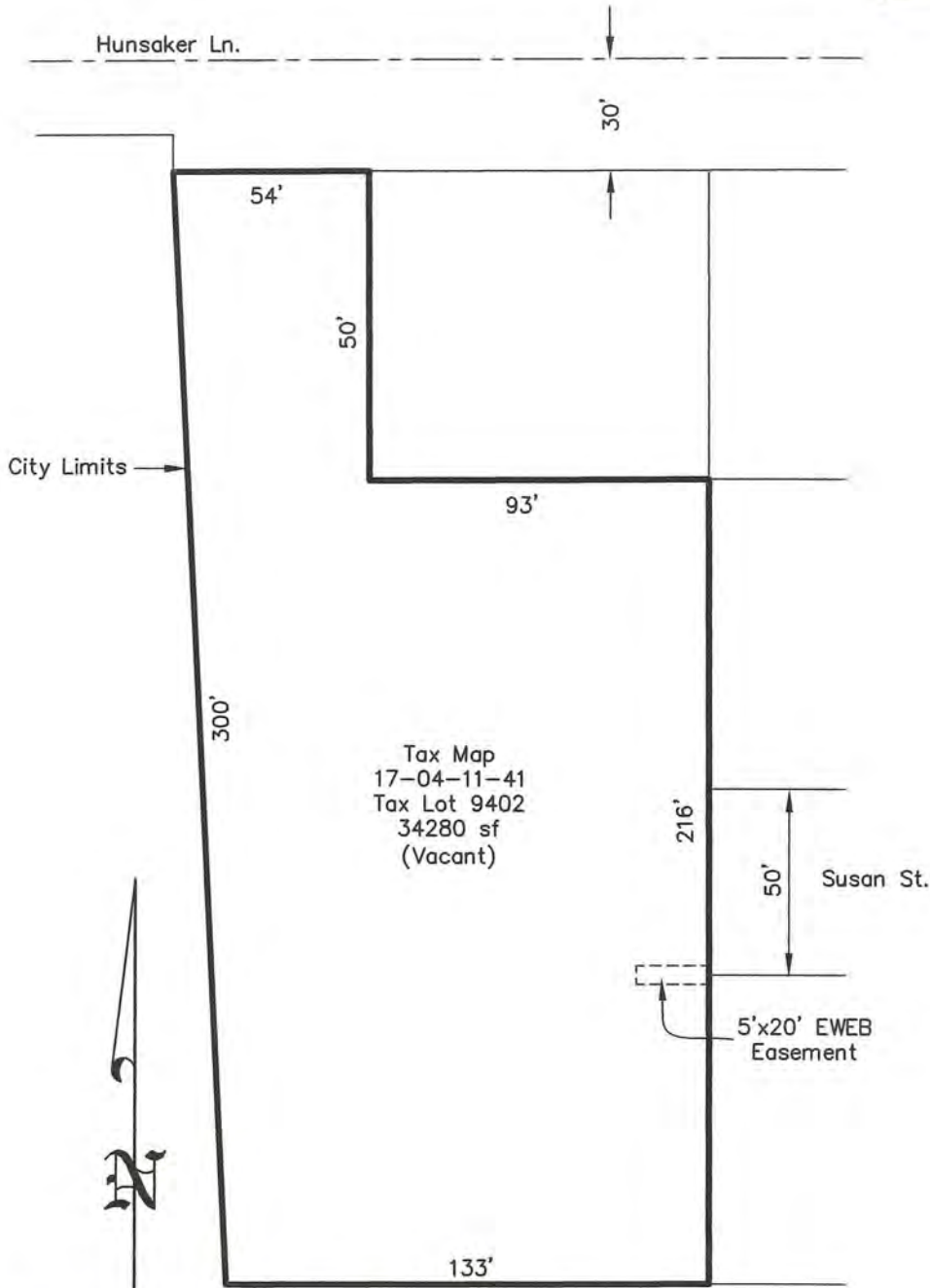
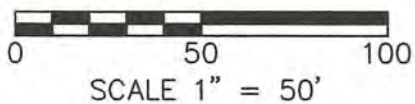
The foregoing Resolution adopted the _____ day of December, 2016.

City Recorder

Exhibit A
Annexation Site Plan
Tax Map 17-04-11-41
Tax Lot 9402
September 25, 2016



Vicinity Map
N.T.S.



Received

OCT 31 2016

City of Eugene
Planning Division

Received Attachment B

Exhibit B

OCT 31 2016

City of Eugene
Planning Division

Parcel 2, Land Partition Plat No. 96-P0928, Lane County Oregon Plat Records.

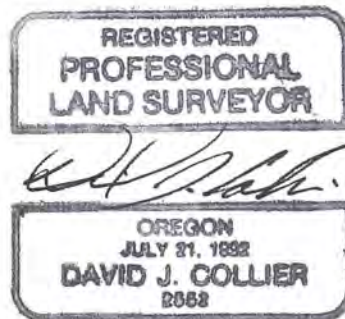




Exhibit C

Planning Director's Findings and Recommendation Annexation Request for Cowan, Doug (City File A 16-9)

Application Submitted: September 26, 2016
Applicant: Doug Cowan
Location: Property abuts Susan Street to the east.
Property Included in Annexation Request: Tax Lot 9402 of Assessor's Map 17-04-11-41
Zoning: Low-Density Residential (R-1) with Urbanizable Lands overlay (/UL)
Surveyor: David J. Collier
Lead City Staff: Althea Sullivan, City of Eugene Planning Division, 541-682-5282

EVALUATION:

Based on the information provided by the applicant, the City has determined that this request complies with Eugene Code (EC) Section 9.7805 Annexation - Applicability. As such, it is subject to review and approval in accordance with the requirements, application criteria and procedures of EC 9.7800 through 9.7835. The applicable approval criteria are presented below in bold typeface with findings and conclusions following each.

EC 9.7825(1) The land proposed to be annexed is within the city's urban growth boundary and is:	
(a) Contiguous to the city limits; or (b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.	
Complies ☒ YES ☐ NO	Findings: The annexation area is within the City's urban growth boundary (UGB), and is contiguous to the City limits, consistent with subsection (a). As shown in the application materials and confirmed by City staff.
EC 9.7825(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.	
Complies ☒ YES ☐ NO	Findings: Several policies from the <u>Metro Plan</u> provide support for this annexation by encouraging compact urban growth to achieve efficient use of land and urban service provisions within the UGB, including the following policies from the Growth Management section (in <i>italic</i> text): <i>Policy 8. Land within the UGB may be converted from urbanizable to urban only through annexation to a city when it is found that:</i> <i>a. A minimum level of key urban facilities and services can be provided to the area in an orderly and efficient manner.</i> <i>b. There will be a logical area and time within which to deliver urban services and facilities. Conversion of urbanizable land to urban shall also be consistent with the Metro Plan. (page II-C-4)</i> <i>Policy 10. Annexation to a city through normal processes shall continue to be the</i>

		<p><i>highest priority. (page II-C-5).</i></p> <p><i>Policy 15. Ultimately, land within the UGB shall be annexed to a city and provided with the required minimum level of urban facilities and services. While the time frame for annexation may vary, annexation should occur as land transitions from urbanizable to urban. (page II-C-5)</i></p> <p>The <u>Metro Plan</u> designates the annexation area as appropriate for Low Density Residential use. The <u>River Road – Santa Clara Urban Facilities Plan (RR/SC UFP)</u> is the adopted refinement plan for the subject property. The subject property is located within the River Road/ Division subarea of the <u>RR/SC UFP</u>, and is designated for Low Density Density residential.</p> <p>With regard to applicable policies of the <u>RR/SC UFP</u> none of the general "Residential Land Use Policies" appear to be directly applicable to the subject request. The "Public Facilities and Services Element" policies of the <u>RR/SC UFP</u> are directed at local government; however, the premise of these policies (regarding the provision of urban services) is the assumption that the properties within the UGB will be annexed.</p> <p>As discussed in this subsection, and further detailed under subsection (3) below, the proposed annexation is consistent with the <u>Metro Plan</u> growth management policies and can be served by the minimum level of key urban services. The annexation procedures beginning at EC 9.7800 are consistent with State law and therefore, as found throughout this report, the annexation is consistent with State law.</p> <p>Therefore, based on the findings above, the proposal is consistent with the applicable policies of the <u>Metro Plan</u>.</p>
EC 9.7825(3) The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.		
Complies ☒ YES ☐ NO		<p>Findings: Consistent with this criterion, the proposed annexation will result in a boundary in which the minimum level of key urban facilities and services can be provided in an orderly, efficient, and timely manner as detailed below:</p> <p><u>Wastewater</u> Public Works staff note that there is an existing 6-inch service from the 8-inch main line in Hunsaker Lane (see as-built 3325.80), and an 8-inch stub from Susan Street (see as-built 3326.030). Public Works staff also notes that there is an on-hold wastewater equivalent assessment that will become payable at the time of development.</p> <p><u>Stormwater</u> Public Works staff notes that the existing stormwater system is not owned or maintained by the City of Eugene. However, there are options for complying with stormwater standards which will be further evaluated at the time of future development. Additionally referral comments from Lane County staff note that stormwater runoff will need to be retained on-site or directed to an approved discharge</p>

		<p>point, other than Lane County roads.</p> <p><u>Transportation</u> The property abuts Hunsaker Lane to the north and Susan street to the east, both of which are under the jurisdiction of Lane County. Lane County staff notes that neither road is improved to urban standards and access and improvement requirements will be determined at the time of development.</p> <p><u>Solid Waste</u> Collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.</p> <p><u>Water and Electric</u> EWEB Water staff and Electric staff state no objection to the proposed annexation. Water and electric services can be extended in accordance with EWEB policies and procedures.</p> <p><u>Public Safety</u> Police protection can be extended to this site upon annexation consistent with service provision through the City. Fire protection will be provided by the City of Eugene Fire Department. Emergency medical services are currently provided on a regional basis by the cities of Eugene and Springfield to central Lane County and will continue in the same manner upon annexation.</p> <p><u>Parks and Recreation</u> Parks and recreation programs are provided on a City wise basis. The inclusion of the subject property in the City is sufficient evidence to demonstrate the minimum level of this key urban service is met.</p> <p><u>Planning and Development Services</u> Planning and building permit services are provided for all properties located within the urban growth boundary by the City of Eugene. The Eugene Code, Chapter 9, will provide the required land use controls for future development of the subject property upon annexation.</p> <p><u>Communications</u> A variety of telecommunications providers offer communications services throughout the Eugene/Springfield area providing a minimum level of this key urban service.</p> <p><u>Public Schools</u> The subject property is within the Eugene 4J school district. As access to schools is evaluated on a district wide basis, the property's location within the school district is sufficient evidence to demonstrate the minimum level of this key urban service is met.</p>
--	--	---

CONCLUSION:

Based on the above findings, information submitted to date, and the criteria set forth in EC 9.7825, the proposed annexation is consistent with the applicable approval criteria. A map and legal description showing the area subject to annexation are included in the application file for reference. The effective date is set in accordance with state law.

INFORMATION:

- Upon approval of the annexation, the base zoning of R-1 Low Density Residential will remain; however, the /UL Urbanizable Lands overlay will be automatically removed from the annexation area. Please contact the Permit Information Center, Planner-on-Duty at 541-682-5377 for more information.
- Approval of this annexation does not relieve the applicant from complying with applicable codes and statutory requirements.



**Annexation Written Statement
Tax Map 17-04-11-41
Tax Lot 9402**

OCT 31 2016

**City of Eugene
Planning Division**

Applicable criteria for Annexation, Eugene Code 9.7825.

9.7825 Annexation – Approval Criteria. The city council shall approve, modify and approve, or deny a proposed annexation based on the application's consistency with the following:

(1) The land proposed to be annexed is within the city's urban growth boundary and is:

(a) Contiguous to the city limits; or

(b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.

(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.

(3) The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.

(Section 9.7825 repealed and replaced by Ordinance No. 20400, enacted December 10, 2007, effective January 1, 2008.)

(1) The land proposed to be annexed is within the city's urban growth boundary and is:

(a) Contiguous to the city limits; or

(b) Separated from the city only by a public right of way or a stream, bay, lake or other body of water.

The property fronts Hunsaker Lane and also Susan Street and is near River Road. The property is in the Santa Clara neighborhood. This area of Santa Clara is within the UGB. The property touches the current City Limits. The City Limits are along the West side of the property.

(2) The proposed annexation is consistent with applicable policies in the Metro Plan and in any applicable refinement plans.

The following Metro/refinement plans are applicable:

River Road - Santa Clara Urban Facilities Plan Policies.

(1) General Land Use. Minimize land use conflicts by promoting compatibility between land uses, especially among residential, commercial-industrial, and commercial-agricultural uses. (Policy 1)

The property is currently vacant and is zoned for residential use. The old Santa Clara School site is to the West, which is currently vacant. There is residential property to the North, East, and South. The proposed use for the property is for residential use which is compatible with the surrounding land uses.

(2) Residential Land Use.

(a) Recognize and maintain the predominately low-density residential character of the area consistent with the Metro Plan. (Policy 1)

The neighborhood character to the North, East, and South is low density residential. The property is currently zoned low density residential. The proposal is to keep the property as LDR consistent with the Metro Plan.

(b) Evaluate traffic and compatibility impacts when considering new residential development on parcels fronting arterial streets. (Policy 3)

The property fronts Hunsaker Lane to the North and is at the West end of Susan Street. Both streets are not arterial streets.

(c) Provide adequate buffering and traffic control for existing non-residential development fronting River Road, (to minimize conflicts with surrounding development). (Policy 4)

The property is near, but does not front River Road.

(d) Permit medium-density housing (10 to 20 dwelling units/acre) in proximity to existing or planned urban facilities. Access to commercial development, transit, and alternative modes of transportation, schools and parks, and open space should be considered. Medium-density residential development will be considered for the north Santa Clara area consistent with the above criteria. (Policy 5)

The property is currently zoned for low density residential (please see above). LDR more appropriately fits the neighborhood character.

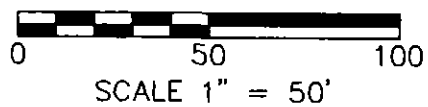
(e) Design residential development which is adjacent to the Greenway, parks, and other identified natural features in a manner that ensures its compatibility with those features. (Policy 6)

The property is not adjacent to natural features or parks. It is in a residential neighborhood.

(3) The proposed annexation will result in a boundary in which the minimum level of key urban facilities and services, as defined in the Metro Plan, can be provided in an orderly, efficient, and timely manner.

EWEB currently has power on the site. EWEB has water in Susan Street and Hunsaker Lane. There is a wastewater line in Hunsaker Lane and a wastewater stub to the site in Susan Street. There are no City stormwater facilities available. On site filtration is proposed for stormwater.

September 25, 2016



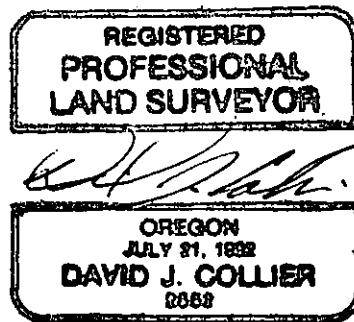
**City of Eugene
Planning Division**

Received

OCT 31 2016

City of Eugene
Planning Division

Parcel 2, Land Partition Plat No. 96-P0928, Lane County Oregon Plat Records.



Consent to Annexation

Consent is hereby given to the annexation by the City of Eugene, Oregon of the following described real property:

Map and Tax Lot: 17-04-11-41 #9402 Address: (VACANT)

Legal Description:

PARCEL 2, LAND PARTITION PLAT NO. 96-P0928,
LANE COUNTY OREGON PLAT RECORDS.

In the corporate limits of said city, which is owned by the undersigned

DATED this 23 day of September, 2016.

Douglas S. Cowan

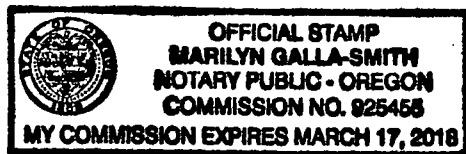
STATE OF OREGON)

County of Lane)^{ss}

On this 23 day of September, 2016, before me, the undersigned, a notary public in and for the said county and state, personally appeared the within-named, Douglas S. Cowan, who is known to me to be the identical individual described herein and who executed the same freely and voluntarily.

Seal:

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.



Marilyn Galla-Smith
Notary Public for Oregon
My Commission Expires 3-17-18

Summary of Urban Service Provision

This form is intended as a guide to assist applicants in demonstrating that a minimum level of key urban services can be provided to the area proposed for annexation. Space is provided on this form for you to provide detailed information on service provision. Please add additional pages if necessary to provide details of servicing issues related to the area you are annexing. To assist you in providing this information, some contacts are listed below. For large or difficult to serve properties, you may wish to contact a private land use planning consultant to prepare your application.

Property Owner(s) Name:

DOUG COWAN

Assessor's Map and Tax Lot Numbers for Properties Proposed for Annexation
(For example: Map 17-03-19-31, Tax Lot 100)

17-04-11-41 #9204

Wastewater -- All new development must connect to the wastewater (sanitary sewer) system. Is wastewater service available to serve the area proposed for annexation? (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

The property(ies) in this annexation request:

☒ will be served from an existing gravity wastewater line.

✱

Location and size of existing wastewater line:

8" IN SUSAN ST. & HUNSAKER LN.

☐ will be served by an extension of an existing gravity wastewater line.

Where will a wastewater line be extended from? When will it be extended? By whom?

Stormwater -- Site plans for all new development must provide for drainage to an approved system consistent with the Comprehensive Stormwater Management Plan. City approval for storm drainage will be required as part of the development process. (For more information, contact the Engineering staff at the City of Eugene Permit and Information Center or call 541-682-8400.)

Is the site currently served by an approved stormwater system?

24" LANE CO. SYSTEM IN HUNSAKER

✱

If yes,

location? HUNSAKER

If no, how will stormwater be handled after development? -

POSSIBLE ON SITE RETENTION

Streets – What existing streets provide access to this site. List existing streets that provide access to this site from River Road, the Northwest Expressway, or Beltline Highway.

HUNSAKER LN + SUSAN ST.

Will dedication for additional street right-of-way be required upon further development of this site?

 Yes

 ✓ No

 Unknown

Will existing streets be extended or new streets constructed upon further development of this site?

 Yes

 No

 ✓ Unknown

(For more information, contact the City of Eugene Public Works staff at (682-6004.)

Parks, Recreation, and Cultural Services

Systems Development revenues generated by new development and Ballot Measure 20-30, which authorized the issuance of \$25.3 million in general revenue bonds, will help to fund future City park acquisition and development in this area and throughout the city. Please list the parks and recreation facilities that already exist or are planned in the general vicinity of the property(ies) included in this annexation:

RIVER RD / SANTA CLARA

*

Key services, defined by the Metropolitan Plan as parks and recreation programs, will be available to new city residents in this area on an equal basis with residents throughout the city.

Public Safety

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city.

For River Road/Santa Clara area-

Police services - Police protection can be extended to this site upon annexation consistent with service provision throughout the city. Police currently travel along River Road to provide service to areas throughout the River Road and Santa Clara area. Infill annexations and development in this area will increase the efficiency of service delivery to this area.

Fire and emergency services (Please indicate which fire district serves subject property.)

✓ Santa Clara - Fire protection services are currently provided to the subject property by the Santa Clara Rural Fire Protection District.

 River Road - Fire and emergency services - Fire protection is currently provided to the subject property by the River Road Water District under contract with the City of Eugene. Upon annexation, fire protection will be provided directly by the City of Eugene Fire & EMS Department.

Emergency medical transport (i.e., ambulance) services are currently provided on a regional basis by Eugene, Springfield, and Lane Rural Fire/Rescue to central Lane County, including the River Road and Santa Clara areas. After annexation, this service will continue to be provided by the current provider. All ambulance service providers have mutual aid agreements and provide back-up service into the other providers' areas.

Planning and Development Services -- Planning and building permit services are provided to the area outside the city limits but within the urban growth boundary by the City of Eugene. This service would continue after annexation.

EWEB (Eugene Water and Electric Board) currently provides water and electric service in the Eugene area and can provide service to new development in the River Road and Santa Clara area upon annexation. Some properties in northern Eugene receive electric service from EPUD (Emerald People's Utility District). Some properties in south Eugene receive electric services from the Lane Electric Cooperative; please note if this is the case for your property. For more information contact EWEB, ph. 484- 2411, EPUD, ph. 746-1583 or Lane Electric Co-op, 484-1151.

Electric Service -- Which electric company will serve this site?

EWEB

Water Service -- Please provide the size and location of the water main closest to your property. EWEB

6" IN SUSAN ST & HUNSAKER LN.

*

Solid Waste -- Solid waste collection service is provided by private firms. Regional disposal sites and the Short Mountain Landfill are operated by Lane County.

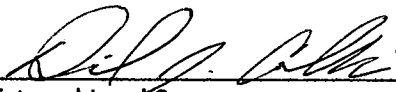
Natural Gas -- Northwest Natural Gas can extend service to new development in this area.

Communications -- US West Communications and a variety of other telecommunications providers offer communications services throughout the Eugene/Springfield Area.

Certification of Description

Pursuant to EC 9.7810(7), Annexation Application Requirements, I hereby certify the metes and bounds description of the real property proposed for annexation closes; and the map outlining the boundary is a true representation of the description.

Signature:


Registered Land Surveyor

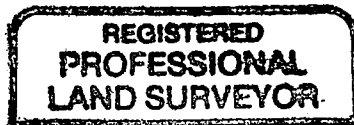
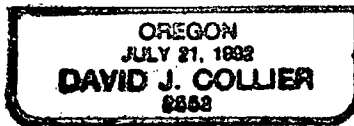
Print Name:

DAVID J. COLLIER

Date:

9-19-16

Seal:



RECEIVED

SEP 23 2016

LANE COUNTY
ASSESSMENT & TAXATION

* CB = Coburg CG = Cottage Grove
CR = Creswell EU = Eugene
FL = Florence JC = Junction City
OA = Oakridge SP = Springfield

PETITION

Petition Signature Sheet
Annexation by Individuals

We, the following property owners/electors, consent to the annexation of the following territory to the City of *(Insert Name of City)*:

Signature	Date Signed m/d/y	Print Name	Residence Address (street, city, zip code)	Map and Tax Lot Number (example: 17-04-03-00-00100)	✓ Land Owner	✓ Reg Voter	Acres (qty)
1. <i>Doug Cowan</i>	<i>9-23-16</i>	<i>DOUG COWAN</i>	<i>263 SPYGLASS DR EUGENE, OR 97401</i>	<i>17-04-11-41-09402</i>	✓		<i>0.79</i>
2.							
3.							
4.							
5.							

Note: With the above signature(s), I am attesting that I have the authority to consent to annexation on my own behalf or on behalf of my firm or agency. (Attach evidence of such authorization when applicable.)

I, DAVID COLLIER (printed name of circulator), hereby certify that every person who signed this sheet did so in my presence.

X *David Collier* (signature of circulator)

CERTIFICATION OF PROPERTY OWNERS

The total landowners in the proposed annexation are 1 (qty). This petition reflects that 1 (qty) landowners (or legal representatives) listed on this petition represent a total of 100 (%) of the landowners and 100 (%) of the acres as determined by the map and tax lots attached to the petition. A&T is not responsible for subsequent deed activity which may not yet be reflected on the A&T computerized tax roll.

CERTIFICATION OF ELECTORS

The total active registered voters in the proposed annexation are 0. I hereby certify that this petition includes 0 valid signatures representing 100 (%) of the total active registered voters that are registered in the proposed annexation.

Carol J. [Signature]
Lane County Department of Assessment and Taxation
9-26-2016
Date Certified

[Signature]
Lane County Clerk or Deputy Signature
9/26/16
Date Certified

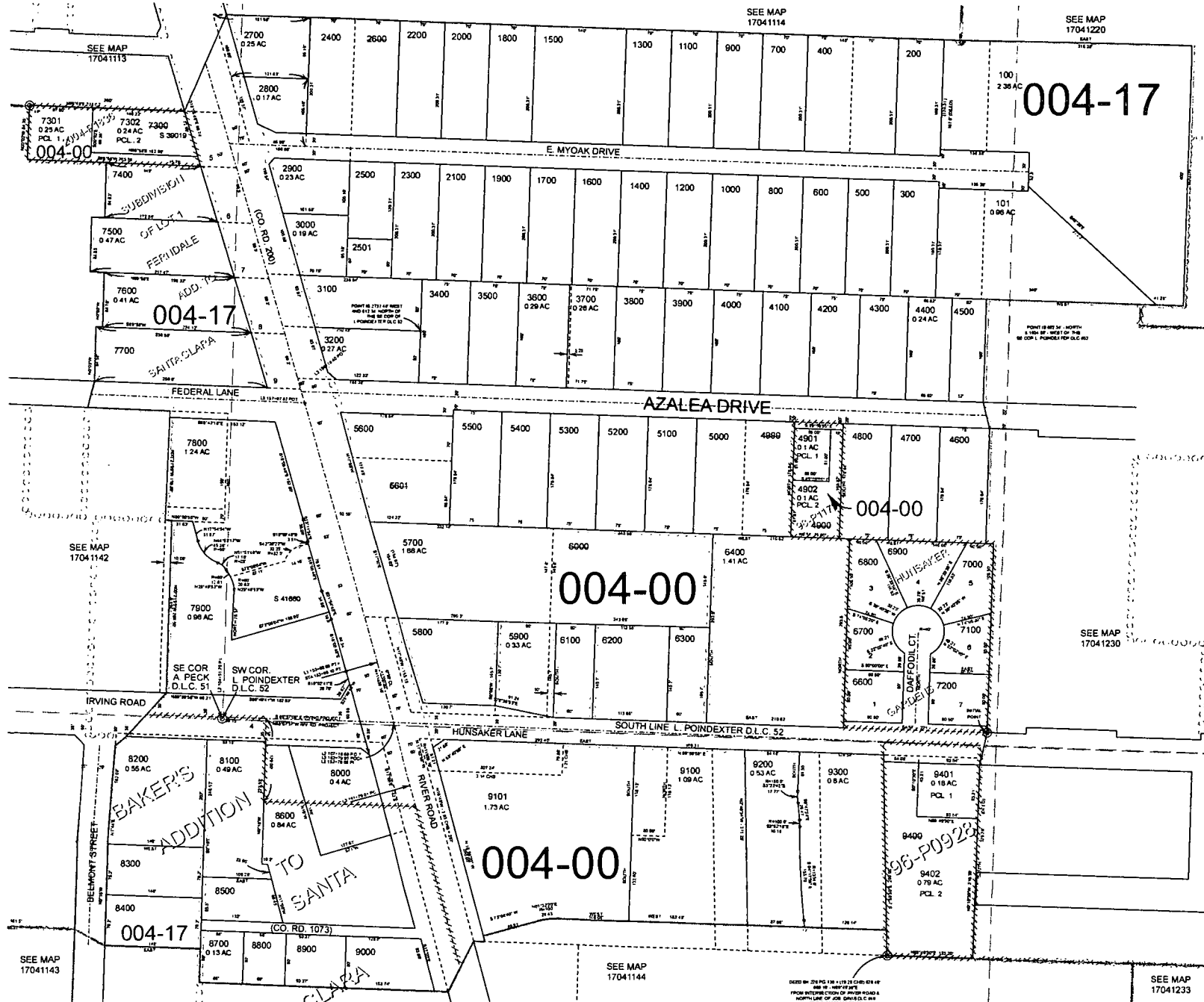
FOR ASSESSMENT AND
TAXATION ONLY

N.E. 1/4 S.E. 1/4 SEC. 11 T.17S. R.4W. W.M.
Lane County
1" = 100'

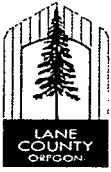
REVISIONS
04/30/2017 - LCAT113 - CONVERT MAP TO GIS

Attachment C
17041141
EUGENE

04/30/2017 - 2012-06-22 13:12



EUGENE
17041141



LANE COUNTY

Property Account Summary

As Of 9/26/2016 Status: Active

Account No.: 1596475 **Alternate Property Number:** 1704114109402
Account Type: Real Property
TCA: 00417
Situs Address: ADDRESS UNKNOWN
OR
Legal: Township 17 Range 04 Section 11 Quarter 41 TL 09402

Parties:

Role	Name & Address
Owner	COWAN DOUG 263 SPYGLASS DR EUGENE OR 97401
Taxpayer	COWAN DOUG 263 SPYGLASS DR EUGENE OR 97401

Property Values:

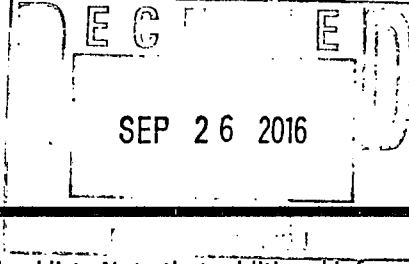
Value Name	2016	2015	2014	2013	2012
MKTTL	\$94,857	\$94,857	\$88,081	\$81,306	\$83,564
AVR	\$46,255	\$44,908	\$43,600	\$42,330	\$41,097
TVR	\$46,255	\$44,908	\$43,600	\$42,330	\$41,097

Property Characteristics:

Tax Year	Characteristic	Value
2016	Property Class	190 Potential dev vacant
	Change Property Ratio	1XX Residential
	Size	0.79
	Code Split	N
	Neighborhood	431500

Exemptions:

(End of Report)



Please complete the following application checklist. Note that additional information may be required upon further review in order to adequately address the applicable criteria for approval. If you have any questions about filling out this application, please contact Planning staff at the Permit and Information Center, phone (541)682-5377, 99 West 10th Avenue, Eugene.

List all Assessor's Map and Tax Lot numbers of the property included in the request.

Assessor's Map	Tax Lot	Zoning	Acreage
17-04-11-41	9402	R1	0.78

Property Address: (VACANT)

Plans for Future Development & Permit Number (if applicable): _____

Public Service Districts:

Name			
Parks:			
Electric:	EWEB		
Water:	EWEB		
Sanitary Sewer:	EUGENE		
Fire:	SANTA CLARA RFPD		
Schools:	Elementary: AUBREY	Middle: MADISON	High: NORTH
Other:			

Filing Fee

\$ 5155⁷⁰

- ☐ A filing fee must accompany all applications. The fee varies depending upon the type of application and is adjusted periodically by the City Manager. Check with Planning staff at the Permit and Information Center to determine the required fee or check website at www.eugeneplanning.org

Written Statement (Submit 5 copies)

- ☐ Submit a detailed written statement describing how this request is consistent with all applicable criteria (Section 9.7825 of the Eugene Code).

Site Plan Requirements

Submit 3 paper copies and 1 digital copy of a site plan, drawn to an engineer's scale on 8 1/4" x 14" sheet of paper. Site plans shall include the following information:

- ☐ Show the date & north arrow on site plan.
- ☐ Show the Assessor's Map and Tax Lot number(s) on the site plan.
- ☐ Show a vicinity map on the site plan (vicinity map does not need to be to scale).
- ☐ Show city limits & UGB (if applicable)
- ☐ Clearly label the affected territory and any public right of ways to be annexed.
- ☐ Show all adjacent streets, alleys, and accessways.
- ☐ Show all dimensions of existing public utility easements and any other areas restricting use of the parcels, such as conservation areas, slope easements, access easements, etc.
- ☐ Show the location of all existing structures.

Other Application Requirements (Submit 3 paper copies and 1 digital copy of all)

- ☐ Petition for Annexation form listing all owners, including partial owners, and electors. This form includes the Certification of Electors which must be signed by the Lane County Elections/Voter Registration Department and also includes the Verification (Certification) of Property Owners which must be signed by the Lane County Department of Assessment and Taxation. *This form is required even if the land is vacant.*
- ☐ Notarized Consent to Annexation form.
- ☐ A legal description of the land proposed for annexation, including any public right of way prepared by a registered land surveyor. Oregon Revised Statutes (ORS) 308.225 requires submittal of a closing metes and bounds description or subdivision block and lot number description. Please see example of acceptable legal descriptions contained in the application packet. The legal description must exactly correspond with the map included with the application or the Assessor's map.
- ☐ Summary of Urban Service Provision form.
- ☐ A county Assessor's cadastral map. *(Available at Lane County Assessment & Taxation)*
- ☐ Census Information Sheet.

Note: This is not a complete list of requirements. Additional information may be required after further review in order to adequately address the applicable approval criteria.

By signing, the undersigned certifies that he/she has read and understood the submittal requirements outlined, and that he/she understands that omission of any listed item may cause delay in processing the application. I (We), the undersigned, acknowledge that the information supplied in this application is complete and accurate to the best of my (our) knowledge. Attachment C

PROPERTY OWNER OF TAX LOT: 9204

Name (print): DOUG COWAN

Address: 263 SPYGLASS DR.

Email:

City/State/Zip: EUGENE, OR 97401

Phone:

Fax:

Signature: Doug Cowan

Date: 9-23-16

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____

Address: _____

Email: _____

City/State/Zip: _____

Phone: _____

Fax: _____

Signature: _____

Date: _____

PROPERTY OWNER OF TAX LOT: _____

Name (print): _____

Address: _____

Email: _____

City/State/Zip: _____

Phone: _____

Fax: _____

Signature: _____

Date: _____

SURVEYOR:

Name (print): DAVE COLLIER

Company/Organization: PACIFIC SURVEYING, INC.

Address: 75506 BLUE MOUNTAIN SCHOOL RD.

City/State/Zip: COTTAGE GROVE 97424 Phone: 541-767 Fax: 0790

E-mail: PACIFICSURVEY@FASTMAIL.FM

Signature: Dave Collier Date: 9-20-16

REPRESENTATIVE (If different from Surveyor):

Name (print):

Company/Organization:

Address:

City/State/Zip:

Phone:

Fax:

E-mail:

Signature:

Date:

****Attached additional sheets if necessary.**

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Appointment to the Citizen Planning Committee of the Whilamut Natural Area of Alton Baker Park

Meeting Date: December 12, 2016
Department: Public Works - Parks & Open Space
www.eugene-or.gov

Agenda Item Number: 2F
Staff Contact: Jesse Cary-Hobbs
Contact Telephone Number: 541-682-4826

ISSUE STATEMENT

This is an action item requesting the City Council to appoint one member to a current vacancy on the Citizen Planning Committee of the Whilamut Natural Area of Alton Baker Park (CPC).

BACKGROUND

The CPC is a 15-member intergovernmental committee formed to develop, and then monitor implementation of, the East Alton Baker Park Plan in consultation with Willamalane Park and Recreation District and City of Eugene Parks and Open Space Division. Ten members are appointed by the Eugene City Council; five by the Willamalane Park and Recreation District Board. The entirety of East Alton Baker Park was renamed the Whilamut Natural Area in 2002 at the initiation of the CPC.

CPC members Erin Walker and Theresa Brand recently resigned from the committee mid-term. The CPC has recommended Carolyn Gilkey, an applicant for the position from last summer's recruitment period, to fill past member Erin Walker's open position. Mayor Piercy reviewed this recommendation and supports the recommendation.

RELATED CITY POLICIES

The CPC serves as an advisory body to the City of Eugene Parks and Open Space Division and the Willamalane Parks and Recreation Board on activities and policies relating to implementation of the East Alton Baker Park Plan.

COUNCIL OPTIONS

1. Appoint Carolyn Gilkey to the CPC for an unexpired term ending on June 30, 2018.
2. Open a new recruitment period and seek additional candidates for this position.

CITY MANAGER'S RECOMMENDATION

The City Manager has no recommendation on this item; the appointments are made by the council.

SUGGESTED MOTION

Move to appoint Carolyn Gilkey to the Citizen Planning Committee of the Whilamut Natural Area of Alton Baker Park for an unexpired term ending on June 30, 2018.

ATTACHMENTS

- A. Application of Carolyn Gilkey
- B. CPC Chair email indicating Committee support for the appointment of Carolyn Gilkey.

FOR MORE INFORMATION

Staff Contact: Jesse Cary-Hobbs
Telephone: 541-682-4826
Staff E-Mail: jesse.a.cary-hobbs@ci.eugene.or.us



Interested Applicants

InterestedApplicants

12/2/2016 3:02:05 PM

Whilamut Natural Area Citizen Planning Committee

Name **Carolyn . Flatley-Gilkey**Address **3337 onyx place****eugene OR 97405**Occupation **retired librarian**

Business Address

eugene OR 97405

Optional Information

Gender **F** Age **56-65** Ethnicity **White/European American**

Additional Languages spoken

Education / Training

BA Archeology, BYU. MLS Library Science, BYU. MA Folklore, UCLA. PhD Folklore Univ. Pennsylvania

Community Service / Volunteer

**since 2006 Director of Eugene Family History Center
Member Assistance League of Eugene**Evening Phone **5413457428** Day Phone **5413457428**Do You Live within the City Limits? **N** If so how long? **35 years**Ward **2** Neighborhood **Southeast Neighbors**

Employer

Fax E-Mail **cFlatleyG2@gmail.com**How did you learn of this vacancy? **Friend**Disability **N** Description

Job Experience

**Librarian, Glendale, California
Librarian, Univ. Oregon
Sensei, Eugene school of Karate**

Personal Experience

I worked as an archeologist for the NFS, and on a mesolithic rock shelter in Yorkshire, England. My more recent interests are in behavior of living people and their interaction with the environment



Interested Applicants

InterestedApplicants

12/2/2016 3:02:05 PM

Personal Interest

I am a frequent user of the Wilamut Natural area and Alton Baker Park. I bicycle and walk the paths often and attend events in the park. I would like take part in making decisions about the area in order to maintain the environment.

Contribution

I have never been involved with civic government and I see this as a chance to understand better how decisions are made. Because I am actually affected as a park user, the Citizen Planning Committee gives me an opportunity to influence governance of the environment.

1 Have you been a frequent visitor to the Whilamut Natural Area? What do you most enjoy about the park?

I often ride my bike on the paths and walk the trails with my daughter and grandson. The paths are fun to ride and give the opportunity for bird and wildlife watching.

2 The Citizen Planning Committee (CPC) meets as a full committee on a quarterly basis and all members are expected to attend. There are additional opportunities for involvement which include subcommittees which focus on specific park issues and volunteer work parties in the park. Would you be able or willing to participate in these additional activities?

Yes, I can do that.

3 Describe your top three interest areas or issues regarding the Whilamut Natural Area of Alton Baker Park.

Environmental education

Cultural education

wildlife preservation

4 The CPC works with the City of Eugene, Willamalane Park and Recreation District and other organizations. What specific strengths and attributes can you contribute to the CPC?

I am actually interested in park usage both in Eugene and Springfield. I am a good listener and can appreciate many perspectives on issues.

5 Please cite an example in which a wide range of opinions surfaced within a group to which you belonged, and your role in bringing divergent sides toward resolution.

I can't think of an example, because I am comfortable with differences of opinion.

ATTACHMENT B

November 14, 2016

Mayor Kitty Piercy
City of Eugene

RE: Vacancy Appointment to the Citizen Planning Committee of the Whilamut Natural Area (CPC)

Dear Mayor Piercy:

In October of this year we had two resignations from members in the CPC Eugene side. One member's term was to expire in 2018 and the other resigning member was serving her second three year term, to be over in June 2017.

We had three applicants from Eugene for one vacancy this summer and accepted one. Since our two new vacancies we approached the other two candidates and asked if they would agree to serve on the CPC. One candidate has since moved out of area, but the other, Carolyn Gilkey, would be delighted to serve on the CPC; thus, taking over the term of the June 2017 resigned member.

I have sent a notice to all the entire current CPC asking if there would be any objection to Carolyn serving as a CPC member without re-recruiting her. To date there is no objection. However, we will have to go into the recruitment process for our other vacancy.

We ask that you appoint Ms. Gilkey as a CPC member from Eugene so that we can include her in our January 2017 next meeting.

Thank you for your time and service to Eugene and your friendship with the CPC.

Colleen McCaffrey
CPC Chair

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Action: Resolution Acknowledging Receipt of the Annual Financial Report of the Urban Renewal Agency of the City of Eugene for the Fiscal Year Ended June 30, 2016

Meeting Date: December 12, 2016
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Douglas Lauderbach
Contact Telephone Number: 541-682-5026

ISSUE STATEMENT

This is a resolution acknowledging receipt of the Annual Financial Report (Report) of the Urban Renewal Agency (Agency) of the City of Eugene for the fiscal year ended June 30, 2016. This resolution demonstrates compliance with ORS 297.465(2), which requires that a copy of the Agency's financial report, containing a signed expression of opinion, be furnished to each member of the governing body. The resolution is included as Attachment A.

BACKGROUND

Under Oregon Municipal Audit Law, the Agency is required each fiscal year to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs (ORS 297.425). The regional firm of Isler CPA (auditors) has completed the audit of the Agency's annual financial report for the fiscal year ended June 30, 2016 and issued an unmodified opinion on the basic financial statements.

The key portions are the two auditors' reports on pages 3-5 and pages 45-46. In the first report, the auditors have issued a "clean opinion" on the Agency's basic financial statement, indicating that the Agency has prepared the statements in conformity with generally accepted accounting principles (GAAP). GAAP for state and local governments is promulgated by the Governmental Accounting Standards Board to ensure consistency in accounting and comparability in financial reporting among state and local governments. A clean opinion is a fundamental financial goal for every government, as it represents the highest level of opinion a government can receive from its independent auditors. A clean opinion is an important indicator of sound financial management and creditworthiness to the citizens, other governmental jurisdictions (state and federal), credit rating agencies, investment bankers, bond holders, and other private sector entities.

In the second report, the auditors address the Agency's compliance with applicable provisions of Oregon Revised Statutes including requirements related to debt, deposit of public funds, preparation and adoption of the budget, accounting records and related internal control structure, etc. The auditors noted that nothing came to their attention that caused them to believe that the Agency was not in compliance with state regulations. The auditors conduct the audit of the Agency's basic financial statements in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations.

Management is responsible for the information contained in, and the preparation of, the Agency's financial statements. To effectively fulfill this responsibility and to contain the cost of auditor services, staff devotes significant effort to the closing of accounting records, the preparation of schedules and audit work papers, and the production of the Annual Financial Report. This also results in staff expertise being developed on specific financial and service issues that can then be used to assist departments and other pertinent parties.

RELATED POLICY ISSUES

Policy B.1 of the City's Financial Management Goals and Policies states that "The City will maintain an accounting and financial reporting system that allows reporting in conformance with Generally Accepted Accounting Principles and Oregon Local Budget Law and will issue a Comprehensive Annual Financial Report each fiscal year." This action signifies formal completion of this process for the fiscal year ended June 30, 2016, and demonstrates the Agency's compliance with the policy.

AGENCY OPTIONS

None.

AGENCY DIRECTOR'S RECOMMENDATION

The Agency Director recommends adoption of the Resolution.

SUGGESTED MOTION

Move to adopt Resolution 1080, acknowledging receipt of the Annual Financial Report for the Urban Renewal Agency of the City of Eugene for the fiscal year ended June 30, 2016.

ATTACHMENTS

A. Resolution

FOR MORE INFORMATION

Staff Contact: Douglas Lauderbach
Telephone: 541-682-5026
Staff E-Mail: douglas.k.lauderbach@ci.eugene.or.us

RESOLUTION NO.

A RESOLUTION ACKNOWLEDGING THE RECEIPT OF THE
ANNUAL FINANCIAL REPORT OF THE URBAN RENEWAL
AGENCY OF THE CITY OF EUGENE, FOR THE FISCAL YEAR
ENDED JUNE 30, 2016

The Urban Renewal Agency of the City of Eugene finds that:

The firm of Isler CPA has completed the audit of the financial statements of the Urban Renewal Agency of the City of Eugene for the fiscal year ended June 30, 2016, as required by ORS 297.425 and, pursuant to ORS 297.465, reported to the Board on its findings.

NOW, THEREFORE,

BE IT RESOLVED by the Urban Renewal Agency of the City of Eugene, as follows:

Section 1. That the Board hereby acknowledges that it has received the "Annual Financial Report of the Urban Renewal Agency, a Component Unit of the City of Eugene, for the fiscal year ended June 30, 2016."

The foregoing resolution adopted the 12th day of December, 2016.

Director

URBAN RENEWAL AGENCY

A Component Unit of the City of Eugene, Oregon

Annual Financial Report



**Fiscal Year Ended
June 30, 2016**

URBAN RENEWAL AGENCY

A Component Unit of the City of Eugene, Oregon

Annual Financial Report

Fiscal Year Ended June 30, 2016

(With Independent Auditors' Report Thereon)

Report Prepared by the City of Eugene
Finance Division

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Annual Financial Report

Year Ended June 30, 2016

Table of Contents

	<u>Exhibit/ Schedule</u>	<u>Page(s)</u>
Principal Officials		1
Independent Auditors' Report		3 - 5
Management's Discussion and Analysis		7 - 11
Basic Financial Statements:		
<i>Government-wide Financial Statements:</i>		
Statement of Net Position	1	15
Statement of Activities	2	16
<i>Fund Financial Statements:</i>		
Balance Sheet - Governmental Funds	3	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	4	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5	19
Notes to Basic Financial Statements		21 - 29
Required Supplementary Information:		
<i>Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:</i>		
General Fund	A – 1	33
Riverfront Special Revenue Fund	A – 2	34
Other Supplementary Information:		
<i>Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:</i>		
Debt Service Fund	B – 1	37
Capital Projects Fund	B – 2	38
Riverfront Capital Projects Fund	B – 3	39
Riverfront Program Revenue Fund	B – 4	40

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Annual Financial Report

Table of Contents, continued

	<u>Exhibit/ Schedule</u>	<u>Page(s)</u>
Audit Comments and Disclosures:		
Independent Auditors' Report Required by Oregon State Regulations		45 - 46

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Principal officials as of June 30, 2016

	<u>Name</u>	<u>Term Expires</u>
Mayor:	Kitty Piercy	January 2017
Board Members:	George Brown	January 2017
	Betty Taylor	January 2017
	Alan Zelenka	January 2019
	George Poling	January 2019
	Mike Clark	January 2019
	Greg Evans	January 2019
	Claire Syrett	January 2017
	Chris Pryor	January 2017
Director:	Jon R. Ruiz	

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Members of the Urban
Renewal Agency Board and Administrator of the
Urban Renewal Agency of the City of Eugene, Oregon

An Independently Owned Member
McGLADREY ALLIANCE



Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Urban Renewal Agency of the City of Eugene, Oregon ("Urban Renewal Agency") (a component unit of the City of Eugene, Oregon) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Urban Renewal Agency as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis ("MD&A") on pages 7 through 11 and the budgetary comparison information for the General Fund and Riverfront Special Revenue Fund on pages 33 and 34 be presented to supplement the basic financial statements. The MD&A, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the MD&A in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the MD&A because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency's basic financial statements. The budgetary comparison information for the General Fund and Riverfront Special Revenue Fund on pages 33 and 34 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency's basic financial statements. The other supplementary information (pages 37 through 40) is presented for purposes of additional analysis and is not a required part of the financial statements.

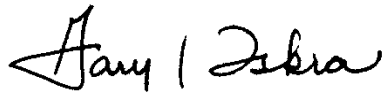
This information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards

generally accepted in the United States of America. In our opinion, the other supplementary information (pages 37 through 40) is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated November 25, 2016 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report on pages 45 to 46 is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

ISLER CPA

A handwritten signature in black ink that reads "Gary Iskra". The signature is written in a cursive, flowing style.

By: Gary Iskra, CPA, a member of the firm
Eugene, Oregon
November 21, 2016

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Management's Discussion and Analysis

The management of the Urban Renewal Agency (Agency), a component unit of the City of Eugene, Oregon presents this narrative overview and analysis to facilitate both a short and a long-term analysis of the financial activities of the Agency for the fiscal year ended June 30, 2016 (FY16). This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditors' report.

Financial Highlights

- The net position of the Agency (assets less liabilities) at June 30, 2016 was \$16,977,226. Of this amount, \$16,307,149 was unrestricted, subject to Agency fund limitations.
- At June 30, 2016, the Agency's governmental funds reported combined ending fund balances of \$14,954,010. Of that amount, \$13,964,010 is available for spending at the Agency's discretion, subject to fund limitations.
- The General Fund's fund balance was \$1,938,233 at the end of FY16. General Fund expenditures for FY16 were \$133,796. The General Fund contains operations for the Downtown District.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Examples of such items include earned, but uncollected, property taxes.

The Agency focuses on planning and development activities within the boundaries of the two urban renewal districts in the City of Eugene. Both government-wide financial statements provide information on these activities, which is supported mainly by property taxes.

The government-wide financial statements can be found on Exhibits 1 and 2 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Agency are governmental funds.

Governmental funds. Governmental funds are used to account for activities where emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations can be found on Exhibits 3 and 5 of this report.

The Agency maintains two taxing districts: the Downtown District and the Riverfront District. The Agency maintains six individual governmental funds to account for these two districts: a general fund, a debt service fund, and a capital projects fund for the Downtown District; and a special revenue fund, a program revenue fund, and a capital projects fund for the Riverfront District. Information for each fund is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances.

The basic governmental fund financial statements can be found on Exhibits 3 and 4 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Required supplementary information. The Agency adopts an annual appropriated budget for all its funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the General Fund and the Riverfront Special Revenue Fund as required supplementary information.

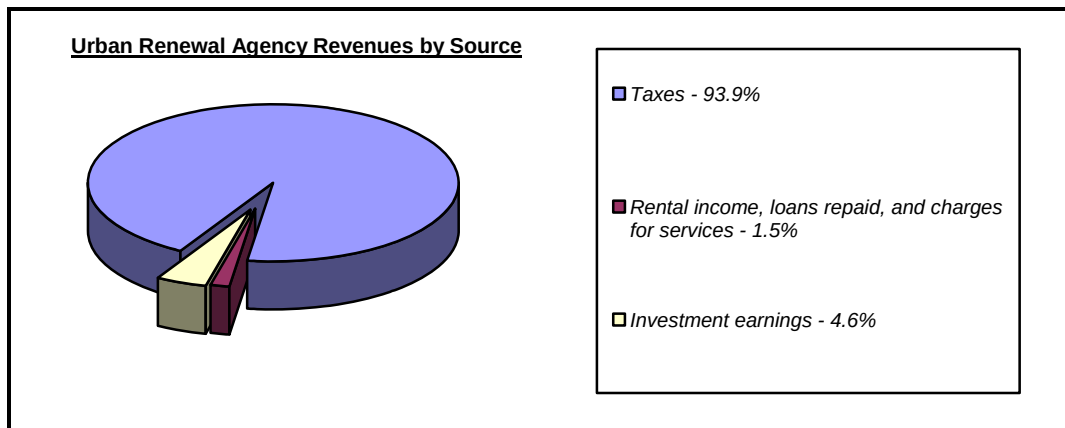
Government-wide Financial Analysis

The Agency's assets exceeded liabilities by \$16,977,226 at the close of the most recent fiscal year compared to a net position of \$14,531,628 in the previous year.

A portion of the Agency's net position (3.95%) reflects its investment in capital assets (land). The Agency uses these capital assets to plan and develop designated properties within the urban renewal district boundaries. Consequently, these assets are not available for future spending. The remaining balance of net position (\$16,307,149) may be used to meet the government's ongoing obligations, in accordance with the Urban Renewal Plans and subject to fund limitations.

Urban Renewal Agency's Net Position		
	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 17,549,476	17,351,588
Capital assets	<u>670,077</u>	<u>495,794</u>
Total assets	<u>18,219,553</u>	<u>17,847,382</u>
Noncurrent liabilities	298,000	2,376,000
Other liabilities	<u>944,327</u>	<u>939,754</u>
Total liabilities	<u>1,242,327</u>	<u>3,315,754</u>
Net position:		
Invested in capital assets	670,077	495,794
Unrestricted	16,307,149	14,035,834
Total net position	<u>\$ 16,977,226</u>	<u>14,531,628</u>

Urban Renewal Agency's Change in Net Position		
	<u>2016</u>	<u>2015</u>
Revenues:		
Program revenues:		
Rental income, loans repaid, and charges for services	\$ 59,203	139,450
General revenues:		
Taxes	3,589,297	3,236,450
Investment earnings	<u>174,419</u>	<u>113,179</u>
Total revenues	<u>3,822,919</u>	<u>3,489,079</u>
Expenses:		
Urban renewal redevelopment	<u>1,377,321</u>	<u>599,539</u>
Total expenses	<u>1,377,321</u>	<u>599,539</u>
Increase (decrease) in net position	2,445,598	2,889,540
Net position, July 1	14,531,628	11,642,088
Net position, June 30	<u>\$ 16,977,226</u>	<u>14,531,628</u>



Fund-based Financial Analysis

As previously discussed, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, spendable fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Agency reported combined ending fund balances of \$14,954,010. Approximately 93% of this total amount (\$13,964,010) is available for spending at the Agency's discretion, subject to fund limitations. The remainder of fund balance (\$990,000) is not available for new spending because it represents nonspendable assets held for resale.

The General Fund is the chief operating fund of the Agency and houses operations for the Downtown District, including the non-tax increment revenue and expenditures associated with the Downtown Revitalization Loan Program which provides loans to property owners and businesses in the plan area. At the end of the current fiscal year, the total fund balance was \$1,938,233, all of which was available to spend.

The downtown district capital projects fund recorded an \$860,160 expenditure for the donation of the old Bradford's building, located at 942 Olive Street, to the University of Oregon. This represents the City's contribution to the Regional Accelerator & Innovation Network project.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was an increase of \$1,299,744. This increase was funded by unspent resources from the prior year and current year resources.

Capital Assets and Debt Administration

Capital assets. The City maintains all of its assets, including those of the Agency. The Agency's investment in capital assets for its governmental activities as of June 30, 2016 amounted to \$670,077.

Urban Renewal Agency's Capital Assets, Net of Accumulated Depreciation		
	2016	2015
Land	667,727	493,317
Improvements	2,350	2,477
Total capital assets	\$ 670,077	495,794

Additional information on the Agency's capital assets can be found in note (4)(C) of this report.

Noncurrent liabilities. On May 25, 2011, the Agency issued \$7,900,000 of Downtown Urban Renewal District Tax Increment Bonds, Series 2011 A, bearing a fixed interest rate of 5.20% and maturing on June 1, 2020. The proceeds of the bonds were used to refund \$4.4 million in principal associated with the City's Broadway Garages limited tax bonds and provide \$3.5 million in financial assistance to Lane Community College for construction of their new Downtown campus. During the year the Agency paid the scheduled principal payment of \$878,000 plus \$1.2 million of additional "early" principal payment to reduce the remaining debt obligation. Additional information on the Agency's noncurrent liabilities can be found in note (4)(D) of this report.

Next Year's Budgets and Rates

For FY17, the following factors were taken into account when developing the urban renewal budgets:

- Property taxes in both the Downtown and Riverfront Districts are predicted to increase due to a projected increase in the assessed value of properties in the districts.
- The property tax collection rate for both districts is estimated to be 94% in FY17. The FY16 collection rate was 95.9% overall with the Riverfront District being 95.7% and the Downtown district being 96.1%.

The Downtown District FY17 budget includes principal and interest payments on debt issued, loan program management, and general oversight.

There are no new projects planned in the Riverfront District for FY17, although planning continues for redevelopment of the EWEB property.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in the Agency. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to:

Douglas Lauderbach, CPA
Financial Reporting Manager, AIC
City of Eugene
100 West 10th Avenue, Suite 400
Eugene, Oregon 97401

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BASIC FINANCIAL STATEMENTS

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Statement of Net Position

June 30, 2016

(amounts in dollars)

AssetsCurrent Assets

Equity in pooled cash and investments	13,949,843
Receivables (net of allowance)	2,599,160
Due from other governments	10,473
Assets held for resale	990,000
Total current assets	17,549,476

Noncurrent assets

Capital assets:

Land	667,727
Other capital assets (net of accumulated depreciation)	2,350
Total noncurrent assets	670,077
Total assets	18,219,553

LiabilitiesCurrent liabilities

Accounts payable and other liabilities	20,327
Bonds payable	924,000
Total current liabilities	944,327

Noncurrent liabilities

Bonds payable	298,000
Total noncurrent liabilities	298,000
Total liabilities	1,242,327

Net position

Invested in capital assets	670,077
Unrestricted	16,307,149
Total net position	16,977,226

The accompanying notes are an integral part of the financial statements.

Statement of Activities

For the fiscal year ended June 30, 2016

(amounts in dollars)

	Program Revenues				Net Expense and Changes in Net Assets
	<u>Expenses</u>	<u>Rental income, loans repaid, and charges for services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total</u>
<u>Functions/Programs</u>					
<u>Governmental activities:</u>					
Urban renewal redevelopment	1,377,321	59,203	0	0	(1,318,118)
Total governmental activities	1,377,321	59,203	0	0	(1,318,118)
<u>General revenues:</u>					
Property taxes					3,589,297
Unrestricted investment earnings					174,419
Total general revenues					3,763,716
Change in net position					2,445,598
Net position, July 1, 2015					14,531,628
Net position, June 30, 2016					16,977,226

The accompanying notes are an integral part of the financial statements.

Balance Sheet*Governmental Funds*

June 30, 2016

(amounts in dollars)

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Riverfront Special Revenue</u>	<u>Riverfront Capital Projects</u>	<u>Riverfront Program Revenue</u>	<u>Total Governmental Funds</u>
<u>Assets</u>							
Equity in pooled cash and investments	1,921,030	1,053,366	540,129	6,753,844	686,568	2,994,906	13,949,843
Receivables:							
Interest	9,823	36,949	0	18,945	0	0	65,717
Taxes	0	154,847	0	98,977	0	0	253,824
Accounts	145,740	0	0	0	0	0	145,740
Loans and notes	2,380,588	0	0	0	0	0	2,380,588
Allowance for uncollectibles	(145,740)	0	0	0	0	0	(145,740)
Due from other governments	0	6,256	0	4,217	0	0	10,473
Assets held for resale	0	0	0	0	990,000	0	990,000
Total assets	4,311,441	1,251,418	540,129	6,875,983	1,676,568	2,994,906	17,650,445
<u>Liabilities</u>							
Accounts payable	1,523	0	0	420	13,071	0	15,014
Due to other governments	0	0	0	18	0	0	18
Total liabilities	1,523	0	0	438	13,071	0	15,032
<u>Deferred inflows of resources</u>							
Unavailable revenue	2,371,685	191,796	0	117,922	0	0	2,681,403
Total deferred inflows of resources	2,371,685	191,796	0	117,922	0	0	2,681,403
<u>Fund balances</u>							
Nonspendable	0	0	0	0	990,000	0	990,000
Restricted	1,938,233	1,059,622	540,129	6,757,623	673,497	2,994,906	13,964,010
Total fund balances	1,938,233	1,059,622	540,129	6,757,623	1,663,497	2,994,906	14,954,010
Total liabilities, deferred inflows of resources, and fund balances	4,311,441	1,251,418	540,129	6,875,983	1,676,568	2,994,906	

Reconciliation to the Statement of Net Position:

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.

2,580,434

Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.

670,077

All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds.

(1,227,295)

Total net position

16,977,226

The accompanying notes are an integral part of the financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the fiscal year ended June 30, 2016

(amounts in dollars)

	General	Debt Service	Capital Projects	Riverfront Special Revenue	Riverfront Capital Projects	Riverfront Program Revenue	Total Governmental Funds
Revenues							
Taxes	0	2,040,614	0	1,529,742	0	0	3,570,356
Rental income	0	0	0	66,150	0	0	66,150
Repayment of revolving loans	261,811	0	0	0	0	0	261,811
Miscellaneous, primarily interest	63,941	36,967	3,669	59,705	5,230	4,906	174,418
Total revenues	325,752	2,077,581	3,669	1,655,597	5,230	4,906	4,072,735
Expenditures							
Current - departmental:							
Urban renewal program expenditures	133,796	0	860,160	194,372	0	0	1,188,328
Debt service:							
Principal	0	2,078,000	0	0	0	0	2,078,000
Interest	0	171,600	0	0	0	0	171,600
Capital outlay	0	0	0	0	200,681	0	200,681
Total expenditures	133,796	2,249,600	860,160	194,372	200,681	0	3,638,609
Excess (deficiency) of revenues over expenditures							
	191,956	(172,019)	(856,491)	1,461,225	(195,451)	4,906	434,126
Other financing sources (uses)							
Transfers in	126,000	0	0	0	0	2,990,000	3,116,000
Transfers out	0	(126,000)	0	(2,990,000)	0	0	(3,116,000)
Total other financing sources (uses)	126,000	(126,000)	0	(2,990,000)	0	2,990,000	0
Net change in fund balances	317,956	(298,019)	(856,491)	(1,528,775)	(195,451)	2,994,906	434,126
Fund balances, July 1, 2015	1,620,277	1,357,641	1,396,620	8,286,398	1,858,948	0	14,519,884
Fund balances, June 30, 2016	1,938,233	1,059,622	540,129	6,757,623	1,663,497	2,994,906	14,954,010

The accompanying notes are an integral part of the financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the fiscal year ended June 30, 2016

(amounts in dollars)

Net change in fund balances - total governmental funds	434,126
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds do not report expenditures for unpaid compensated absences, interest expense, or arbitrage since they do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs.	9,005
Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense.	174,283
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	(249,816)
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position.	2,078,000
Change in net position of governmental activities.	<u><u>2,445,598</u></u>

The accompanying notes are an integral part of the financial statements.

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URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

June 30, 2016

(1) Summary of Significant Accounting Policies

The financial statements of the Urban Renewal Agency (Agency) of the City of Eugene, Oregon (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

The more significant of the Agency's accounting policies are described below.

(A) The Financial Reporting Entity

The Agency's governing body is identical to the Eugene City Council, and because the services of the Agency are exclusively for the benefit of the City, the Agency has been determined under GAAP to be a component unit of the City. As a result, the funds of the Agency are blended with those of the City by including them in the appropriate statements and schedules of the City's Comprehensive Annual Financial Report, which can be viewed on the City's website at www.eugene-or.gov.

(B) Organization and Operation

The Urban Renewal Agency of the City of Eugene was established on July 10, 1967 as a separate political body charged with the responsibility to implement the Central Eugene Project (now the Downtown District) and Urban Renewal Plan. On May 24, 1982, the powers granted to the Agency under Oregon Revised Statutes Chapter 457 were transferred to the City Council of Eugene. On September 11, 1985 the Eugene City Council adopted the Riverfront Research Park Urban Renewal Plan (now the Riverfront Urban Renewal Plan).

The accounts of the Agency are organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating government functions and activities. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balances, revenues, and expenditures.

(C) Government-wide and Fund Financial Statements

The government-wide financial statements (Exhibits 1 and 2) report information on all activities of the Agency. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The Statement of Activities (Exhibit 2) demonstrates the degree to which the expenses of a given function are offset by program revenues. Program revenues include 1) rental income, loans repaid, and charges for services to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Grants and contributions not restricted are reported as general revenues rather than program revenues. Taxes and other items not properly included among program revenues are also reported as general revenues.

Fund financial statements (Exhibits 3 and 4) are provided for all governmental funds.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is measured by a fund. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are accounted for using an economic resources measurement focus, whereby all assets and liabilities are reported in the Statement of Net Position. The increases and decreases in net position are reported in the Statement of Activities. The accrual basis of accounting is used whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are accounted for using a current financial resources measurement focus. The Balance Sheet generally reports only current assets and current liabilities; and the Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases and decreases in fund balance. These funds use the modified accrual basis of accounting whereby revenues are recorded when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures, other than interest on long-term obligations, are recorded when the fund liability is incurred.

Real and personal property taxes were levied as of July 1 for the fiscal year on values assessed as of January 1. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in three installments on November 15, February 15, and May 15. All property taxes are billed and collected by Lane County and remitted to the Agency. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise, they are reported as deferred inflows of resources. In the government-wide financial statements, property tax revenues are fully recognized at the time of levy. Property taxes which are held at year-end by the collecting agency, Lane County, and are remitted to the City within the 60-day period are reported as "Due from other governments."

Repayment of revolving loans and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Rental income is typically received in advance and is reported as unearned when appropriate.

Governmental Funds

Governmental funds finance all of the functions of the Agency. The measurement focus is upon determination of changes in current financial resources, rather than upon net income determination. The following are the Agency's Downtown District governmental funds:

General Fund

The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are rental income, interest on investments, principal and interest payments on outstanding loans, and transfers from the Debt Service Fund. Primary expenditures of the General Fund are made for Downtown Revitalization Loan Program (DRLP) loans as well as to pay Downtown District management costs.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Governmental Funds, continued

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of tax increment resources and the payment of debt service on tax increment bonds and other expenditures within the Downtown District.

Capital Projects Fund

The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital projects within the Downtown District.

The following are the Agency's Riverfront District governmental funds:

Riverfront Special Revenue Fund

The Riverfront Special Revenue Fund is used to account for the accumulation of tax increment resources and to pay Riverfront District management costs.

Riverfront Capital Projects Fund

The Riverfront Capital Projects Fund is used to account for the financial resources that are restricted to expending for acquisition or construction of capital projects within the Riverfront District.

Riverfront Program Revenue Fund

The Riverfront Program Revenue Fund is used to account for program revenue and expenditures from the Riverfront District.

(E) Equity in Pooled Cash and Investments

The Agency invests cash through the City into various investment programs. Policies adopted by the City's Investment Advisory Board and the Eugene City Council authorize the City to invest in obligations of the U.S. Treasury and its agencies, time certificates of deposit, governmental money market bank deposit accounts, bankers' acceptances, municipal bonds, corporate bonds, commercial paper, repurchase agreements, reverse repurchase agreements, and the Oregon Local Government Investment Pool.

It is the City's policy to report at amortized cost all short-term, highly-liquid money market investments (including corporate bonds, commercial paper, bankers' acceptances, municipal bonds, and U.S. Treasury and agency obligations) and participating interest-earning investment contracts with a remaining maturity at time of purchase of one year or less. Such investments are stated at cost, increased by accretion of discounts and reduced by amortization of premiums, both computed by the straight-line method. Callable investments purchased at a discount are amortized to the maturity date, and callable investments purchased at a premium are amortized to the first call date. Investments with a remaining maturity at time of purchase of more than one year are valued at fair value.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(E) Equity in Pooled Cash and Investments, continued

The City maintains a common cash and investments pool for all City funds, including funds of the Agency. Interest earned on the pooled cash and investments is allocated quarterly based on each fund's average cash and investments balance as a proportion of the City's total pooled cash and investments. The City considers "cash" to include the pooled cash and investments, since the pool has the general characteristics of a demand deposit account, in that any participating fund may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty.

(F) Receivables

All receivables are shown net of an allowance for uncollectibles in the Statement of Net Position and the Governmental Funds Balance Sheet.

(G) Capital Assets

Capital assets are defined as tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. The capitalization threshold for capital assets is \$5,000. Tangible assets include land, rights-of-way (included with land), improvements, and infrastructure.

All Agency assets have been capitalized in the government-wide financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. Agency assets are valued at historical cost which is measured by the cash or cash equivalent price of obtaining an asset, including ancillary charges necessary to place the asset into its intended location and condition for use.

Upon disposal of an asset, cost and accumulated depreciation (if applicable) is removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized.

All assets are reported in the Statement of Net Position and any gain or loss upon disposal is recognized in the Statement of Activities in the urban renewal redevelopment function.

(H) Deferred Inflows of Resources

In addition to liabilities, the governmental fund balance sheet reports a separate section for deferred inflows of resources, if applicable. Deferred inflows of resources represent unavailable revenue that will be recognized in a future period(s). The Agency has two primary types of revenues that are reported in this section under the modified accrual basis of accounting. These revenues include: delinquent property taxes and notes receivable. These revenues are deferred and recognized as an inflow of resources in the period that the revenues become available.

(I) Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(I) Fund Balance, continued

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

(J) Indirect Expenses

The Agency's Statement of Revenues, Expenditures, and Changes in Fund Balances include reimbursement to the City's Central Services department for general services provided to the Agency by the City's General Fund. The charge for general service costs is based on an approved overhead cost plan. The overhead cost reimbursement has been included in program expenses in the Statement of Activities.

(2) Reconciliation of Government-wide and Fund Financial Statements

(A) Explanation of Certain Differences Between the Government-wide Statement of Net Position and the Governmental Fund Balance Sheet

The Balance Sheet for governmental funds (Exhibit 3) includes a reconciliation between total fund balances and total net position in the Statement of Net Position (Exhibit 1). The following are selected elements of that reconciliation:

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds. The details of this \$2,580,434 difference are as follows:

Receivables:		
Interest	\$	55,894
Taxes		253,824
Loans and notes		2,371,685
Subtotal		<u>2,681,403</u>
Allowance for uncollectibles		<u>(100,969)</u>
Net adjustment	\$	<u><u>2,580,434</u></u>

Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value. The details of this \$670,077 difference are as follows:

Capital assets reported in the Statement of Net Position:		
Land	\$	667,727
Other capital assets (net of accumulated depreciation)		2,350
Net adjustment	\$	<u><u>670,077</u></u>

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(2) Reconciliation of Government-wide and Fund Financial Statements, continued

(A) Explanation of Certain Differences Between the Government-wide Statement of Net Position and the Governmental Fund Balance Sheet, continued

All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds. The details of this \$1,227,295 difference are as follows:

Bonds payable	\$ (1,222,000)
Accrued interest payable	<u>(5,295)</u>
Net adjustment	<u>\$ (1,227,295)</u>

(B) Explanation of Certain Differences Between the Government-wide Statement of Activities and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances

The Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities is provided at Exhibit 5. The following are selected elements of that reconciliation:

Governmental funds do not report expenditures for unpaid compensated absences, interest expense, or arbitrage since they do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs. The details of this \$9,005 difference are as follows:

Accrued interest	\$ <u>9,005</u>
------------------	-----------------

Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense. The details of this \$174,283 difference are as follows:

Capital outlay	\$ 174,410
Depreciation expense	<u>(127)</u>
Net adjustment	<u>\$ 174,283</u>

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenue at their net realizable value when earned, regardless of when collected. The details of this \$249,816 difference are as follows:

Change in unavailable revenue from the following sources:	
Property taxes receivable	\$ 20,371
Notes receivable	<u>(407,551)</u>
Subtotal	(387,180)
Change in the allowance for doubtful receivables	<u>137,364</u>
Net adjustment	<u>\$ (249,816)</u>

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(2) Reconciliation of Government-wide and Fund Financial Statements, continued

(B) Explanation of Certain Differences Between the Government-wide Statement of Activities and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances, continued

Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position. The details of this \$2,078,000 difference are as follows:

Principal payments:	
Tax increment bonds	\$ <u>2,078,000</u>

(3) Stewardship, Compliance, and Accountability

(A) Budgetary Information

The City Manager (acting as the Agency Director) submits to the City Council of Eugene (acting as the Urban Renewal Agency Board under provisions of Oregon Revised Statute 457.460) a proposed operating and capital budget a sufficient length of time in advance to allow adoption of the budget prior to July 1.

Prior to July 1, the Agency legally adopts its annual budget for all funds through passage of a resolution. The resolution authorizes fund appropriations as current annual departmental requirements, debt service, capital outlay, interfund transfers, interfund loans, intergovernmental, and special payments. Expenditures cannot legally exceed appropriations at these control levels. Appropriations which have not been spent at year-end lapse, although an amending resolution passed in the subsequent year specifically provides for the reappropriation of prior-year lapsed encumbrances.

Unexpected additional resources or appropriations may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the Agency. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by passing an Agency resolution authorizing the transfer. All budget amendments are subject to the limitations put forth in the Oregon Revised Statutes Chapters 294.305 through 294.565 (Oregon Budget Law). The net effect of amending resolutions passed during the fiscal year was an appropriation increase of \$1,517,279.

(4) Detailed Notes on All Funds

(A) Equity in Pooled Cash and Investments

The City maintains a common cash and investments pool that is available for use by all funds, including the Agency. The Agency's portion of this pool is displayed in the Statement of Net Position and the Balance Sheet as "Equity in pooled cash and investments." Cash and investments are comprised of the following at June 30, 2016:

Deposits with banks	\$ 1,100,429
Investments	<u>12,849,414</u>
	\$ <u>13,949,843</u>

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(A) Equity in Pooled Cash and Investments, continued

Detailed information for the Agency's pooled cash and investments can be found in the City of Eugene's FY16 Comprehensive Annual Financial Report (Notes to Basic Financial Statements).

(B) Unavailable Revenue

Unavailable revenues are reported as a deferred inflow of resources in the governmental funds Balance Sheet. Unavailable revenues are reported in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The various components of unavailable revenue consist of the following:

		<u>Total</u>
Property taxes receivable:		
Debt Service Fund	\$	191,796
Riverfront Special Revenue Fund		117,922
Notes receivable:		
General Fund		<u>2,371,685</u>
Total unavailable/unearned revenue	\$	<u><u>2,681,403</u></u>

(C) Capital Assets

Capital assets activity for the year ended June 30, 2016 was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated				
Work in process	\$ 0	174,410	0	174,410
Land	<u>493,317</u>	<u>0</u>	<u>0</u>	<u>493,317</u>
Total capital assets, not being depreciated	<u>493,317</u>	<u>174,410</u>	<u>0</u>	<u>667,727</u>
Capital assets, being depreciated				
Improvements	<u>2,541</u>	<u>0</u>	<u>0</u>	<u>2,541</u>
Total capital assets being depreciated	<u>2,541</u>	<u>0</u>	<u>0</u>	<u>2,541</u>
Less accumulated depreciation for:				
Improvements	<u>(64)</u>	<u>(127)</u>	<u>0</u>	<u>(191)</u>
Total accumulated depreciation	<u>(64)</u>	<u>(127)</u>	<u>0</u>	<u>(191)</u>
Total capital assets, being depreciated, net	<u>2,477</u>	<u>(127)</u>	<u>0</u>	<u>2,350</u>
Governmental activities capital assets, net	<u>\$ 495,794</u>	<u>174,283</u>	<u>0</u>	<u>670,077</u>

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(D) Noncurrent Liabilities

The Urban Renewal Agency issues tax increment bonds to finance major construction projects within its districts. These bonds are serviced by tax increment revenues. When an urban renewal district is first created, the assessed property value within the district boundaries is established as a "frozen base". The Urban Renewal Agency receives property taxes related to the incremental increase in the property value that is in excess of the "frozen base."

On May 25, 2011, the Agency issued \$7,900,000 of Downtown Urban Renewal District Tax Increment Bonds, Series 2011 A, bearing a fixed interest rate of 5.20% and maturing on June 1, 2020. The proceeds of the bonds were used to refund \$4.4 million in debt service associated with the City's Broadway Garages limited tax bonds and \$3.5 million in financial assistance to Lane Community College for construction of their new Downtown campus.

<u>Governmental activities</u>	<u>Original issuance</u>	<u>Interest rates (%)</u>	<u>Ending balance</u>
Tax increment bonds:			
URA Tax Increment Bonds, Series 2011	\$ <u>7,900,000</u>	5.200%	<u>1,222,000</u>

Annual debt service requirements to maturity for the tax increment bonds are as follows:

<u>Fiscal year ending June 30</u>	<u>Governmental activities</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 924,000	63,544
2018	<u>298,000</u>	<u>15,496</u>
	<u>\$ 1,222,000</u>	<u>79,040</u>

(5) Other Information

(A) Risk Management

The Agency is a participant in the City's Risk and Benefits Internal Service Fund which accounts for and finances its risks of loss. Detailed information for the City's risk management function can be found in the City of Eugene's FY16 Comprehensive Annual Financial Report (Notes to Basic Financial Statements).

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REQUIRED SUPPLEMENTARY INFORMATION

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General Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2016

(amounts in dollars)

	Budget		Actual		GAAP basis
	<u>Original</u>	<u>Final</u>	<u>Budget basis</u>	<u>Adjustment</u>	
<u>Revenues</u>					
Rental income	0	0	0	0	0
Repayment of revolving loans	0	0	0	261,811	261,811
Miscellaneous	55,000	55,000	62,607	1,334	63,941
Total revenues	55,000	55,000	62,607	263,145	325,752
<u>Expenditures</u>					
Urban renewal program expenditures	134,654	134,654	133,796	0	133,796
Special payments	793,854	2,093,598	0	0	0
Total expenditures	928,508	2,228,252	133,796	0	133,796
Excess (deficiency) of revenues over expenditures	(873,508)	(2,173,252)	(71,189)	263,145	191,956
<u>Other financing sources (uses)</u>					
Principal payments received	450,000	450,000	261,811	(261,811)	0
Transfers in	126,000	126,000	126,000	0	126,000
Total other financing sources (uses)	576,000	576,000	387,811	(261,811)	126,000
Net change in fund balance	(297,508)	(1,597,252)	316,622	1,334	317,956
Fund balance, July 1, 2015	319,950	1,619,694	1,619,694	583	1,620,277
Fund balance, June 30, 2016	22,442	22,442	1,936,316	1,917	1,938,233

Riverfront Special Revenue Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2016

(amounts in dollars)

	Budget		Actual		GAAP
	<u>Original</u>	<u>Final</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>basis</u>
<u>Revenues</u>					
Taxes	1,415,500	1,415,500	1,529,742	0	1,529,742
Rental income	63,000	63,000	66,150	0	66,150
Miscellaneous	40,100	40,100	55,982	3,723	59,705
Total revenues	1,518,600	1,518,600	1,651,874	3,723	1,655,597
<u>Expenditures</u>					
Urban renewal program expenditures	333,360	333,360	194,372	0	194,372
Total expenditures	333,360	333,360	194,372	0	194,372
Excess (deficiency) of revenues over expenditures	1,185,240	1,185,240	1,457,502	3,723	1,461,225
<u>Other financing sources (uses)</u>					
Transfers out	(2,990,000)	(2,990,000)	(2,990,000)	0	(2,990,000)
Total other financing sources (uses)	(2,990,000)	(2,990,000)	(2,990,000)	0	(2,990,000)
Net change in fund balance	(1,804,760)	(1,804,760)	(1,532,498)	3,723	(1,528,775)
Fund balance, July 1, 2015	8,157,562	8,283,383	8,283,383	3,015	8,286,398
Fund balance, June 30, 2016	6,352,802	6,478,623	6,750,885	6,738	6,757,623

OTHER SUPPLEMENTARY INFORMATION

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Debt Service Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2016

(amounts in dollars)

			Actual	
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	1,985,000	2,040,614	0	2,040,614
Miscellaneous	11,000	36,406	561	36,967
Total revenues	1,996,000	2,077,020	561	2,077,581
<u>Expenditures</u>				
Debt service	2,253,000	2,249,600	0	2,249,600
Total expenditures	2,253,000	2,249,600	0	2,249,600
Excess (deficiency) of revenues over expenditures	(257,000)	(172,580)	561	(172,019)
<u>Other financing sources (uses)</u>				
Transfers out	(126,000)	(126,000)	0	(126,000)
Total other financing sources (uses)	(126,000)	(126,000)	0	(126,000)
Net change in fund balance	(383,000)	(298,580)	561	(298,019)
Fund balance, July 1, 2015	1,357,151	1,357,151	490	1,357,641
Fund balance, June 30, 2016	974,151	1,058,571	1,051	1,059,622

Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2016

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	3,000	3,326	343	3,669
Total revenues	3,000	3,326	343	3,669
<u>Expenditures</u>				
Current - departmental:				
Planning and development	0	0	860,160	860,160
Capital outlay	515,972	0	0	0
Total expenditures	515,972	0	860,160	860,160
Excess (deficiency) of revenues over expenditures	(512,972)	3,326	(859,817)	(856,491)
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	(512,972)	3,326	(859,817)	(856,491)
Fund balance, July 1, 2015	536,264	536,264	860,356	1,396,620
Fund balance, June 30, 2016	23,292	539,590	539	540,129

Riverfront Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2016

(amounts in dollars)

			Actual	
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	4,000	4,861	369	5,230
Total revenues	4,000	4,861	369	5,230
<u>Expenditures</u>				
Capital outlay	472,886	200,681	0	200,681
Total expenditures	472,886	200,681	0	200,681
Excess (deficiency) of revenues over expenditures	(468,886)	(195,820)	369	(195,451)
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	(468,886)	(195,820)	369	(195,451)
Fund balance, July 1, 2015	868,632	868,632	990,316	1,858,948
Fund balance, June 30, 2016	399,746	672,812	990,685	1,663,497

Riverfront Program Revenue*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2016

(amounts in dollars)

	Budget	Actual		
	<u>Original</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	5,000	1,918	2,988	4,906
Total revenues	5,000	1,918	2,988	4,906
<u>Expenditures</u>				
Special payments	1,000,000	0	0	0
Total expenditures	1,000,000	0	0	0
Excess (deficiency) of revenues over expenditures	(995,000)	1,918	2,988	4,906
<u>Other financing sources (uses)</u>				
Transfers in	2,990,000	2,990,000	0	2,990,000
Total other financing sources (uses)	2,990,000	2,990,000	0	2,990,000
Net change in fund balance	1,995,000	2,991,918	2,988	2,994,906
Fund balance, July 1, 2015	0	0	0	0
Fund balance, June 30, 2016	1,995,000	2,991,918	2,988	2,994,906

AUDIT COMMENTS

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AUDIT COMMENTS
(Comments and Disclosures Required by State Regulators)

Oregon Administrative Rules 162-10-000 through 162-10-320, of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

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INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

To the Honorable Mayor, Members of the Urban
Renewal Agency Board and the Administrator
City of Eugene, Oregon



We have audited the basic financial statements of the Urban Renewal Agency ("Urban Renewal Agency") of the City of Eugene, Oregon as of and for the year ended June 30, 2016, and have issued our report thereon dated November 21, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

Compliance

As part of obtaining reasonable assurance about whether the Urban Renewal Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 to 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the Urban Renewal Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Urban Renewal Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Urban Renewal Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Urban Renewal Agency internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor, members of the Urban Renewal Agency Board, the Administrator and management of the Urban Renewal Agency of the City of Eugene, Oregon and the Secretary of State, Audits Division, of the State of Oregon and is not intended to be and should not be used by anyone other than those specified parties.

ISLER CPA

A handwritten signature in black ink that reads "Gary Iskra". The signature is written in a cursive, flowing style.

By: Gary Iskra, CPA, a member of the firm

Eugene, Oregon
November 21, 2016

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Public Hearing and Action: Resolution Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2016, and Ending June 30, 2017

Meeting Date: December 12, 2016
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Twylla Miller
Contact Telephone Number: 541-682-8417

ISSUE STATEMENT

Urban Renewal Agency (URA) Board approval of the first Supplemental Budget (SB1) for Fiscal Year 2017 (FY17) is requested. Oregon Local Budget Law (ORS 294.471) allows for supplemental budgets in the event of “an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning”. ORS 294.471 also allows for a supplemental budget if there are “funds that are made available by another unit of federal, state or local government and the availability of which could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period”. This Supplemental Budget does not authorize any increase in the property tax levy and has been published in compliance with the Oregon Local Budget Law.

BACKGROUND

The Supplemental Budget that occurs in December of a fiscal year is usually the largest because of the audit adjustments to budgeted Beginning Working Capital and the reappropriation of funds from the prior fiscal year for contracts, program initiatives or projects that were started but not completed in that fiscal year. This Supplemental Budget consists of transactions to amend the Urban Renewal Agency budget to reconcile Beginning Working Capital and Capital Carryover, to reappropriate those dollars or place them into reserve, and authorizes other unanticipated changes in legal appropriations.

Transactions Related to Beginning Working Capital

Isler & Company, LLC, the Urban Renewal Agency's external auditor, has completed its Fiscal Year 2016 (FY16) audit of Beginning Working Capital, and this Supplemental Budget includes Marginal Beginning Working Capital (MBWC) adjustments for all URA funds. The MBWC is the difference between the estimate of FY16 ending working capital that was made in the FY17 Adopted Budget and the audited actual FY16 ending working capital. The total audited adjustment to the FY17 budgeted Beginning Working Capital for all URA funds is an increase of \$38,631.

A detailed description of these transactions is provided in Attachment A.

One-Time Funding Requests

There are several one-time funding requests that are designed to implement Council direction on two key projects: Downtown URA Plan Amendment projects and redevelopment of the EWEB Riverfront site.

- Reducing the URA Downtown Debt Service Fund's Balance Available by \$484,462 and transferring this amount to the URA Downtown General Fund for personnel and attorney fees (\$284,462) to support the project work of the district and to fund the public engagement contract and Old LCC building consultant contract (\$200,000).
- Reducing the URA Downtown Debt Service Fund's Balance Available by \$1,071,107, recognizing \$1,690,893 in Miscellaneous revenue, decreasing Debt Service appropriations for bond principal paid by \$298,000 and transferring \$3,060,000 to the URA Downtown General Fund for the creation of a Downtown High Speed Fiber Network (\$3,000,000) and project management of the fiber project within the Downtown URA Service District (\$60,000).
- Reducing the URA Riverfront General Fund Balance Available by \$7,337,500 and using \$362,500 of this amount for the Riverfront High Speed Fiber Network (\$200,000), personnel support and attorney fees (\$142,500), and public engagement contract (\$20,000), as well as transferring \$6,975,000 to the URA Riverfront Capital Projects Fund for the EWEB property purchase (\$6,875,000) and Bike Docking Share Stations project (\$100,000).

Capital Carryover

The Capital Project Carryover Reconciliation is also included in this Supplemental Budget. An estimate of the unspent balance in each capital project was established in the FY17 Adopted Budget. These estimates have been reconciled with the actual FY16 expenditures, and the Capital Budget is adjusted to reflect the remaining unspent balances in each project. The Capital Carryover on this Supplemental Budget decreases the Capital Budget by \$45,546 and increases Balance Available by the same amount.

Timing

In some cases, expenditure authority is needed immediately to carry out URA Board direction or to meet legal or program requirements. Approval of SB1 in December allows the organization to prepare more accurate mid-year projections by having the general ledger reflect the audited balances in each fund. This, in turn, enables staff to more accurately estimate the Beginning Working Capital for the next fiscal year's Proposed Budget.

RELATED CITY POLICIES

These transactions conform to the City's Financial Management Goals and Policies.

BOARD OPTIONS

Particular requests requiring more information or discussion may be removed from the supplemental budget and delayed for action in a future supplemental budget. In certain cases there may be a financial or legal impact to delaying budget approval. The URA Board may also adopt amended appropriation amounts or funding sources for specific requests in the supplemental budget.

AGENCY DIRECTOR'S RECOMMENDATION

Approve the attached resolution adopting the Supplemental Budget.

SUGGESTED MOTION

Move to adopt Resolution 1081, adopting a Supplemental Budget; making appropriations for the Urban Renewal Agency of the City of Eugene for the fiscal year beginning July 1, 2016, and ending June 30, 2017.

ATTACHMENTS

- A. Transaction Summary
- B. Resolution

FOR MORE INFORMATION

Staff Contact: Twylla Miller
Telephone: 541-682-8417
Staff E-Mail: twylla.j.miller@ci.eugene.or.us

OR

Staff Contact: Jamie Garner
Telephone: 541-682-5512
Staff E-Mail: jamie.p.garner@ci.eugene.or.us

Transaction Summary

817 Urban Renewal Agency Downtown General Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,942,766	(6,450)	a	1,936,316
CHANGE TO WORKING CAPITAL				
REVENUE				
Miscellaneous	65,000	0		65,000
Interfund Transfers	179,032	3,544,462	b	3,723,494
Fiscal Transactions	450,000	0		450,000
Total Revenue	694,032	3,544,462		4,238,494
TOTAL RESOURCES	2,636,798	3,538,012		6,174,810
II. REQUIREMENTS				
Department Operating				
Planning and Development	179,032	3,544,462	b	3,723,494
Total Department Operating	179,032	3,544,462		3,723,494
Non-Departmental				
Special Payments	2,427,926	0		2,427,926
Balance Available	29,840	(6,450)	a	23,390
Total Non-Departmental	2,457,766	(6,450)		2,451,316
TOTAL REQUIREMENTS	2,636,798	3,538,012		6,174,810

817 Urban Renewal Agency Downtown General Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$6,450 and decrease Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **One-Time Funding Request:** Recognize \$3,060,000 in Interfund Transfers revenue from the Downtown Debt Service Fund and increase Planning and Development Department operating appropriations by the same amount for the creation of a Downtown High Speed Fiber Network (\$3,000,000) and project management of the fiber project within the Downtown Urban Renewal District (\$60,000). Recognize \$484,462 in Interfund Transfers from the Downtown Debt Service Fund and increase Planning and Development Department operating appropriations by the same amount for personnel costs and attorney fees to support project work and district administration (\$284,462) and public engagement contract and old LCC building consultant (\$200,000).

812 Urban Renewal Agency Downtown Debt Service Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	993,601	64,970	a	1,058,571
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	2,075,000	0		2,075,000
Miscellaneous	14,000	1,690,893	b	1,704,893
Total Revenue	2,089,000	1,690,893		3,779,893
TOTAL RESOURCES	3,082,601	1,755,863		4,838,464
II. REQUIREMENTS				
Non-Departmental				
Debt Service	1,348,000	(298,000)	b	1,050,000
Interfund Transfers	179,032	3,544,462	b	3,723,494
Balance Available	1,555,569	(1,490,599)	a,b	64,970
Total Non-Departmental	3,082,601	1,755,863		4,838,464
TOTAL REQUIREMENTS	3,082,601	1,755,863		4,838,464

812 Urban Renewal Agency Downtown Debt Service Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$64,970, and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **One-Time Funding Request:** Recognize \$1,690,893 in Miscellaneous revenue, decrease Debt Service for bond principal paid by \$298,000, decrease Balance Available by \$1,071,107 and increase Interfund Transfers by \$3,060,000 to transfer funding to the URA Downtown General Fund for the creation of a Downtown High Speed Fiber Network and project management of the fiber project within the Downtown Urban Renewal District. Decrease Balance Available by \$484,462 and increase Interfund Transfers by \$484,462 to transfer funding to the URA Downtown General Fund for personnel costs and attorney fees to support project work (\$284,462) and district administration and public engagement contract and old LCC building consultant (\$200,000).

813 Urban Renewal Agency Downtown Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action	FY17 Revised
I. RESOURCES			
BEGINNING WORKING CAPITAL	539,438	152 a	539,590
CHANGE TO WORKING CAPITAL			
REVENUE			
Miscellaneous	4,000	0	4,000
Total Revenue	4,000	0	4,000
TOTAL RESOURCES	543,438	152	543,590
II. REQUIREMENTS			
Capital Projects			
Capital Carryover	515,972	6,367 b	522,339
Total Capital Projects	515,972	6,367	522,339
Non-Departmental			
Balance Available	27,466	(6,215) a,b	21,251
Total Non-Departmental	27,466	(6,215)	21,251
TOTAL REQUIREMENTS	543,438	152	543,590

813 Urban Renewal Agency Downtown Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$152 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Increase Capital Project appropriations by \$6,367 and decrease Balance Available by the same amount. This action reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

821 Urban Renewal Agency Riverfront General Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	6,720,792	30,093	a	6,750,885
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	1,625,000	0		1,625,000
Rental	66,150	0		66,150
Miscellaneous	70,000	0		70,000
Total Revenue	1,761,150	0		1,761,150
TOTAL RESOURCES	8,481,942	30,093		8,512,035
II. REQUIREMENTS				
Department Operating				
Planning and Development	251,881	362,500	b	614,381
Total Department Operating	251,881	362,500		614,381
Non-Departmental				
Interfund Transfers	0	6,975,000	b	6,975,000
Balance Available	8,230,061	(7,307,407)	a,b	922,654
Total Non-Departmental	8,230,061	(332,407)		7,897,654
TOTAL REQUIREMENTS	8,481,942	30,093		8,512,035

821 Urban Renewal Agency Riverfront General Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$30,093 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **One-Time Funding Request:** Increase Interfund Transfers by \$6,975,000 to transfer funding to the URA Riverfront Capital Projects Fund for the EWEB property purchase (\$6,875,000) and Bike Docking Share Stations (\$100,000), increase Planning and Development Department operating appropriations by \$362,500 for the Riverfront High Speed Fiber Network (\$200,000), personnel support and attorney fees (\$142,500), and public engagement contract (\$20,000) and decrease Balance Available by \$7,337,500.

823 Urban Renewal Agency Riverfront Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action	FY17 Revised
I. RESOURCES			
BEGINNING WORKING CAPITAL	724,864	(52,052) a	672,812
CHANGE TO WORKING CAPITAL			
REVENUE			
Miscellaneous	7,000	0	7,000
Interfund Transfers	0	6,975,000 c	6,975,000
Total Revenue	7,000	6,975,000	6,982,000
TOTAL RESOURCES	731,864	6,922,948	7,654,812
II. REQUIREMENTS			
Capital Projects			
Capital Projects	0	6,975,000 c	
Capital Carryover	324,118	(51,913) b	272,205
Total Capital Projects	324,118	6,923,087	7,247,205
Non-Departmental			
Balance Available	407,746	(139) a,b	407,607
Total Non-Departmental	407,746	(139)	407,607
TOTAL REQUIREMENTS	731,864	6,922,948	7,654,812

823 Urban Renewal Agency Riverfront Capital Projects Fund

- a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$52,052 and decrease Balance Available by the same amount. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.
- b) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$51,913 and increase Balance Available by the same amount. This action reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.
- c) **One-Time Funding Request:** Recognize \$6,975,000 in Interfund Transfers revenue from the Riverfront General Fund and increase Capital Project appropriations by the same for the EWEB property purchase (\$6,875,000) and Bike Docking Share Stations (\$100,000).

824 Urban Renewal Agency Riverfront Program Revenue Fund

	FY17 Adopted	FY17 SB1 Action	FY17 Revised
I. RESOURCES			
BEGINNING WORKING CAPITAL	2,990,000	1,918 a	2,991,918
CHANGE TO WORKING CAPITAL			
REVENUE			
Miscellaneous	15,000	0	15,000
Total Revenue	15,000	0	15,000
TOTAL RESOURCES	3,005,000	1,918	3,006,918
II. REQUIREMENTS			
Non-Departmental			
Special Payments	1,000,000	0	1,000,000
Reserve	2,005,000	0	2,005,000
Balance Available	0	1,918 a	1,918
Total Non-Departmental	3,005,000	1,918	3,006,918
TOTAL REQUIREMENTS	3,005,000	1,918	3,006,918

824 Urban Renewal Agency Riverfront Program Revenue Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$1,918 and increase Balance Available by the same amount. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;
MAKING APPROPRIATIONS FOR THE URBAN RENEWAL AGENCY
OF THE CITY OF EUGENE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2016,
AND ENDING JUNE 30, 2017.**

The Urban Renewal Agency of the City of Eugene finds that adopting the Supplemental Budget and making appropriations is necessary under ORS 294.471.

NOW THEREFORE,

BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE as follows:

Section 1.

That the Supplemental Budget for the Urban Renewal Agency of the City of Eugene, Oregon, for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as set forth in attached Exhibit A is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning July 1, 2016, and ending June 30, 2017, and for the purposes shown in attached Exhibit A are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.471(1), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.471(3).

Section 4.

This resolution complies with ORS 294.471(4), and does not authorize an increase in the levy of property taxes above the amount in the Adopted Budget publication.

The foregoing resolution adopted this 12th day of December, 2016.

City Recorder

EXHIBIT A

URBAN RENEWAL AGENCY DOWNTOWN GENERAL FUND

Departmental Operating	
Planning and Development	3,544,462
Total Departmental Operating	<u>3,544,462</u>
Non-Departmental	
* Balance Available	(6,450)
Total Non-Departmental	<u>(6,450)</u>
TOTAL URA DOWNTOWN GENERAL FUND	<u>3,538,012</u>

URBAN RENEWAL AGENCY DOWNTOWN DEBT SERVICE FUND

Non-Departmental	
Debt Service	(298,000)
Interfund Transfers	3,544,462
* Balance Available	(1,490,599)
Total Non-Departmental	<u>1,755,863</u>
TOTAL URA DOWNTOWN DEBT SERVICE FUND	<u>1,755,863</u>

URBAN RENEWAL AGENCY DOWNTOWN CAPITAL PROJECTS FUND

Capital Projects	
Capital Projects	6,367
Total Capital Projects	<u>6,367</u>
Non-Departmental	
* Balance Available	(6,215)
Total Non-Departmental	<u>(6,215)</u>
TOTAL URA DOWNTOWN CAPITAL PROJECTS FUND	<u>152</u>

URBAN RENEWAL AGENCY RIVERFRONT GENERAL FUND

Departmental Operating

Planning and Development	362,500
Total Departmental Operating	362,500

Non-Departmental

Interfund Transfers	6,975,000
* Balance Available	(7,307,407)
Total Non-Departmental	(332,407)

TOTAL URA RIVERFRONT GENERAL FUND	30,093
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URBAN RENEWAL AGENCY RIVERFRONT CAPITAL PROJECTS FUND

Capital Projects

Capital Projects	6,923,087
Total Capital Projects	6,923,087

Non-Departmental

* Balance Available	(139)
Total Non-Departmental	(139)

TOTAL URA RIVERFRONT CAPITAL PROJECTS FUND	6,922,948
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URBAN RENEWAL AGENCY RIVERFRONT PROGRAM REVENUE FUND

Non-Departmental

* Balance Available	1,918
Total Non-Departmental	1,918

TOTAL URA RIVERFRONT PROGRAM REVENUE FUND	1,918
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TOTAL REQUIREMENTS - ALL FUNDS	12,248,986
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* Reserves and Balance Available amounts are not appropriated for spending and are shown for informational purposes only.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Public Hearing and Action: Resolution Adopting a Supplemental Budget; Making Appropriations for the City of Eugene for the Fiscal Year Beginning July 1, 2016 and Ending June 30, 2017

Meeting Date: December 12, 2016
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 5
Staff Contact: Twylla Miller
Contact Telephone Number: 541-682-8417

ISSUE STATEMENT

Council approval of the first Supplemental Budget (SB1) for Fiscal Year 2017 (FY17) is requested. Oregon Local Budget Law (ORS 294.471) allows for supplemental budgets in the event of "An occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." ORS 294.471 also allows for a supplemental budget if there are "funds that are made available by another unit of federal, state or local government and the availability of which could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period". This Supplemental Budget does not authorize any increase in the property tax levy and has been published in compliance with the Oregon Local Budget Law.

BACKGROUND

The Supplemental Budget that occurs in December of a fiscal year is usually the largest because of the audit adjustments to budgeted Beginning Working Capital and the reappropriation of funds from the prior fiscal year for contracts, program initiatives or projects that were started but not completed in that fiscal year. This Supplemental Budget also recognizes new revenue and authorizes other unanticipated changes in legal appropriations.

Transactions Related to Beginning Working Capital

Isler & Company, LLC, the City's external auditor, has completed its Fiscal Year 2016 (FY16) audit of Beginning Working Capital, and this Supplemental Budget includes Marginal Beginning Working Capital (MBWC) adjustments for all City funds. The MBWC is the difference between the estimate of FY16 ending working capital that was made in the FY17 Adopted Budget and the audited actual FY16 ending working capital. This adjustment is recognized on SB1 and is the largest component of the transactions included in this budget request.

To improve transparency and ensure more timely information, one process change made this year is to complete the audit a month earlier. This allows the Finance Division to present the audit results at the same meeting that Council considers the first supplemental budget. Previously, the audit was presented to Council in January.

City Council Contingency

This Supplemental Budget includes a recommendation to use \$21,149 out of \$32,000 in the City Council Contingency account to cover the costs associated with the November 2016 general election voters' pamphlet for the recreational marijuana tax measure.

General Fund Transactions and Fund Balance Information

For the Main Subfund of the General Fund, the MBWC adjustment is \$19,183,444. The larger-than-normal MBWC adjustment is primarily due to the Comcast settlement, which accounts for \$18.75 million of the total. All other MBWC adjustments to the General Fund total \$433,444. With the exception of the Comcast settlement, the MBWC was relatively small due to a combination of lower than anticipated Property Tax revenues (\$0.9 million), EWEB CILT revenues (\$0.4 million) and Franchise Fees (\$1.1 million). Overall revenue collections were 1.7% below estimates, with FY16 actual revenues totaling \$137.7 million, excluding the Comcast settlement amount. The decrease in Franchise Fees was due to a change in FY16 accruals, resulting in only three quarterly payments in FY16, instead of the typical four. This was due to a change in the Comprehensive Annual Financial Report (CAFR) schedule, which was moved forward to provide a timelier audit. The FY16 Franchise Fee revenue reduction was a one-time occurrence, and going forward, Franchise Fees will have four quarterly payments included in each fiscal year.

On the expenditure side, the experience estimate assumed that departments would underspend their budgets by just under \$2 million (about 1.5%). This is less than department underspending of, on average, \$3.0 million (2.8%) over the prior five years. Actual department underspending ended up at \$2.5 million or 1.8%, approximately \$500,000 saved above the amount included in the experience estimates.

Total funds available for appropriation on this supplemental budget in the Main Subfund of the General Fund is \$20,017,133 consisting of the following:

Source	Amount
MBWC adjustment	\$19,183,444
Reserve for Encumbrance Reconciliation	\$833,689
Total funds available for appropriation	\$20,017,133

The reserve for encumbrance represents a reserve for prior fiscal year encumbrances (contracts that were in effect but not completed as of June 30). Prior fiscal year encumbrances were budgeted at \$2,269,491, but only \$1,435,802 was actually needed, leaving \$833,689 available for appropriation.

The proposed disposition of these funds is as follows:

Description	Amount
Reappropriation of prior project funding	
Community Justice Initiative	\$233,835
Regional Prosperity Plan Economic Development Funds	\$140,000
Neighborhood Matching Grants	\$69,744
River Road/Santa Clara Neighborhood Funds	\$41,013
Climate Recovery Ordinance Implementation (GHG Emissions Study)	\$35,000
Operation 365 – Homeless Veterans Housing	\$30,264
Parks Security	\$30,000
Downtown, Park Safety, and Security Effort	\$30,000
WJ Skatepark Funds	\$3,982
Total Reappropriation requests:	<u>\$613,838</u>
One-time funding requests	
Transfer to the General Capital Projects Fund	\$900,000
Budget Committee motion: Human Services Commission contribution	\$125,000
Budget Committee motion: Rest Stops contribution	\$25,000
Transfer to City Hall Capital Project	\$8,700,000
Deposit to Reserve for Revenue Shortfall	\$7,860,000
Transfer for Coordinated Downtown Development Initiative	\$150,000
Downtown and parks safety and security	\$200,000
CLASS registration system replacement	\$188,000
Envision Eugene Legal Support	\$176,795
Community Court program	\$150,000
Downtown facilities and cleanliness	\$100,000
Downtown programming	\$100,000
Park security	\$100,000
River Road/Santa Clara neighborhood plan	\$100,000
Funding for 0.5 FTE - Assistant City Manager	\$90,000
Funding for PDD Executive Director	\$76,000
Lindholm Center expanded hours	\$75,000
Growth Monitoring program development	\$75,000
Fire Special Teams training	\$50,000
Climate Recovery Ordinance Communications and Department Plans	\$50,000
Car Camping program support	\$50,000
Willamette to Willamette project	\$50,000
Police Auditor Community Engagement position increase	\$12,500
Total One-time funding requests:	<u>\$19,403,295</u>
Total SB1 appropriation requests	<u>\$20,017,133</u>

The City Manager is recommending that the MBWC adjustment funds, which were larger than usual due to the Comcast legal settlement, be utilized primarily for one-time capital expenses and to replenish the Reserve for Revenue Shortfall to help mitigate a projected budget gap in the out years of the forecast. In the FY17 Adopted Budget, the Reserve for Revenue Shortfall is at 4.5% of expenditures, well below the City's 8% target and prior year reserve levels. This deposit will bring the reserve to 9.0% if all SB1 changes are approved. In addition, the City Manager is also recommending reappropriation funding for items previously approved by City Council, funding for

Budget Committee motions made during the FY17 budget process, as well as a number of targeted strategic investments.

When the FY17 budget was adopted, the forecast showed a potential \$1-2 million budget gap in the out years. Additionally, receipt of property tax revenue is now expected to be lower than projected at the time of budget adoption. Staff is in the process of gathering all information to assemble an updated forecast but because of these factors, the City Manager is recommending a cautionary approach to financial decision-making and that one-time monies from the Comcast settlement be used prudently, largely for one-time capital expenses. A number of smaller, targeted strategic investments are also put forward for Council consideration with this Supplemental Budget. The recommendation to deposit \$7.9 in the General Fund's Reserve for Revenue Shortfall is intended to provide some flexibility as staff learns more about property tax growth, additional ongoing Comcast revenues and receipts from State and Local marijuana taxes.

A summary of the General Fund reserve for encumbrance, reappropriations and other uses of MBWC is included in Attachment A.

This Supplemental Budget includes a total of \$2,480,804 in other General Fund (Main Subfund) revenue increases. These revenues include grants rebudgeted from the prior fiscal year, new FY17 grants, reimbursements from local/state/federal sources, and reimbursement from the Urban Renewal Agency for personnel costs associated with district operations. Operating budget appropriations for the departments receiving these revenues are being increased by the same amount.

After the audit, FY16 actual results show an ending working capital (EWC) in the General Fund reporting fund (including the Main Subfund, Cultural Services Subfund and Equipment Replacement Subfund) of \$57,191,384 which is \$17,011,918 more than the FY15 EWC and \$20,267,854 more than anticipated for carryover resources in the FY17 Adopted Budget. These figures are reported on a budget basis of accounting.

On a Generally Accepted Accounting Principles (GAAP) Basis, the FY15 Ending Fund Balance represented 31% of the General Fund revenues in FY15, which decreased to 27% based upon FY16 actual results. GAAP results differ from budget basis results because the budget is created on a modified accrual basis while GAAP rules are slightly different in terms of when revenues and expenditures are recognized. The chart below compares FY15 and FY16 Ending Fund Balance for the General Fund (GAAP Basis). For the Main Subfund, the increased Ending Working Capital is a result of the Comcast settlement agreement. Without the settlement, Ending Working Capital would have decreased in FY16 by \$1.6 million as a result of strategically using reserves to balance the FY16 budget.

General Fund Ending Fund Balance GAAP Basis	Main Subfund	Cultural Services Subfund	Equipment Replacement Subfund	Total Reporting Fund
FY15	\$37,411,228	\$2,380,537	\$1,241,849	\$41,033,614
FY16	54,621,021	2,784,570	784,503	58,190,094
Change	17,209,793	404,033	(457,346)	17,156,480

The Ending Working Capital is broken down into several components, as shown in the following chart. Many of the items in the Ending Working Capital (or fund balance) have been appropriated or designated by City Council either through policy or past budget actions. Note that the portion that is shown as “Unassigned” is being considered for appropriation by City Council on this Supplemental Budget request.

Category	Item	Explanation	FY15	FY16	Change
Non-Spendable		Prepays and deposits have already been paid out and are not available for other spending	\$837,243	\$953,774	\$116,531
Restricted	Cultural Services	From Transient Room Tax; must be spent according to state law	1,107,064	1,168,970	61,906
Assigned	Unappropriated Ending Fund Balance	Pay bills and payroll until property taxes are received; set at 2 months of expenditures per Council policy	23,040,000	23,930,000	890,000
	Cultural Services	Prudent reserve for operation of Hult Center, etc.	1,273,473	1,615,600	342,127
	Encumbrances	Contracts that were not complete as of June 30	2,543,769	2,027,252	(516,517)
	Reserve for Next Year's Spending	Used to balance the subsequent year's budget	810,398	768,507	(41,891)
	Reserve for Revenue Shortfall	Prudent reserve for the General Fund; target is 8% of expenditures	9,451,371	6,530,703	(2,920,668)
	Other Reserves	For property tax appeals, 2021 and equipment replacement	1,069,153	1,391,340	322,187
Unassigned		Appropriated on Supplemental Budget #1 in December of the following fiscal year and no longer available for spending	901,143	19,803,948	18,902,805
Total Fund Balance			\$41,033,614	\$58,190,094	\$17,156,480

Capital Carryover

The Capital Project Carryover Reconciliation is also included in this Supplemental Budget. An estimate of the unspent balance in each capital project was established in the FY17 Adopted Budget. These estimates have been reconciled with the actual FY16 expenditures, and the Capital Budget is adjusted to reflect the remaining unspent balances in each project. The Capital Carryover on this Supplemental Budget reduces the Capital Budget by \$7,885,033 and increases Balance Available by the same amount.

Non-General Fund Transactions

This Supplemental Budget recognizes approximately \$26 million in non-General Fund transactions, other than MBWC, encumbrances and capital carryover reconciliation. Much of this total is reflected in recognizing and re-budgeting approximately \$16 million in grants and other revenue. Other significant transactions include a \$1 million contribution from the Telecom Fund for the downtown high-speed fiber project and \$1 million for Parks and Open space land acquisition. This budget also includes non-General Fund reappropriations for projects not completed in the prior fiscal year. Other non-General Fund transactions are described in Attachment A.

Budget Committee Direction

As part of their recommendation to the City Council on the FY17 Recommended Budget, the Budget Committee included the following motion:

“Move that the Budget Committee recommend to the Eugene City Council the FY17 Budget for the City of Eugene that consists of the City Manager's Proposed FY17 Budget, including the property tax levies and/or rates contained therein, amended to reflect appropriations for prior year encumbrances and prior year capital projects with the following amendments:

- Approve the City Manager's “FY17 Human Service Commission (HSC) Option” as presented to the Budget Committee on May 11, 2016 as amended:
 - \$125,000 Marginal Beginning Working Capital Priority (one-time funding);
- Allocate \$25,000 of the one-time allocation (MBWC) to the City of Eugene for the rest stop program.

The General Fund (Main Subfund) Marginal Beginning Working Capital adjustment is sufficient to fund these priorities. Therefore, the City Manager recommends enacting both parts of the Budget Committee's motion.

Timing

In some cases, expenditure authority is needed immediately to carry out City Council direction or to meet legal or program requirements. Approval of SB1 in December allows the organization to prepare more accurate mid-year projections by having the general ledger reflect the audited balances in each fund. This, in turn, enables staff to more accurately project the Beginning Working Capital for the next fiscal year's Proposed Budget.

RELATED CITY POLICIES

These transactions conform to the City's Financial Management Goals and Policies.

COUNCIL OPTIONS

Particular requests requiring more information or discussion may be removed from the Supplemental Budget and delayed for action in a future Supplemental Budget. In certain cases there may be a financial or legal impact to delaying budget approval. Council may also adopt amended appropriation amounts or funding sources for specific requests in the Supplemental Budget.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the attached resolution adopting the Supplemental Budget.

SUGGESTED MOTION

Move to adopt Resolution 5179, adopting a Supplemental Budget; making appropriations for the City of Eugene for the fiscal year beginning July 1, 2016 and ending June 30, 2017.

ATTACHMENTS

- A. Transaction Summary
- B. Resolution

FOR MORE INFORMATION

Staff Contact: Twylla Miller
Telephone: 541-682-8417
Staff E-Mail: twylla.j.miller@ci.eugene.or.us

OR

Staff Contact: Jamie Garner
Telephone: 541-682-5512
Staff E-Mail: jamie.p.garner@ci.eugene.or.us

Transaction Summary

010 General Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	36,923,530	20,267,854	a,d,g	57,191,384
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	111,853,000	0		111,853,000
Licenses/Permits	6,169,200	0		6,169,200
Intergovernmental	4,516,849	1,154,081	b	5,670,930
Rental	126,040	0		126,040
Charges for Services	13,919,806	2,144,723	b,f	16,064,529
Fines/Forfeitures	2,211,250	0		2,211,250
Miscellaneous	847,000	0	b	847,000
Interfund Transfers	9,803,423	0		9,803,423
Total Revenue	149,446,568	3,298,804		152,745,372
TOTAL RESOURCES	186,370,098	23,566,658		209,936,756
II. REQUIREMENTS				
Department Operating				
Central Services	23,837,327	1,839,260	a,b,c	25,676,587
Fire and Emergency Medical Services	28,595,704	497,702	a,b,i	29,093,406
Library, Recreation and Cultural Services	28,980,020	1,872,700	a,b,e,f,h,i	30,852,720
Planning and Development	6,344,533	1,958,594	a,b	8,303,127
Police	51,252,004	1,458,236	a,b	52,710,240
Public Works	5,975,207	176,200	a	6,151,407
Total Department Operating	144,984,795	7,802,692		152,787,487
Non-Departmental				
Interfund Transfers	4,530,280	9,750,000	a	14,280,280
Contingency	32,000	(21,149)	c	10,851
Special Payments	700,000	0		700,000
Reserves	9,737,957	8,490,181	a,d,f,g,h,i,j	18,228,138
Reserve for Encumbrances	2,455,066	(2,455,066)	a,e,h,j	0
UEFB	23,930,000	0		23,930,000
Total Non-Departmental	41,385,303	15,763,966		57,149,269
TOTAL REQUIREMENTS	186,370,098	23,566,658		209,936,756

010 General Fund

Main Subfund (011):

a) **Carryover Reconciliation:**

Carryover Resources:

Beginning Working Capital Adjustment *	\$19,183,444
FY17 Adopted Reserve for Encumbrances	\$2,269,491
Total Funds Available for Appropriation	\$21,452,935

Distribution of Funds Available for Appropriation:

Reserve for Encumbrances Distribution to Departments:

Central Services	\$611,400
Fire and Emergency Medical Services	\$88,264
Library, Recreation, and Cultural Services	\$63,573
Planning and Development	\$330,632
Police	\$299,715
Public Works	\$42,218
Total Encumbrance Distribution to Departments	\$1,435,802

Reappropriations from Prior Fiscal Year:

Central Services	\$409,856
Library, Recreation, and Cultural Services	\$30,000
Planning and Development	\$140,000
Public Works	\$33,982
Total Reappropriations from Prior Fiscal Year	\$613,838

Other One-Time Funding Requests:

Interfund Transfer to the General Capital Projects Fund	\$900,000
Budget Committee Motion: Human Services Commission contribution	\$125,000
Budget Committee Motion: Rest Stops contribution	\$25,000
Interfund Transfer to the City Hall subfund	\$8,700,000
Deposit to Reserve for Revenue Shortfall	\$7,860,000
Interfund Transfer for Coordinated Downtown Development Initiative	\$150,000
	\$17,760,000

Central Services

Envision Eugene legal support	\$176,795
Community Court program	\$150,000
Downtown Facilities and Cleanliness	\$100,000
Funding for 0.5 FTE - Assistant City Manager	\$90,000
Climate Recovery Ordinance Communications and Department Plans	\$50,000
Police Auditor Community Engagement position increase	\$12,500
Total Central Services One-Time Funding Requests	\$579,295

Fire and EMS

Special Teams training	\$50,000
Total Fire and EMS One-Time Funding Requests	\$50,000

Library, Recreation and Cultural Services

CLASS Registration System replacement	\$188,000
Downtown Programming	\$100,000
Total Library, Recreation and Cultural Services One-Time Funding Requests	\$288,000

010 General Fund

Main Subfund (011) (continued from previous page):

<u>Planning and Development</u>	
River Road/Santa Clara Neighborhood Plan	\$100,000
Funding for 0.5 FTE Executive Director	\$76,000
Lindholm Center expanded hours	\$75,000
Growth Monitoring program development	\$75,000
Car Camping program support	\$50,000
Willamette to Willamette project	\$50,000
Total Planning and Development One-Time Funding Requests	\$426,000
<u>Police</u>	
Downtown and Parks Safety and Security	\$200,000
Total Police One-Time Funding Requests	\$200,000
<u>Public Works</u>	
Park Security	\$100,000
Total Public Works One-Time Funding Requests	\$100,000
Total Other One-Time Funding Requests	\$19,403,295
Total Available Funds Appropriated	\$21,452,935

* **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital in the Main Subfund of the General Fund by \$19,183,444. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Revenue Adjustments:** These transactions recognize new FY17 revenues or revenue-backed expenditures and increase operating appropriations in the following Departments:

<u>Central Services</u>	
Community Court grant	\$200,000
USDN sustainable consumption grant	\$15,060
<u>Fire and EMS</u>	
Reimbursable overtime and logistical support materials and services	\$258,261
HMEP 201 - EHS Phase 2 grant	\$20,000
<u>Library, Recreation, and Cultural Services</u>	
LTD bicycle pedestrian safety program	\$6,500
BEST grant	\$71,000
Jane Higdon 4 Bicycle Safety grant	\$22,000
Madison 4J Oregon Community Foundation grant	\$15,000
<u>Planning and Development</u>	
Downtown URA project support - City Attorney/Other personnel costs	\$284,462
Personnel costs associated with the purchase of EWEB property	\$142,500
Personnel costs associated with the Downtown and Riverfront fiber project	\$60,000
Transit-Oriented Development grant	\$450,000
<u>Police Department</u>	
2016 Track Trials staffing reimbursement	\$375,000
Fire dispatching services	\$200,000
DHS-Joint Bomb Teams, Body-Worn Cameras, ODOT Seat Belt grants	\$336,547
Crisis intervention, DUII Oregon Impact and Oregon Impact Pedestrian Safety grants	\$24,474
Total Revenue Adjustments	\$2,480,804

010 General Fund

Main Subfund (011) (continued from previous page):

c) **Contingency:** This section is intended to provide the status of the Council's contingency account after including transactions that are authorized by City Council to be charged against it.

Starting balance	\$32,000
2016 election voter pamphlet costs	(\$21,149)
Contingency balance after SB1	\$10,851

Cultural Services Subfund (031):

d) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$876,167 and increase the Cultural Services Subfund Reserve by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

e) **Encumbrance Estimate Reconciliation:** Increase the Library, Recreation and Cultural Services (LRCS) Department operating appropriations by \$115,575 and decrease Reserve for Encumbrance by the same amount to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid.

f) **One-Time Funding Request:** Recognize Charges for Services revenue in the amount of \$818,000 for anticipated increases in Hult Center activity, decrease Cultural Services Reserve by \$325,000, and increase Library, Recreation and Cultural Services Department operating budget by \$1,143,000 for costs associated with the increase Hult Center activity (\$818,000) and replacement of Silva/Soreng stage curtains, Silva stage rigging and pit floor replacement (\$325,000).

Equipment Replacement Subfund (041):

g) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$208,243 and increase the Equipment Replacement Subfund Reserve by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

h) **Encumbrance Estimate Reconciliation:** Increase the Library, Recreation and Cultural Services Department operating appropriations by \$3,052, increase the Equipment Replacement Subfund Reserve by \$66,948, and decrease the Reserve for Encumbrance by \$70,000 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid.

i) **Reappropriations:** Increase the Fire and EMS Department operating appropriations by \$81,177, increase the Library, Recreation and Cultural Services Department operating appropriations by \$115,000 for equipment replacement not completed in the prior fiscal year, and decrease the Equipment Replacement Subfund Reserve by \$196,177.

010 General Fund

j) *Summary of the General Fund Reserves (All Subfunds):*

	FY16 Adopted	FY17 Adopted	FY17 SB1 Action	FY17 Revised
General Fund Reserve for Revenue Shortfall	\$9,451,371	\$6,530,703	\$7,860,000	\$14,390,703
General Fund 2021 Reserve	\$0	\$500,000	\$0	\$500,000
General Fund Reserve for Property Tax Appeals	\$695,000	\$500,000	\$0	\$500,000
Reserve for Prior Year Encumbrances	\$3,116,698	\$2,455,066	(\$2,455,066)	\$0
Cultural Services Subfund Reserve	\$1,663,631	\$1,784,803	\$551,167	\$2,335,970
Cultural Services Reserve - Dedicated Donations for Arts	\$31,111	\$31,111	\$0	\$31,111
Equipment Replacement Reserve	\$374,153	\$391,340	\$79,014	\$470,354
Total	\$15,331,964	\$12,193,023	\$6,035,115	\$18,228,138

110 Special Assessment Management Fund

	FY17 Adopted	FY17 SB1 Action	FY17 Revised
I. RESOURCES			
BEGINNING WORKING CAPITAL	1,221,355	3,227 a	1,224,582
CHANGE TO WORKING CAPITAL			
REVENUE			
Charges for Services	45,220	0	45,220
Miscellaneous	15,700	0	15,700
Interfund Transfers	30,000	0	30,000
Fiscal Transactions	4,100	0	4,100
Total Revenue	95,020	0	95,020
TOTAL RESOURCES	1,316,375	3,227	1,319,602
II. REQUIREMENTS			
Department Operating			
Central Services	97,870	0	97,870
Total Department Operating	97,870	0	97,870
Non-Departmental			
Interfund Transfers	8,000	0	8,000
Special Payments	30,000	0	30,000
Reserve	50,000	0	50,000
Balance Available	1,130,505	3,227 a	1,133,732
Total Non-Departmental	1,218,505	3,227	1,221,732
TOTAL REQUIREMENTS	1,316,375	3,227	1,319,602

110 Special Assessment Management Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$3,227 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

130 Public Safety Communications Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,865,272	(130,925)	a	1,734,347
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	750,000	0		750,000
Charges for Services	1,743,082	334,917	a,b	2,077,999
Miscellaneous	10,750	0		10,750
Total Revenue	2,503,832	334,917		2,838,749
TOTAL RESOURCES	4,369,104	203,992		4,573,096
II. REQUIREMENTS				
Department Operating				
Police	2,468,749	450,000	b,c	2,918,749
Total Department Operating	2,468,749	450,000		2,918,749
Non-Departmental				
Interfund Transfers	160,000	0		160,000
Reserves	908,520	0		908,520
Balance Available	831,835	(246,008)	a,c	585,827
Total Non-Departmental	1,900,355	(246,008)		1,654,347
TOTAL REQUIREMENTS	4,369,104	203,992		4,573,096

130 Public Safety Communications Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$130,925, increase Charges for Services by \$134,917, and increase Balance Available by \$3,992. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **New Revenue:** Increase Charges for Services revenue by \$200,000 for additional contract revenue for fire dispatch services and increase Police Department operating appropriations by the same amount for related personnel and materials and services.

c) **One-Time Funding Requests:** Increase Police Department operating appropriations by \$250,000 for investigation and resolution of interference issue (\$100,000), consultant review and recommendations on equipment (\$100,000), CAD to Firebridge integration project (\$30,000), and other special projects (\$20,000) and decrease Balance Available by the same amount.

131 Road Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	2,784,223	563,739	a	3,347,962
CHANGE TO WORKING CAPITAL				
REVENUE				
Licenses/Permits	1,928,500	0		1,928,500
Intergovernmental	10,343,114	721,598	d	11,064,712
Rental	57,500	0		57,500
Charges for Services	113,700	0		113,700
Miscellaneous	146,600	0		146,600
Total Revenue	12,589,414	721,598		13,311,012
TOTAL RESOURCES	15,373,637	1,285,337		16,658,974
II. REQUIREMENTS				
Department Operating				
Public Works	12,312,222	469,385	b,c,d	12,781,607
Total Department Operating	12,312,222	469,385		12,781,607
Non-Departmental				
Interfund Transfers	965,000	0		965,000
Balance Available	2,096,415	815,952	a,b,c	2,912,367
Total Non-Departmental	3,061,415	815,952		3,877,367
TOTAL REQUIREMENTS	15,373,637	1,285,337		16,658,974

131 Road Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$563,739 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Reduce Public Works Department operating appropriations by \$363,847 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **Reappropriations:** Increase Public Works Department operating appropriations by \$111,634 for off-street pedestrian bridges project not completed in the prior fiscal year and decrease Balance Available by the same amount.

d) **New Revenues:** Recognize Intergovernmental revenue in the amount of \$721,598 for various grants including ODOT for Franklin Blvd. Facility Plan & NEPA documentation (\$425,000), grant from LTD for Moving Ahead (\$134,173), grant from ODOT for multimodal street design standards (\$97,461), and ODOT/NHTSA for Vision Zero (\$64,964) and increase Public Works Department operating appropriations by the same amount.

135 Telecom Registration/Licensing Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	3,747,278	1,659,794	a	5,407,072
CHANGE TO WORKING CAPITAL				
REVENUE				
Licenses/Permits	2,900,000	0		2,900,000
Miscellaneous	32,000	0		32,000
Total Revenue	2,932,000	0		2,932,000
TOTAL RESOURCES	6,679,278	1,659,794		8,339,072
II. REQUIREMENTS				
Department Operating				
Central Services	2,734,342	2,273,723	b,c,d	5,008,065
Total Department Operating	2,734,342	2,273,723		5,008,065
Non-Departmental				
Interfund Transfers	479,000	0		479,000
Reserves	302,847	0		302,847
Balance Available	3,163,089	(613,929)	a,b,c,d	2,549,160
Total Non-Departmental	3,944,936	(613,929)		3,331,007
TOTAL REQUIREMENTS	6,679,278	1,659,794		8,339,072

135 Telecom Registration/Licensing Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$1,659,794 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Reappropriations:** Increase Central Services Department operating appropriations by \$1,063,809 for Telecommunication projects not completed in the prior fiscal year, and decrease Balance Available by the same amount. Increase Central Services Department operating appropriations by \$274,693 for unspent Equipment Replacement Fund funds in the Telecommunications Fund, and decrease Balance Available by the same amount.

c) **One-Time Funding Request:** Increase Central Services Department operating budget by \$1,000,000 for the Downtown High-Speed Fiber project and decrease Balance Available by the same amount.

d) **Encumbrance Estimate Reconciliation:** Reduce the Central Services Department operating appropriations by \$64,779 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

150 Construction and Rental Housing Fund

	FY17 Adopted	FY17 SB1 Action	FY17 Revised
I. RESOURCES			
BEGINNING WORKING CAPITAL	5,345,271	542,615 a	5,887,886
CHANGE TO WORKING CAPITAL			
REVENUE			
Licenses/Permits	3,725,600	0	3,725,600
Charges for Services	4,525,500	0	4,525,500
Interfund Loans	65,000	0	65,000
Miscellaneous	341,040	0	341,040
Total Revenue	8,657,140	0	8,657,140
TOTAL RESOURCES	14,002,411	542,615	14,545,026
II. REQUIREMENTS			
Department Operating			
Fire and Emergency Medical Services	306,904	0	306,904
Planning and Development	6,721,777	59,547 b,c	6,781,324
Public Works	449,877	0	449,877
Total Department Operating	7,478,558	59,547	7,538,105
Non-Departmental			
Interfund Transfers	884,000	0	884,000
Special Payments	800,000	0	800,000
Balance Available	4,839,853	483,068 a,b,c	5,322,921
Total Non-Departmental	6,523,853	483,068	7,006,921
TOTAL REQUIREMENTS	14,002,411	542,615	14,545,026

150 Construction and Rental Housing Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$542,615 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **One-Time Funding Requests:** Increase Planning and Development Department operating appropriations by \$35,000 for an inspector vehicle and workstation, and decrease Balance Available by the same amount. Increase Planning and Development Department operating appropriations by \$25,000 for Rental Housing Program outreach material, and decrease Balance Available by the same amount.

c) **Encumbrance Estimate Reconciliation:** Reduce Planning and Development Department operating appropriations by \$453 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

155 Solid Waste and Recycling Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	722,978	(17,192)	a	705,786
CHANGE TO WORKING CAPITAL				
REVENUE				
Licenses/Permits	883,900	0		883,900
Miscellaneous	6,000	0		6,000
Total Revenue	889,900	0		889,900
TOTAL RESOURCES	1,612,878	(17,192)		1,595,686
II. REQUIREMENTS				
Department Operating				
Planning and Development	969,067	35,183	b,c	1,004,250
Total Department Operating	969,067	35,183		1,004,250
Non-Departmental				
Interfund Transfers	52,000	0		52,000
Balance Available	591,811	(52,375)	a,b,c	539,436
Total Non-Departmental	643,811	(52,375)		591,436
TOTAL REQUIREMENTS	1,612,878	(17,192)		1,595,686

155 Solid Waste and Recycling Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$17,192 and decrease Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Reduce Planning and Development Department operating appropriations by \$24,817 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **Reappropriations:** Reappropriate \$60,000 in unspent FY16 funds for contracts not executed in FY16 which spending authority was originally budgeted including CPA Hauler Rate Review (\$25,000), School Program Funding - 4J and Bethel (\$20,000), and the triennial survey (\$15,000), and decrease Balance Available by the same amount.

170 Community Development Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	6,182,077	(2,954,841)	a	3,227,236
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	5,781,910	1,992,753	a,d	7,774,663
Charges for Services	5,000	0		5,000
Miscellaneous	1,073,349	0		1,073,349
Fiscal Transactions	2,624,160	0		2,624,160
Total Revenue	9,484,419	1,992,753		11,477,172
TOTAL RESOURCES	15,666,496	(962,088)		14,704,408
II. REQUIREMENTS				
Department Operating				
Planning and Development	3,776,835	(500,128)	a,b,d,e	3,276,707
Total Department Operating	3,776,835	(500,128)		3,276,707
Capital Projects				
Capital Projects	73,200	0		73,200
Capital Carryover	1,262,943	(45,686)	c	1,217,257
Total Capital Projects	1,336,143	(45,686)		1,290,457
Non-Departmental				
Debt Service	365,379	0		365,379
Interfund Transfers	105,000	0		105,000
Special Payments	9,098,915	(879,869)	a,e	8,219,046
Reserves	984,224	137,773	a	1,121,997
Balance Available	0	325,822	b,c	325,822
Total Non-Departmental	10,553,518	(416,274)		10,137,244
TOTAL REQUIREMENTS	15,666,496	(962,088)		14,704,408

170 Community Development Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$2,954,841, increase Intergovernmental revenue by \$1,930,018, decrease Planning and Development Department operating appropriation by \$292,727, decrease Special Payments by \$869,869 and increase Debt Service Reserves by \$137,773. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Reduce Planning and Development Department operating appropriations by \$280,136 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$45,686 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

d) **New Revenues:** Recognize Intergovernmental revenue in the amount of \$62,735 from HUD CDBG (\$48,560) and EPA Brownfields Coalition Assessment grant (\$14,175) and increase Planning and Development Department operating appropriations by the same amount.

e) **One-Time Funding Requests:** Increase Planning and Development Department operating appropriations by \$10,000 to establish an historic property restoration grant program and decrease Special Payments by the same amount.

180 Library, Parks and Recreation Special Revenue Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	4,125,094	571,593	a	4,696,687
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	0	251,251	e	251,251
Rental	17,920	0		17,920
Charges for Services	43,000	0		43,000
Miscellaneous	416,666	0		416,666
Total Revenue	477,586	251,251		728,837
TOTAL RESOURCES	4,602,680	822,844		5,425,524
II. REQUIREMENTS				
Department Operating				
Library, Recreation and Cultural Services	370,061	224,939	b,d	595,000
Total Department Operating	370,061	224,939		595,000
Capital Projects				
Capital Projects	52,282	251,251	e	303,533
Capital Carryover	978,671	(254,998)	c	723,673
Total Capital Projects	1,030,953	(3,747)		1,027,206
Non-Departmental				
Reserves	2,459,461	294,289	a,d	2,753,750
Special Payments	102,006	(15,711)	a	86,295
Balance Available	640,199	323,074	a,b,c	963,273
Total Non-Departmental	3,201,666	601,652		3,803,318
TOTAL REQUIREMENTS	4,602,680	822,844		5,425,524

180 Library, Parks and Recreation Special Revenue Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$571,593, increase Library Miscellaneous Trust Reserve by \$392,164, increase Campbell Center Trust Reserve by \$72,124, increase Kaufman Center Trust Reserve by \$27,962, increase Recreation Miscellaneous Trust Reserve by \$27,039, decrease Art Loan Program by \$15,711, and increase Balance Available by \$68,015. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Reduce the Library, Recreation and Cultural Services Department operating appropriations by \$61 to reconcile the amount estimated for payment of obligations incurred by not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$254,998 and increase Balance Available by the same amount. This action reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

d) **One-Time Funding Requests:** Increase the LRCS Department operating appropriation by \$225,000 for the Campbell Community Center kitchen remodel project, and decrease Campbell Center Trust Reserve by the same amount.

e) **New Revenue:** Recognize Intergovernmental revenue in the amount of \$251,251 from the Land and Water Conservation Fund grant for Amazon Park and increase Capital Projects appropriation by the same amount.

211 General Obligation Debt Service Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	198,021	92,143	a	290,164
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	13,117,486	0		13,117,486
Miscellaneous	18,000	0		18,000
Total Revenue	13,135,486	0		13,135,486
TOTAL RESOURCES	13,333,507	92,143		13,425,650
II. REQUIREMENTS				
Non-Departmental				
Debt Service	13,333,507	92,143	a	13,425,650
Total Non-Departmental	13,333,507	92,143		13,425,650
TOTAL REQUIREMENTS	13,333,507	92,143		13,425,650

211 General Obligation Debt Service Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$92,143 and increase Debt Service by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

250 Special Assessment Bond Debt Service Fund

	FY17 Adopted	FY17 SB1 Action	FY17 Revised
I. RESOURCES			
BEGINNING WORKING CAPITAL	67,921	5,370	a 73,291
CHANGE TO WORKING CAPITAL			
REVENUE			
Miscellaneous	40,400	0	40,400
Fiscal Transactions	260,200	0	260,200
Total Revenue	300,600	0	300,600
TOTAL RESOURCES	368,521	5,370	373,891
II. REQUIREMENTS			
Non-Departmental			
Debt Service	300,000	0	300,000
Interfund Transfers	10,000	0	10,000
Reserves	58,521	5,370	a 63,891
Total Non-Departmental	368,521	5,370	373,891
TOTAL REQUIREMENTS	368,521	5,370	373,891

250 Special Assessment Bond Debt Service Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$5,370 and increase Reserves by \$5,370. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

310 General Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	24,056,742	(6,560,498)	a	17,496,244
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	15,000	0		15,000
Miscellaneous	16,000	1,080,000	a	1,096,000
Interfund Transfers	3,609,300	9,750,000	c	13,359,300
Fiscal Transactions	0	3,277,991	a	3,277,991
Total Revenue	3,640,300	14,107,991		17,748,291
TOTAL RESOURCES	27,697,042	7,547,493		35,244,535
II. REQUIREMENTS				
Department Operating				
Library, Recreation and Cultural Services	20,000	0		20,000
Total Department Operating	20,000	0		20,000
Capital Projects				
Capital Projects	3,120,157	1,050,000	c	4,170,157
Capital Carryover	23,180,384	(1,748,296)	b	21,432,088
Total Capital Projects	26,300,541	(698,296)		25,602,245
Non-Departmental				
Debt Service	50,000	0		50,000
Reserves	26,560	0		26,560
Balance Available	1,299,941	8,245,789	a,b,c	9,545,730
Total Non-Departmental	1,376,501	8,245,789		9,622,290
TOTAL REQUIREMENTS	27,697,042	7,547,493		35,244,535

310 General Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$6,560,498, increase Miscellaneous revenue by \$1,080,000 to rebudget future revenues for the City Hall funding plan, increase Fiscal Transactions by \$3,277,991 for issuance of the 2006 General Obligation Bonds for parks, athletic fields and preservation of open space and decrease Balance Available by \$2,202,507. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$1,748,296 and increase Balance Available by \$1,748,296. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

c) **One-Time Funding Requests:** Recognize Interfund Transfer revenue of \$9,750,000 from the General Fund, increase Capital Projects appropriation by \$1,050,000 for the General Capital Projects transfer (\$900,000) and Coordinated Downtown Development Initiative (\$150,000), and increase Balance Available by \$8,700,000 for the City Hall project.

330 Systems Development Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	23,164,407	715,808	a	23,880,215
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	288,840	0		288,840
Charges for Services	3,992,100	0		3,992,100
Miscellaneous	112,947	0		112,947
Total Revenue	4,393,887	0		4,393,887
TOTAL RESOURCES	27,558,294	715,808		28,274,102
II. REQUIREMENTS				
Department Operating				
Planning and Development	91,129	0		91,129
Public Works	502,248	(4,518)	b	497,730
Total Department Operating	593,377	(4,518)		588,859
Capital Projects				
Capital Projects	5,029,372	1,150,000	d	6,179,372
Capital Carryover	6,877,694	(260,783)	c	6,616,911
Total Capital Projects	11,907,066	889,217		12,796,283
Non-Departmental				
Interfund Transfers	41,000	0		41,000
Balance Available	15,016,851	(168,891)	a,b,c,d	14,847,960
	15,057,851	(168,891)		14,888,960
TOTAL REQUIREMENTS	27,558,294	715,808		28,274,102

330 Systems Development Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$715,808 and increase Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Decrease the Public Works Department operating appropriations by \$4,518 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$260,783 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

d) **One-Time Funding Requests:** Increase Capital Projects appropriations by \$1,150,000 for future potential Parks and Open Spaces land acquisition (\$1,000,000) and grant matching funds for rehab work on the Ferry Street bridge and viaduct work (\$150,000), and decrease Balance Available by the same amount.

340 Transportation Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	14,789,219	(9,288,908)	a	5,500,311
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	2,880,000	0		2,880,000
Intergovernmental	3,720,662	7,707,900	c,d	11,428,562
Charges for Services	25,000	50,521	c	75,521
Miscellaneous	16,000	0		16,000
Interfund Transfers	30,000	0		30,000
Fiscal Transactions	8,600,000	4,170,240	a	12,770,240
Total Revenue	15,271,662	11,928,661		27,200,323
TOTAL RESOURCES	30,060,881	2,639,753		32,700,634
II. REQUIREMENTS				
Capital Projects				
Capital Projects	15,283,662	4,609,140	c	19,892,802
Capital Carryover	13,324,347	(2,431,499)	b	10,892,848
Total Capital Projects	28,608,009	2,177,641		30,785,650
Non-Departmental				
Debt Service	10,000	0		10,000
Balance Available	1,442,872	462,112	a,b,d	1,904,984
Total Non-Departmental	1,452,872	462,112		1,914,984
TOTAL REQUIREMENTS	30,060,881	2,639,753		32,700,634

340 Transportation Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$9,288,908, increase Draws on General Obligation Line of Credit for bonds authorized but not sold in the prior fiscal year by \$4,170,240, and decrease Balance Available by \$5,118,668. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$2,431,499 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

c) **New Revenues:** Recognize Intergovernmental revenues associated with various grants in the amount of \$4,558,619 and increase Capital Projects appropriation by the same amount for U of O bike share (\$197,311), bike share program (\$909,066), bike lockers (\$93,499), 13th Avenue: Alder to Olive streets (\$450,000), S. Willamette St. streetscape improvements (\$2,000,000) 18th and Oak Patch intersection improvement (\$225,000), and Ferry St. bridge rehab (\$683,743). Recognize Charges for Services revenues from Willamette Street: 10th-13th project for tree replacement in the amount of \$50,521 and increase Capital Projects appropriation by the same amount.

d) **Reappropriations:** Reappropriate \$3,149,281 in Intergovernmental revenue for previous years grants and increase Balance Available by the same amount.

350 Special Assessment Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,105,596	21,646	a	1,127,242
CHANGE TO WORKING CAPITAL				
REVENUE				
Miscellaneous	14,500	0		14,500
Fiscal Transactions	11,600	0		11,600
Total Revenue	26,100	0		26,100
TOTAL RESOURCES	1,131,696	21,646		1,153,342
II. REQUIREMENTS				
Non-Departmental				
Interfund Transfers	20,000	0		20,000
Balance Available	1,111,696	21,646	a	1,133,342
Total Non-Departmental	1,131,696	21,646		1,153,342
TOTAL REQUIREMENTS	1,131,696	21,646		1,153,342

350 Special Assessment Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$21,646 and increase Balance Available by the same amount. This adjustment brings the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

510 Municipal Airport Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	20,825,322	(8,689,873)	a	12,135,449
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	5,800,130	5,461,205	d	11,261,335
Rental	1,168,993	0		1,168,993
Charges for Services	8,908,652	0		8,908,652
Fines/Forfeitures	5,000	0		5,000
Miscellaneous	245,215	0		245,215
Total Revenue	16,127,990	5,461,205		21,589,195
TOTAL RESOURCES	36,953,312	(3,228,668)		33,724,644
II. REQUIREMENTS				
Department Operating				
Fire and Emergency Medical Services	880,671	0		880,671
Police	576,555	0		576,555
Public Works	8,038,977	235,247	c,d	8,274,224
Total Department Operating	9,496,203	235,247		9,731,450
Capital Projects				
Capital Projects	13,047,643	0		13,047,643
Capital Carryover	7,598,605	(2,290,690)	b	5,307,915
Total Capital Projects	20,646,248	(2,290,690)		18,355,558
Non-Departmental				
Interfund Transfers	603,000	0		603,000
Reserves	1,387,902	(606,842)	a	781,060
Balance Available	4,819,959	(566,383)	a,b,c,d	4,253,576
Total Non-Departmental	6,810,861	(1,173,225)		5,637,636
TOTAL REQUIREMENTS	36,953,312	(3,228,668)		33,724,644

510 Municipal Airport Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$8,689,873, decrease Airport Reserves by \$606,842 and decrease Balance Available by \$8,083,031. This adjustment brings the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$2,290,690 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

c) **Encumbrance Estimate Reconciliation:** Decrease the Public Works Department operating appropriations by \$257,924 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

d) **Reappropriations:** Recognize Intergovernmental revenues in the amount of \$5,461,205 for supporting previously budgeted Airport capital projects (\$4,968,034) and a previously awarded Small Community Air Service Development Program (\$493,171) increase Balance Available by \$4,968,034, and increase Public Works Department operating appropriations by \$493,171.

520 Parking Services Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,368,498	562,417	a	1,930,915
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	532,000	0		532,000
Charges for Services	4,782,940	0		4,782,940
Fines/Forfeitures	1,371,500	0		1,371,500
Miscellaneous	40,250	0		40,250
Total Revenue	6,726,690	0		6,726,690
TOTAL RESOURCES	8,095,188	562,417		8,657,605
II. REQUIREMENTS				
Department Operating				
Central Services	407,673	0		407,673
Planning and Development	5,581,980	(161,811)	b	5,420,169
Public Works	84,443	(7,815)	b	76,628
Total Department Operating	6,074,096	(169,626)		5,904,470
Capital Projects				
Capital Projects	50,000	0		50,000
Total Capital Projects	50,000	0		50,000
Non-Departmental				
Interfund Transfers	1,064,425	0		1,064,425
Balance Available	906,667	732,043	a,b	1,638,710
Total Non-Departmental	1,971,092	732,043		2,703,135
TOTAL REQUIREMENTS	8,095,188	562,417		8,657,605

520 Parking Services Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$562,417 and increase Balance Available by the same amount. This adjustment brings the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Reduce the Planning and Development Department operating appropriations by \$161,811, reduce the Public Works Department operating appropriations by \$7,815 and increase Balance Available by \$169,626 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid.

530 Wastewater Utility Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	6,753,847	(2,719,588)	a	4,034,259
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	22,000	0		22,000
Charges for Services	56,405,060	1,945,203	a	58,350,263
Fines/Forfeitures	4,500	0		4,500
Miscellaneous	34,000	0		34,000
Total Revenue	56,465,560	1,945,203		58,410,763
TOTAL RESOURCES	63,219,407	(774,385)		62,445,022
II. REQUIREMENTS				
Department Operating				
Public Works	28,151,830	(618,914)	b	27,532,916
Total Department Operating	28,151,830	(618,914)		27,532,916
Capital Projects				
Capital Projects	2,140,000	0		2,140,000
Capital Carryover	3,351,684	(972,093)	c	2,379,591
Total Capital Projects	5,491,684	(972,093)		4,519,591
Non-Departmental				
Interfund Transfers	1,718,000	0		1,718,000
Special Payments	27,254,200	0		27,254,200
Balance Available	603,693	816,622	a,b,c	1,420,315
Total Non-Departmental	29,575,893	816,622		30,392,515
TOTAL REQUIREMENTS	63,219,407	(774,385)		62,445,022

530 Wastewater Utility Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$2,719,588, increase Charges for Services revenues by \$1,945,203, and decrease Balance Available by \$774,385. These adjustments bring the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures are determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation**: Decrease the Public Works Department operating appropriations by \$618,914 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **Capital Carryover Reconciliation**: Decrease capital appropriations by \$972,093 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

539 Stormwater Utility Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	7,839,161	(881,965)	a	6,957,196
CHANGE TO WORKING CAPITAL				
REVENUE				
Licenses/Permits	111,000	0		111,000
Intergovernmental	0	1,096,893	d,e	1,096,893
Rental	29,777	0		29,777
Charges for Services	17,873,000	0		17,873,000
Miscellaneous	60,225	0		60,225
Total Revenue	18,074,002	1,096,893		19,170,895
TOTAL RESOURCES	25,913,163	214,928		26,128,091
II. REQUIREMENTS				
Department Operating				
Public Works	15,334,684	(12,900)	c,e	15,321,784
Total Department Operating	15,334,684	(12,900)		15,321,784
Capital Projects				
Capital Projects	2,265,000	36,627	e	2,301,627
Capital Carryover	4,909,728	(853,081)	b	4,056,647
Total Capital Projects	7,174,728	(816,454)		6,358,274
Non-Departmental				
Interfund Transfers	1,154,000	0		1,154,000
Special Payments	15,000	0		15,000
Balance Available	2,234,751	1,044,282	a,b,c,d,e	3,279,033
Total Non-Departmental	3,403,751	1,044,282		4,448,033
TOTAL REQUIREMENTS	25,913,163	214,928		26,128,091

539 Stormwater Utility Fund

- a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$881,965 and decrease Balance Available by the same amount. These adjustments bring the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.
- b) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$853,081 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.
- c) **Encumbrance Estimate Reconciliation:** Decrease the Public Works Department operating appropriations by \$130,500 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid and increase Balance Available by the same amount.
- d) **Reappropriations:** Recognize Intergovernmental revenues supporting previously budgeted Stormwater capital projects in the amount of \$947,966 and increase Balance Available by the same amount.
- e) **New Revenues:** Recognize Intergovernmental revenues in the amount of \$148,927 for BLM native plants (\$31,327), BLM fuel reduction (\$100,000), and Oregon State Weed Board ludwigia (\$17,600) grants, increase Public Works Department operating appropriation by \$117,600, increase Capital Projects appropriation by \$36,627 for work associated with the grants and tree replacement, and decrease Balance Available by \$5,300 for tree replacement.

592 Ambulance Transport Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,091,244	106,252	a	1,197,496
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	0	13,930	b	13,930
Charges for Services	8,075,178	138,240	b,c	8,213,418
Miscellaneous	92,655	0		92,655
Total Revenue	8,167,833	152,170		8,320,003
TOTAL RESOURCES	9,259,077	258,422		9,517,499
II. REQUIREMENTS				
Department Operating				
Fire and Emergency Medical Services	7,474,415	364,170	b,c	7,838,585
Total Department Operating	7,474,415	364,170		7,838,585
Non-Departmental				
Interfund Transfers	899,998	0		899,998
Balance Available	884,664	(105,748)	a,c	778,916
Total Non-Departmental	1,784,662	(105,748)		1,678,914
TOTAL REQUIREMENTS	9,259,077	258,422		9,517,499

592 Ambulance Transport Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$106,252 and increase Balance Available by the same amount. This adjustment brings the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **New Revenue:** Increase Intergovernmental revenue in the amount of \$13,930 from Healthcare Preparedness Program 2016 - Hostile Actor grant and increase Fire and Emergency Medical Services Department operating appropriations by the same amount. Increase Charges for Services revenue by \$73,240 from the City of Springfield for logistical services, materials and supplies used by the City of Springfield fire personnel and increase the Fire and Emergency Medical Services Department operating appropriations by the same amount.

c) **One-Time Funding Request:** Increase Charges for Services revenue by \$65,000 for revenue received from the City of Springfield for medic unit supplies, increase Fire and Emergency Medical Services Department operating appropriations by \$277,000 for the contract with City of Springfield to provide services (\$135,000), medic supplies (\$65,000), trial program to increase medic capacity (\$50,000) and trial triage car program (\$27,000) and decrease balance available by \$212,000.

600 Fleet Services Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	20,289,074	(101,414)	a	20,187,660
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	25,000	0		25,000
Charges for Services	9,199,129	0		9,199,129
Miscellaneous	634,000	0		634,000
Interfund Transfers	1,430,980	0		1,430,980
Total Revenue	11,289,109	0		11,289,109
TOTAL RESOURCES	31,578,183	(101,414)		31,476,769
II. REQUIREMENTS				
Department Operating				
Public Works	16,094,990	2,266,079	b,c	18,361,069
Total Department Operating	16,094,990	2,266,079		18,361,069
Non-Departmental				
Interfund Transfers	406,000	0		406,000
Reserves	14,629,159	(2,749,216)	a,b,c	11,879,943
Balance Available	448,034	381,723	a,b	829,757
Total Non-Departmental	15,483,193	(2,367,493)		13,115,700
TOTAL REQUIREMENTS	31,578,183	(101,414)		31,476,769

600 Fleet Services Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$101,414, decrease Reserves by \$483,067, and increase Balance Available by \$381,653. These adjustments bring the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Decrease Public Works Department operating appropriations by \$733,921, increase Reserves by \$733,851, and increase Balance Available by \$70 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid.

c) **Reappropriation:** Increase Public Works Department operating appropriations for vehicle replacement not completed in the prior fiscal year in the amount of \$3,000,000, and decrease the Fleet Services Reserve by the same amount.

610 Information Systems and Services Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	11,256,249	(1,148,439)	a	10,107,810
CHANGE TO WORKING CAPITAL				
REVENUE				
Charges for Services	6,959,546	0		6,959,546
Miscellaneous	35,000	0		35,000
Total Revenue	6,994,546	0		6,994,546
TOTAL RESOURCES	18,250,795	(1,148,439)		17,102,356
II. REQUIREMENTS				
Department Operating				
Central Services	14,818,678	(1,350,573)	a,b	13,468,105
Total Department Operating	14,818,678	(1,350,573)		13,468,105
Non-Departmental				
Interfund Transfers	339,000	0		339,000
Reserves	1,364,919	0		1,364,919
Balance Available	1,728,198	202,134	a,b	1,930,332
Total Non-Departmental	3,432,117	202,134		3,634,251
TOTAL REQUIREMENTS	18,250,795	(1,148,439)		17,102,356

610 Information Systems and Services Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$1,148,439, decrease Central Services Department operating appropriations by \$610,286, and decrease Balance Available by \$538,153. These adjustments bring the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Decrease Central Services Department operating appropriations by \$740,287 and increase Balance Available by the same amount to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid.

615 Facilities Services Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	3,705,214	(83,930)	a	3,621,284
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	548,600	0		548,600
Charges for Services	9,920,275	0		9,920,275
Miscellaneous	9,000	0		9,000
Total Revenue	10,477,875	0		10,477,875
TOTAL RESOURCES	14,183,089	(83,930)		14,099,159
II. REQUIREMENTS				
Department Operating				
Central Services	9,565,120	(34,575)	c	9,530,545
Planning and Development	582,246	(121,805)	c	460,441
Total Department Operating	10,147,366	(156,380)		9,990,986
Capital Projects				
Capital Projects	375,000	0		375,000
Capital Carryover	315,294	(23,788)	b	291,506
Total Capital Projects	690,294	(23,788)		666,506
Non-Departmental				
Debt Service	212,000	0		212,000
Interfund Transfers	421,000	0		421,000
Reserves	536,500	0		536,500
Balance Available	2,175,929	96,238	a,b,c	2,272,167
Total Non-Departmental	3,345,429	96,238		3,441,667
TOTAL REQUIREMENTS	14,183,089	(83,930)		14,099,159

615 Facilities Services Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$83,930 and decrease Balance Available by the same amount. This adjustment brings the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Decrease capital appropriations by \$23,788 and increase Balance Available by the same amount. This adjustment reconciles the FY17 Capital Carryover Estimate to the actual ending FY16 capital projects balance.

c) **Encumbrance Estimate Reconciliation:** Decrease Central Services Department operating appropriations by \$34,575, decrease Planning and Development operating appropriations by \$121,805 and increase Balance Available by \$156,380 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid.

620 Risk and Benefits Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	11,611,923	3,109,679	a	14,721,602
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	210,000	0		210,000
Charges for Services	41,426,983	0		41,426,983
Miscellaneous	259,320	0		259,320
Total Revenue	41,896,303	0		41,896,303
TOTAL RESOURCES	53,508,226	3,109,679		56,617,905
II. REQUIREMENTS				
Department Operating				
Central Services	35,845,849	0		35,845,849
Total Department Operating	35,845,849	0		35,845,849
Non-Departmental				
Debt Service	6,364,500	0		6,364,500
Interfund Transfers	156,000	0		156,000
Reserves	6,813,473	150,304	a	6,963,777
Balance Available	4,328,404	2,959,375	a	7,287,779
Total Non-Departmental	17,662,377	3,109,679		20,772,056
TOTAL REQUIREMENTS	53,508,226	3,109,679		56,617,905

620 Risk and Benefits Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$3,109,679, increase the Debt Service Reserve by \$32,921, increase the Medical Rate Stabilization Reserve by \$117,383, and increase Balance Available by \$2,959,375. These adjustments bring the FY17 Budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

630 Professional Services Fund

	FY17 Adopted	FY17 SB1 Action		FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	3,690,363	(47,218)	a	3,643,145
CHANGE TO WORKING CAPITAL				
REVENUE				
Charges for Services	6,216,132	192,846	d	6,408,978
Miscellaneous	1,000	0		1,000
Total Revenue	6,217,132	192,846		6,409,978
TOTAL RESOURCES	9,907,495	145,628		10,053,123
II. REQUIREMENTS				
Department Operating				
Public Works	6,297,219	257,699	b,c,d	6,554,918
Total Department Operating	6,297,219	257,699		6,554,918
Non-Departmental				
Interfund Transfers	888,000	0		888,000
Reserves	1,576,066	0		1,576,066
Balance Available	1,146,210	(112,071)	a,b,c	1,034,139
Total Non-Departmental	3,610,276	(112,071)		3,498,205
TOTAL REQUIREMENTS	9,907,495	145,628		10,053,123

630 Professional Services Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$47,218 and decrease Balance Available by the same amount. This adjustment brings the FY17 budgeted Beginning Working Capital in compliance with the audited FY16 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Encumbrance Estimate Reconciliation:** Reduce the Public Works Department operating appropriations by \$70,147 to reconcile the amount estimated for payment of obligations incurred but not paid in FY16 to the actual amount paid, and increase Balance Available by the same amount.

c) **One-Time Funding Request:** Increase Public Works Department operating budget by \$135,000 and decrease Balance Available by the same amount for EmX project materials testing.

d) **New Revenues:** Recognize Charges for Services revenue in the amount of \$192,846 for CMTS EmX Garfield/West 11th inspection services (\$93,100) and OBEC for West 11th/Garfield surface inspection (\$99,746), and increase Public Works Department operating appropriations by the same amount.

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;
MAKING APPROPRIATIONS FOR THE CITY OF EUGENE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2016,
AND ENDING JUNE 30, 2017.**

The City Council of the City of Eugene finds that Adopting the Supplemental Budget and Making Appropriations is necessary under ORS 294.471.

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, A
Municipal Corporation of the State of Oregon, as follows:

Section 1.

That the Supplemental Budget for the City of Eugene, Oregon, for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as set forth in attached Exhibit A is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning July 1, 2016, and ending June 30, 2017, and for the purposes shown in attached Exhibit A are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.471(1), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.471(3).

Section 4.

This resolution complies with ORS 294.471(4), and does not authorize an increase in the levy of property taxes above the amount in the Adopted Budget publication.

The foregoing resolution adopted this 12th day of December, 2016.

City Recorder

EXHIBIT AAmounts
in dollars**GENERAL FUND****Department Operating**

Central Services	1,839,260
Fire and Emergency Medical Services	497,702
Library, Recreation and Cultural Services	1,872,700
Planning and Development	1,958,594
Police	1,458,236
Public Works	176,200

Total Department Operating	7,802,692
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Non-Departmental

Contingency	(21,149)
Interfund Transfers	9,750,000
* Reserves	6,035,115

Total Non-Departmental	15,763,966
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TOTAL GENERAL FUND	23,566,658
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SPECIAL ASSESSMENT MANAGEMENT FUND**Non-Departmental**

* Balance Available	3,227
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Total Non-Departmental	3,227
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TOTAL SPECIAL ASSESSMENT MANAGEMENT FUND	3,227
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ROAD FUND**Department Operating**

Public Works	469,385
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Total Department Operating	469,385
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Non-Departmental

* Balance Available	815,952
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Total Non-Departmental	815,952
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TOTAL ROAD FUND	1,285,337
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PUBLIC SAFETY COMMUNICATIONS FUND

Department Operating	
Police	450,000
Total Department Operating	<u>450,000</u>
Non-Departmental	
* Balance Available	(246,008)
Total Non-Departmental	<u>(246,008)</u>
TOTAL PUBLIC SAFETY COMMUNICATIONS FUND	<u>203,992</u>

TELECOM REGISTRATION/LICENSING FUND

Department Operating	
Central Services	2,273,723
Total Department Operating	<u>2,273,723</u>
Non-Departmental	
* Balance Available	(613,929)
Total Non-Departmental	<u>(613,929)</u>
TOTAL TELECOM REGISTRATION/LICENSING FUND	<u>1,659,794</u>

CONSTRUCTION AND RENTAL HOUSING FUND

Department Operating	
Planning and Development	59,547
Total Department Operating	<u>59,547</u>
Non-Departmental	
* Balance Available	483,068
Total Non-Departmental	<u>483,068</u>
TOTAL CONSTRUCTION AND RENTAL HOUSING FUND	<u>542,615</u>

SOLID WASTE AND RECYCLING FUND

Department Operating	
Planning and Development	35,183
Total Department Operating	<u>35,183</u>
Non-Departmental	
* Balance Available	(52,375)
Total Non-Departmental	<u>(52,375)</u>
TOTAL SOLID WASTE AND RECYCLING FUND	<u>(17,192)</u>

COMMUNITY DEVELOPMENT FUND

Department Operating	
Planning and Development	(500,128)
Total Department Operating	<u>(500,128)</u>
Capital Projects	
Capital Projects	(45,686)
Total Capital Projects	<u>(45,686)</u>
Non-Departmental	
Special Payments	(879,869)
* Reserves	137,773
* Balance Available	325,822
Total Non-Departmental	<u>(416,274)</u>
TOTAL COMMUNITY DEVELOPMENT FUND	<u>(962,088)</u>

LIBRARY, PARKS AND RECREATION SPECIAL REVENUE FUND

Department Operating	
Library, Recreation and Cultural Services	224,939
Total Department Operating	<u>224,939</u>
Capital Projects	
Capital Projects	(3,747)
Total Capital Projects	<u>(3,747)</u>
Non-Departmental	
Special Payments	(15,711)
* Reserves	294,289
* Balance Available	323,074
Total Non-Departmental	<u>601,652</u>
TOTAL LIBRARY, PARKS AND REC. SPECIAL REVENUE FUND	<u>822,844</u>

GENERAL OBLIGATION DEBT SERVICE FUND

Non-Departmental	
Debt Service	92,143
Total Non-Departmental	<u>92,143</u>
TOTAL GENERAL OBLIGATION DEBT SERVICE FUND	<u>92,143</u>

SPECIAL ASSESSMENT BOND DEBT SERVICE FUND

Non-Departmental	
* Reserves	5,370
Total Non-Departmental	<u>5,370</u>
TOTAL SPECIAL ASSESSMENT BOND DEBT SERVICE FUND	<u>5,370</u>

GENERAL CAPITAL PROJECTS FUND

Capital Projects	
Capital Projects	(698,296)
Total Capital Projects	<u>(698,296)</u>
Non-Departmental	
* Balance Available	8,245,789
Total Non-Departmental	<u>8,245,789</u>
TOTAL GENERAL CAPITAL PROJECTS FUND	<u>7,547,493</u>

SYSTEMS DEVELOPMENT CAPITAL PROJECTS FUND

Department Operating	
Public Works	(4,518)
Total Department Operating	<u>(4,518)</u>
Capital Projects	
Capital Projects	889,217
Total Capital Projects	<u>889,217</u>
Non-Departmental	
* Balance Available	(168,891)
Total Non-Departmental	<u>(168,891)</u>
TOTAL SYSTEMS DEVELOPMENT CAP. PROJECTS FUND	<u>715,808</u>

TRANSPORTATION CAPITAL PROJECTS FUND

Capital Projects	
Capital Projects	2,177,641
Total Capital Projects	<u>2,177,641</u>
Non-Departmental	
* Balance Available	462,112
Total Non-Departmental	<u>462,112</u>
TOTAL TRANSPORTATION CAPITAL PROJECTS FUND	<u>2,639,753</u>

SPECIAL ASSESSMENT CAPITAL PROJECTS FUND

Non-Departmental	
* Balance Available	21,646
Total Non-Departmental	<u>21,646</u>
TOTAL SPECIAL ASSESSMENT CAPITAL PROJECTS FUND	<u>21,646</u>

MUNICIPAL AIRPORT FUND

Department Operating	
Public Works	235,247
Total Department Operating	<u>235,247</u>
Capital Projects	
Capital Projects	(2,290,690)
Total Capital Projects	<u>(2,290,690)</u>
Non-Departmental	
* Reserves	(606,842)
* Balance Available	(566,383)
Total Non-Departmental	<u>(1,173,225)</u>
TOTAL MUNICIPAL AIRPORT FUND	<u>(3,228,668)</u>

PARKING SERVICES FUND

Department Operating	
Planning and Development	(161,811)
Public Works	(7,815)
Total Department Operating	<u>(169,626)</u>
Non-Departmental	
* Balance Available	732,043
Total Non-Departmental	<u>732,043</u>
TOTAL PARKING SERVICES FUND	<u>562,417</u>

WASTEWATER UTILITY FUND

Department Operating	
Public Works	(618,914)
Total Department Operating	<u>(618,914)</u>
Capital Projects	
Capital Projects	(972,093)
Total Capital Projects	<u>(972,093)</u>
Non-Departmental	
* Balance Available	816,622
Total Non-Departmental	<u>816,622</u>
TOTAL WASTEWATER UTILITY FUND	<u>(774,385)</u>

STORMWATER UTILITY FUND

Department Operating	
Public Works	(12,900)
Total Department Operating	<u>(12,900)</u>
Capital Projects	
Capital Projects	(816,454)
Total Capital Projects	<u>(816,454)</u>
Non-Departmental	
* Balance Available	1,044,282
Total Non-Departmental	<u>1,044,282</u>
TOTAL STORMWATER UTILITY FUND	<u>214,928</u>

AMBULANCE TRANSPORT FUND

Department Operating	
Fire and Emergency Medical Services	364,170
Total Department Operating	<u>364,170</u>
Non-Departmental	
* Balance Available	(105,748)
Total Non-Departmental	<u>(105,748)</u>
TOTAL AMBULANCE TRANSPORT FUND	<u>258,422</u>

FLEET SERVICES FUND

Department Operating	
Public Works	2,266,079
Total Department Operating	<u>2,266,079</u>
Non-Departmental	
* Reserves	(2,749,216)
* Balance Available	381,723
Total Non-Departmental	<u>(2,367,493)</u>
TOTAL FLEET SERVICES FUND	<u>(101,414)</u>

INFORMATION SYSTEMS AND SERVICES FUND

Department Operating	
Central Services	(1,350,573)
Total Department Operating	<u>(1,350,573)</u>
Non-Departmental	
* Balance Available	202,134
Total Non-Departmental	<u>202,134</u>
TOTAL INFORMATION SYSTEMS AND SERVICES FUND	<u>(1,148,439)</u>

FACILITIES SERVICES FUND

Departmental Operating	
Central Services	(34,575)
Planning and Development	(121,805)
Total Departmental Operating	<u>(156,380)</u>
Capital Projects	
Capital Projects	(23,788)
Total Capital Projects	<u>(23,788)</u>
Non-Departmental	
* Balance Available	96,238
Total Non-Departmental	<u>96,238</u>
TOTAL FACILITIES SERVICES FUND	<u>(83,930)</u>

RISK AND BENEFITS FUND

Non-Departmental	
* Reserves	150,304
* Balance Available	2,959,375
Total Non-Departmental	<u>3,109,679</u>
TOTAL RISK AND BENEFITS FUND	<u>3,109,679</u>

PROFESSIONAL SERVICES FUND

Departmental Operating	
Public Works	257,699
Total Departmental Operating	<u>257,699</u>
Non-Departmental	
* Balance Available	(112,071)
Total Non-Departmental	<u>(112,071)</u>
TOTAL PROFESSIONAL SERVICES FUND	<u><u>145,628</u></u>
TOTAL REQUIREMENTS - ALL FUNDS	<u><u><u>37,081,638</u></u></u>

* Reserves and Balance Available amounts are not appropriated for spending and are shown for informational purposes only.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing and Possible Action: An Ordinance Allowing a Licensed Recreational Marijuana Retail Facility to Locate Less Than 1000 Feet from Looking Glass Intensive Treatment Residential Treatment Facility; Declaring an Emergency; and Providing For an Immediate Effective Date

Meeting Date: December 12, 2016
Department: City Attorney's Office
www.eugene-or.gov

Agenda Item Number: 6
Staff Contact: Glenn Klein
Contact Telephone Number: 541-682-8447

ISSUE STATEMENT

The City Council will hold a public hearing and consider adoption of an ordinance to provide an exception per state statute regarding the minimum distance between a marijuana dispensary and Looking Glass Residential Treatment Facility.

BACKGROUND

Terpene Station, a marijuana dispensary located at 645 River Road, Unit 3, received a license from the State of Oregon in the spring of 2014 to dispense medical marijuana. Prior to license approval, State staff checked numerous requirements including that the business is located at least 1000 feet from a school. When authorized by the State, Terpene Station began recreational marijuana sales on October 1, 2015, as well. Recreational sales also require the 1000 foot separation from schools.

In 2015, the State notified Terpene Station that they considered Looking Glass Residential Treatment Facility, located at 550 River Road to be a school. Looking Glass is located 960 feet from Terpene Station when measured door to door along the shortest pedestrian route. Since the distance was less than 1000 feet, the State notified Terpene Station that they intended to revoke their recreational sales license.

Later in 2015, the legislature passed a grandfathering provision regarding the distance between medical and recreational marijuana dispensaries and schools. At that time, the State dropped their intent to revoke the marijuana license and issued a license renewal.

Recreational marijuana sales located at medical dispensaries need to obtain a new "stand-alone" recreational license by January 1, 2017. When Terpene Station applied for this license the State explained that the existing grandfathering provision for recreational sales does not apply to Terpene Station's situation. Therefore, a new recreational license would not be approved.

Terpene Station asked for reconsideration and recently the Department of Justice determined that Looking Glass was a school. Without recreational sales, Terpene Station estimates that medical sales only would not keep the business sustainable.

Earlier this year, the Legislature adopted Senate Bill 1511 which allows cities to adopt an ordinance permitting a recreational marijuana business to be located less than 1000 feet but no closer than 500 feet from a school if the City Council determines that “a physical or geographic barrier” separates the business from the school.

Terpene Station has requested that the City Council consider adoption of such an ordinance which would allow the continuance of recreational marijuana sales at their existing location. The draft ordinance has been reviewed by staff at the Oregon Liquor Control Commission, which administers recreational marijuana sales licenses, and staff agree that the proposed ordinance meets the criteria contained in the statute.

RELATED CITY POLICIES

Per the City’s land use code, Terpene Station is a permitted use at its current location in the C-2 Community Commercial zone. (The only City land use code standard relating to minimum separation requirements are needing at least 200 feet between freestanding signs in some commercial and industrial zones.)

COUNCIL OPTIONS

This is a public hearing with possible action if the Council chooses to move forward.

Option 1: Adopt the ordinance.

Option 2: Do not adopt the ordinance.

CITY MANAGER’S RECOMMENDATION

On November 21, the Council directed the city manager to bring back this ordinance at this time. Because the timing for notice before the public hearing was abbreviated, all councilors must agree that the Council can move forward at this meeting. At that November 21 meeting, all councilors indicated that based on what they knew at that time, they would be willing to agree to move forward with a vote at this meeting. Based on that preliminary indication, the City Manager recommends that the Council approve the ordinance at this meeting, unless testimony is presented during the public hearing raising objections.

SUGGESTED MOTION

I move to adopt Council Bill 5161, an ordinance related to a licensed recreational marijuana facility.

ATTACHMENTS

A. Ordinance

FOR MORE INFORMATION

Staff Contact: Mike McKerrow
Telephone: 541-682-5288
Staff E-Mail: mike.j.mckerrow@ci.eugene.or.us

ORDINANCE NO. _____

AN ORDINANCE ALLOWING A LICENSED RECREATIONAL MARIJUANA RETAIL FACILITY TO LOCATE LESS THAN 1000 FEET FROM LOOKING GLASS INTENSIVE TREATMENT RESIDENTIAL TREATMENT FACILITY; DECLARING AN EMERGENCY; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

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

A. ORS 475B.450(3)(d) provides that a medical marijuana dispensary registered with the Oregon Health Authority (OHA) pursuant to ORS 475B.450 may not be located less than 1,000 feet of a public elementary or secondary school for which attendance is compulsory under ORS 339.020, or a private or parochial elementary or secondary school teaching children as described in ORS 339.030(1)(a)

B. Terpene Station, a medical marijuana dispensary registered pursuant to ORS 475B.450, was licensed by OHA in the Spring of 2014, for its current location at 645 River Road, Unit 3, Eugene, Oregon.

C. Looking Glass Intensive Treatment (Looking Glass) is a residential treatment facility is located at 550 River Road, Eugene, Oregon.

D. The 2016 Legislature adopted SB 1511. Section 29b of that legislation provides that a city or county may adopt an ordinance that allows a recreational marijuana retailer to be located less than 1000 feet for a school provided that (1) the retailer has a license from OLCC and is located more than 500 feet from the school, and (2) the city or county determines that a physical or geographic barrier exists separating the retail store from the school.

E. Terpene Station is located east of River Road and north of Razor Avenue. Looking Glass is located west of River Road, south of Bauer Land and north of Hansen Lane. The distance of pedestrian travel between the door of Looking Glass and the door of Terpene Station is 960 feet. As the crow flies, the distance is 825 feet from door to door. The closest corners of the properties are approximately 605 feet apart (per GEODart). The two facilities are located on opposite sides of a five lane "major" arterial with average daily traffic of 20,000. There is only one crosswalk protecting pedestrian access across River Road between the two facilities, which is located in the portion of the road outside of the building that includes Terpene Station. Geographically, there are six commercial businesses between Looking Glass and Terpene Station. In addition, the two facilities are not within line of sight of each other, in part due to trees and other vegetation blocking that view. In light of these facts, especially the busy arterial road separating the Looking glass facility from Terpene Station, there are geographical and topographical barriers that will prevent children from traversing between the two establishments.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The findings set forth above are adopted in support of this Ordinance.

Section 2. A physical or geographic barrier capable of preventing children from traversing directly between Terpene Station and Looking Glass exists as described in the above findings.

Section 3. Upon OLCC's issuance of a license to Terpene Station as a recreational marijuana retail facility, Terpene Station may continue to operate as a recreational marijuana retail facility at 645 River Road, Unit 3, Eugene, Oregon.

Section 4. Due to the January 1, 2017 deadline for Council adoption of an Ordinance allowing Terpene Station to continue operating as a marijuana retail store, an emergency is declared to exist that cannot be addressed by the ordinance adoption procedures of Section 28(1) of the Eugene Charter of 2002. Immediately prior to adoption of this Ordinance, the City Council unanimously agreed to proceed with consideration of this Ordinance with an abbreviated notice of the public hearing date pursuant to Section 28(4) of the Charter.

Section 5. As this matter has been declared an emergency, pursuant to the provisions of Section 32(2) of the Eugene Charter of 2002, with the affirmative vote of two-thirds of the members of the City Council, upon adoption by the Council and approval by the Mayor, or passage over the Mayor's veto, this Ordinance shall become effective immediately.

Passed by the City Council this

_____ day of December, 2016.

Approved by the Mayor this

_____ day of December, 2016.

City Recorder

Mayor

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Action: An Ordinance Concerning the Erosion Prevention and Construction Site Management Program and Amending Sections 6.406, 6.625, 6.630, 6.635 and 6.640 of the Eugene Code 1971.

Meeting Date: December 12, 2016
Department: Public Works
www.eugene-or.gov

Agenda Item Number: 7
Staff Contact: Scott Gillespie
Contact Telephone Number: 541-682-2706

ISSUE STATEMENT

The City Council will deliberate and take action on proposed environmental and health code amendments related to the Erosion Prevention and Construction Site Management Program.

BACKGROUND

An erosion and sediment control program is a requirement of the City's Federal and State Stormwater permits. The erosion ordinance has not been updated since its original adoption in 1996. The City is currently on the 4th iteration of federal and state stormwater permits and the industry practice has evolved since the original ordinance was adopted. Proposed changes to the erosion and sediment control ordinance are intended to address current stormwater permit requirements, address problematic unregulated construction sites and reflect current industry practice.

A summary of the proposed amendments and draft code language are provided as attachments A and B, respectively.

Staff engaged regulatory agencies, regulated sectors of our community and design professionals early in the process to gather feedback and discuss additional regulations.

A public hearing on the draft ordinance was held on November 28, 2016. No testimony was provided.

RELATED CITY POLICIES

An erosion control program is a condition of the City's NPDES Municipal Stormwater Permit and a policy of the adopted Comprehensive Stormwater Management Plan, 1993.

COUNCIL OPTIONS

The council may adopt the proposed ordinance, decline to adopt the ordinance, or request changes.

CITY MANAGER'S RECOMMENDATION AND SUGGESTED MOTION

The City Manager recommends adoption of the proposed ordinance.

ATTACHMENTS

- A. Summary memo to City Council dated July 8, 2016
- B. Proposed Ordinance

FOR MORE INFORMATION

Staff Contact: Scott Gillespie
Telephone: 541-682-2706
Staff E-Mail: [scott.n.gillespie @ci.eugene.or.us](mailto:scott.n.gillespie@ci.eugene.or.us)

Memorandum

Date: July 8, 2016
To: Mayor Piercy & Eugene Councilors
From: Scott Gillespie, PE
Subject: Erosion and Sediment Control Program Updates

The purpose of the memo is to summarize proposed changes to the Erosion & Sediment Control Program Ordinance and Chapter 6 of Eugene Code. An erosion and sediment control program is a requirement of the City's Federal and State Stormwater permits. The erosion ordinance has not been updated since its original adoption in 1996. We are currently on the 4th iteration of federal and state stormwater permits and the industry practice has evolved since the original ordinance was adopted. Proposed changes to the erosion and sediment control ordinance are intended to address current stormwater permit requirements, address problematic unregulated construction sites and reflect current industry practice. Proposed changes include:

Erosion Ordinance (Changes to Chapter 6)

- Proposing to add 1 additional permit trigger.
 - Sites that require 5000 cubic feet of cut/fill. This specifically targets large commercial and student housing developments that have underground parking. Examples are The HUB, 13th & Patterson, etc. Projects generally include large excavations & roadway staging. City staff have enforced outcomes and discharges on a number of occasions for projects with these characteristics.
- Reduce permit types down from 3 to 2. Individual and Annual (eliminating "umbrella" permits). Put focus on the "development" rather than the numerous individual activities that make up a site. This reflects current practice.

Staff reviewed current state and federal permits for consistency. Staff also queried the Oregon Department of Environmental Quality on any potential changes at the state and federal levels. Our current program is comprehensive and consistent with current and pending permits. No changes are necessary to meet current or anticipated EPA and ODEQ regulatory requirements.

The current program was reviewed with external and internal stakeholders (contractors, developers, engineers, architects, utilities etc.). There was unanimous support for keeping the outcome based program. The outcome based program allows contractors and designers to select their own techniques provided they meet prescribed outcomes and protect the stormwater system. All stakeholders appreciate the flexibility along with not having another big manual to follow. All entities understood and acknowledged the proposed changes.

City staff presented the changes to the Lane County Homebuilders Association in March of 2016. The Home Builders association had no concerns with the proposed changes.

A public hearing on an ordinance with proposed changes to the Erosion and Sediment Control Program within Chapter 6 of the Eugene Code will be scheduled in the Fall of 2016.

ORDINANCE NO. _____

AN ORDINANCE CONCERNING EROSION PREVENTION AND AMENDING SECTIONS 6.406, 6.625, 6.630, 6.635, AND 6.640 OF THE EUGENE CODE, 1971.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The following definitions in Section 6.406 of the Eugene Code, 1971, are amended to provide as follows:

6.406 **Definitions.** For purposes of sections 6.401 through 6.645, unless the context requires otherwise words and phrases shall have the meaning ascribed to them. In interpreting the meaning of words in a definition, other definitions of that word in this Code may be considered:

City stormwater system. Those stormwater facilities located on city-owned property, city right-of-way, city easements and any stormwater facility the city is contractually or legally obligated to operate and maintain, including but not limited to:

- (a) An open drainage way, headwater stream, creek, wetland, spring, or pond, including those not maintained by the city which drain onto city-owned property or into city maintained facilities;
- (b) A pipe or sewer and its related appurtenances that ~~carry~~ **convey** stormwater and have been designed and constructed expressly for use by the general public and accepted by the city;
- (c) Streets, curbs and gutters and other surfaces in the public way which are designed to carry stormwater, roadside drainage ditches along unimproved city streets but not access drive culverts; and
- (d) Flood control and stormwater quality facilities (levees, dikes, overflow channels, **conveyance** swales, ~~biofiltration facilities,~~ infiltration facilities, **stormwater facilities, water quality facilities**, detention basins, retention basins, dams, pump stations, groundwater ~~recharging~~ **recharge** basins, sediment ~~traps~~ **basins, vegetated buffers**, wetlands, etc.) that have been ~~designed~~ **designated**, and constructed expressly for use by the general public and accepted by the city.

Construction related materials. Potential water quality pollutants that are used or created during construction activities including, but not limited to, off-site deposits of sediments by vehicles (e.g., tracking, spilling), building material wastes (e.g., scrap metals, rubber, plastic, glass, masonry, wood; paints and thinners; packaging materials; insulation, plaster grout);

hazardous substances (e.g., **petroleum products**, cleaning solvents, chemical additives, concrete curing compounds, acids for cleaning masonry surfaces, paints, thinners); and concrete washout.

Construction site management plan (CSMP). A set of maps, data, drawings, **specifications** and narrative that describes expected runoff from new construction sites, and establishes **best management practices or equivalent** measures to be taken for preventing erosion[,]**and controlling** sediments, **surface runoff** and other pollutants from construction [related] activities. **For purposes of sections 6.401 through 6.645, the CSMP serves as the City of Eugene's equivalent requirement to the Erosion Sediment Control Plan (ESCP) required by the Oregon Department of Environmental Quality and the Stormwater Pollution Prevention Plan (SWPPP) required by the United States Environmental Protection Agency.**

Dewatering. The removal and disposal of surface water or groundwater **during construction or** for **the** purpose[s] of [preparing a site for] **facilitating** construction.

Jurisdictional wetland. **An area that is inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and which under normal circumstances does support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands include swamps, marshes, bogs and similar areas.** Any parcel or portion of a parcel which meets the state or federal definition of wetlands that are under the jurisdiction of state or federal laws. Synonymous with "wetland."

Minor recurring activities. Repetitive **minor** construction, **maintenance and operational** activities **on existing infrastructure** that are performed as part of an overall work plan [and] **or program when** no individual disturbance exceeds more than 500 square feet of land area and 50 cubic yards of fill or excavated material. **Examples include, but are not limited to, connections and extensions of utility service, repair of utility and infrastructure facilities, and maintenance of stormwater facilities' drainage capacity.**

~~[**Owner.** The fee owner of land including the contract purchaser of such land.]~~

Stormwater facilities. Any structure or configuration of the ground that is used or by its location becomes a place where stormwater flows or is accumulated including but not limited to pipes, sewers, curbs, gutters, manholes, catch basins, ponds, open drainage ways, runoff control facilities, **water quality facilities**, wetlands and their appurtenances.

Stormwater [R]related natural resource[s] areas. [Natural resources] **Areas** located within or adjacent to the city's stormwater system, such as waterways, wetlands, **conservation zones or easements** and riparian areas, [that] **which, due to their location, topography, vegetation, or other factors** provide one or more of the following stormwater functions: flood control, **streambank stabilization and** water quality treatment, [and streambank stabilization] **including pollutant removal, shading and temperature stabilization.**

Wetland. *An area that is inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and which under normal circumstances does support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands include swamps, marshes, bogs and similar areas.* Any parcel or portion of a parcel which meets state or federal definition of wetlands that are under the jurisdiction of state or federal laws. Synonymous with "jurisdictional wetland."

Section 2. Section 6.625 of the Eugene Code, 1971, is amended to provide as follows:

- 6.625 Erosion Prevention - Purpose.** Sections 6.625 to 6.645, and the rules issued thereunder, are intended to restrict the discharge of sediments or other construction related materials, including hazardous substances as defined in section 6.340, into the city's stormwater system in order to:
- (a) Prevent or minimize, to the maximum extent practicable, negative impacts to adjacent properties, water quality, and **stormwater** related natural resource[s] **areas** resulting from construction activities; and
 - (b) Maintain the capacity of the city's stormwater system by minimizing sedimentation.

Section 3. Section 6.630 of the Eugene Code, 1971, is amended to provide as follows:

- 6.630 Erosion Prevention - Applicability and Compliance.**
- (1) **Scope.** The provisions of sections 6.625 to 6.645, and the rules issued thereunder, apply to all construction [related] activities that result in any one or all of the following:
 - (a) Land disturbance, including, but not limited to clearing, grading, grubbing, logging, excavating, filling, and storing of materials;
 - (b) Structural development **or demolition**, including, but not limited to buildings, bridges, roads, and other infrastructure;
 - (c) Impervious surfaces, including, but not limited to parking lots, driveways, walkways, and patios; or

(d) Dewatering.

Notwithstanding the foregoing, the following activities shall be exempt from the provisions of sections 6.625 to 6.645: (i) actions by a public utility, the city, or any other governmental agency to remove or alleviate an emergency condition, restore utility service, or reopen a public thoroughfare to traffic; or (ii) actions by any other person when the city determines, and documents in writing, that the actions are necessary to remove or alleviate an emergency condition, restore utility service, or reopen a public thoroughfare to traffic.

- (2) Compliance. **Regardless of whether a permit is required under section 6.635,** ~~[N]~~no person shall engage in any construction ~~[related]~~ activity covered by subsection (1) in a manner that can potentially impact water quality, **adjacent properties or stormwater related natural resource areas** except as allowed by this code. All persons shall implement erosion prevention **and sediment control** measures designed to meet the outcomes established in administrative rules promulgated by the city manager. Failure to meet those outcomes shall subject the person to the same enforcement provisions as those applicable to a permit holder under section 6.640.

Section 4. Section 6.635 of the Eugene Code, 1971, is amended to provide as follows:

6.635 Erosion Prevention - Permits.

(1) Erosion Prevention Permit.

- (a) Permit required. Except as otherwise provided in subsection (3) below, no person shall commence any construction ~~[related]~~ activity without first obtaining from the city one of the erosion prevention permits listed in subparagraph (b) if the construction ~~[related]~~ activity:
1. Disturbs one or more acres of land ~~[at any one time]~~ by one or more phases of development, and the disturbance is located on the same parcel of land or on contiguous parcels of land under the same ownership; ~~[or]~~
 2. Is located in a sensitive area. The criteria for classifying sites, and the classification of such sites as sensitive areas shall be established in administrative rules issued by the city manager~~[-];~~ **or**
 3. ***Disturbs more than 5,000 cubic feet of material during one or more phases of development.***
- (b) Permit classifications. The city manager may issue ~~[all of]~~ the following types of permits, ~~[any]~~ **either** of which will meet the requirements of subsection (a) of this section:
1. Individual permit. A **person**, property owner or easement holder of record may obtain **an** ~~[separate]~~ individual permit for each construction activity on the same ~~[parcel of land]~~

development site (as defined at EC 9.0500), or for multiple construction activities proposed in connection with a development project on the same development site, including utility work, public improvements, private infrastructure, structures, and other site improvements.

~~[2. Umbrella permit. A property owner or easement holder of record may obtain an umbrella permit for multiple construction activities on the same parcel of land that are proposed in connection with a development, including utility work, private infrastructure, structures, and other site improvements.]~~

~~[3]~~2. Annual permit. **A person, property owner or easement holder of record may obtain** [A]an annual permit [may be issued] for minor recurring activities **occurring on one or more development sites.**

(c) Application. The application for an erosion prevention permit shall be accompanied by:

1. Fee. A fee established by the city manager pursuant to section 2.020 of this code in an amount sufficient to recover the city's administrative costs~~[-]~~.

2. Construction site management plan for individual ~~[and umbrella]~~ permits. A construction site management plan prepared by a certified professional(s) designated by the manager in rules adopted hereunder. The construction site management plan need not be prepared by a certified professional if the development is one (1) single family dwelling or one (1) duplex dwelling. The **approved** construction site management plan shall be kept at the construction site and available for on-site inspection purposes. The construction site management plan shall identify: potential water quality impacts associated with the proposed construction activities; techniques and methods to be used to prevent and control erosion, sedimentation, and other pollutants associated with construction activity; and the location, design, and construction schedule for all erosion, sedimentation, and other construction site management control measures to be implemented and maintained~~[- and]~~.

3. Work, scope and practices for annual permit. No construction site management plan shall be required for an annual permit. Instead, the applicant shall provide a **narrative** description of the scope of work to be performed and the practices ~~[to be]~~ employed for meeting the requirements of sections 6.625 to 6.645 of this code. A copy of the annual permit **and narrative** shall be kept at the site and available for on-site inspection purposes.

(d) Review and Issuance. The application for the erosion prevention permit shall be reviewed by the city and approved, approved with conditions, or denied, based on criteria set forth in rules adopted

by the city manager. The criteria to be adopted shall be designed to achieve the objectives listed in section 6.625. Issuance of an erosion prevention permit may be subject to conditions imposed by the city including, but not limited to, specific erosion and sedimentation prevention measures and schedules.

(e) Permit Duration.

1. An ***individual*** erosion prevention permit shall remain in effect for the full period of the construction activity. The manager may extend the duration of the permit for a period of up to, but not to exceed, two years after completion of the construction activity if the manager determines the extension is necessary to ensure that the construction activity has stabilized in accordance with the outcomes identified in the administrative rules.
2. ***Annual permits may be issued for a full calendar year, and shall expire on or before December 31 of the year issued. Annual permits may not be extended.***

(2) Appeal. Within the time and in the manner prescribed in section 2.021 of this code, the ***owner or*** applicant for a permit may appeal:

- (a) ~~[(t)]~~ The denial of a permit~~[-]~~;
- (b) ~~[(a)]~~ Any conditions imposed on a permit~~[-]~~;
- (c) ~~[(t)]~~ The determination that the property is located in a sensitive area~~[-]~~; or
- (d) ***The denial of*** an extension of the duration of an ***individual*** permit under section 6.635(1)(e).

(3) Waiver of Erosion Prevention Permit. Notwithstanding any other provisions of this section, the following activities shall not require an erosion prevention permit:

- (a) Construction activities involving the disturbance of less than 500 square feet of land surface area, or which consist of the excavation and/or fill of less than 20 cubic yards of material;
- (b) Issuance of permits and/or approvals for land divisions, interior improvements to an existing structure, or other approvals for which there is no physical disturbance to the surface of the land; and
- (c) Annual landscape maintenance activities on fully developed properties, necessary to maintain the existing developed landscape.

This waiver applies only to the requirement to obtain an erosion prevention permit and shall not be construed as an exemption from any of the erosion prevention requirements of the Eugene Code, including but not limited to erosion prevention and sediment control measures designed to meet the outcomes established in administrative rules promulgated by the city manager.

Section 5. Section 6.640 of the Eugene Code, 1971, is amended to provide as follows:

6.640 Erosion Prevention - Enforcement.

- (1) Enforcement Policy.** The primary focus of sections 6.625 to 6.645 is to implement measures for preventing erosion and minimizing stormwater impact that will meet the outcomes established in administrative rules promulgated by the city manager, and the city will use the amount of enforcement necessary to achieve compliance. Where possible the city will rely on education rather than enforcement. The manager may provide educational programs or other informational materials that will assist permittees in meeting the desired erosion and sedimentation controls, and other construction site management practices outcomes.
- (2) Inspections.** The city may make periodic inspections to ensure compliance with this code, rules issued hereunder, or conditions imposed on an erosion prevention or other permit.
- (3) Violations.** Failure to comply with the provisions of this code, rules issued hereunder, the erosion prevention permits, or conditions imposed thereon, during the period that the permit(s) remains in effect may result in:
 - (a) The issuance of a ~~[stop work order or]~~ **corrective memorandum and/or an administrative** compliance order by the city;
 - (b) The issuance of a ~~[citation into municipal court for violation of this code]~~ **stop work order by the city**; ~~[and/or]~~
 - (c) The imposition of an administrative civil penalty pursuant to the provisions of section 2.018 of this code as authorized by section 6.995 of this code~~[-];~~ **and/or**
 - (d) *The issuance of a citation into municipal court for violation of this code.***Failure to comply with any stop work or compliance order issued by the city shall constitute a separate violation. Each day a violation continues also shall constitute a separate violation.
- (4) Appeal.** Any person to whom an order is issued may appeal a stop work order or compliance order within the time and in the manner prescribed in section 2.021 of this code. Notwithstanding any other provision of this code, a stop work order or compliance order shall be effective upon issuance, and shall continue in effect during the pendency of any appeal.

Section 6. 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

____ day of _____, 2016

Approved by the Mayor this

____ day of _____, 2016

City Recorder

Mayor