



City Council

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www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

September 30, 2024

5:30 p.m. CITY COUNCIL SPECIAL MEETING

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

Meeting of September 30, 2024; Her Honor Mayor Lucy Vinis Presiding

Councilors

Matt Keating, President
Emily Semple
Alan Zelenka
Greg Evans

Randy Groves, Vice President
Lyndsie Leech
Jennifer Yeh
Mike Clark

5:30 p.m. CITY COUNCIL SPECIAL MEETING

1. SPECIAL MEETING: Revenue Proposal: Fire Service Fee

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.

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September 30, 2024 Special Meeting

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Special Meeting: Revenue Proposal: Fire Service Fee

Meeting Date: September 30, 2024
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Twylla Miller
Contact Telephone Number: 541-682-8417

ISSUE STATEMENT

As part of the 2023-2025 biennial budget process in Calendar Year 2023, staff were directed to explore revenue alternatives for a critical funding gap in the General Fund to avoid an additional \$8 to 10 million in service reductions. One of the proposals was to explore a fee to stabilize and enhance fire and emergency medical services. The purpose of this work session is to introduce and review a potential structure for a fire service fee as a revenue strategy to avoid further reductions in general fund services.

BACKGROUND

The City has been experiencing post pandemic challenges including high inflation, workforce hiring and retention, a housing and unhoused crisis, the need to provide ongoing funding to provide services after one-time state and federal funds expire, and to replenish reserve levels drawn down during the pandemic. The General Fund also continues to have a structural gap, as the cost of General Fund operations continues to outpace revenues. The 2023-2025 Adopted Budget included a revenue placeholder of \$8.3 million in the second year of the biennium, which was addressed on the June Supplemental Budget with a combination of budget reductions and revenue adjustments. Additionally, the City Council adopted an ordinance expanding the definition of stormwater services to add the operations and maintenance of city-owned parks and open spaces on June 24, 2024. Expanding Stormwater Service Fee eligibility to all Parks services allows for a stormwater fee increase to be administratively implemented to generate approximately \$1million in stormwater fee revenue to fund parks and open spaces expenses currently funded by the General Fund. The administrative process to enact the fee will occur this fall.

The critical funding gap solution presented in the spring also included the concept of Council adopting an ordinance to create a Fire Service Fee which would provide dedicated funding to stabilize and enhance fire services. This solution or other budget adjustments will need to occur in the first year of the next biennium that begins July 2025, to provide continued stability.

Many other communities in Oregon have service fees in place for a range of services that include public safety, parks, transportation and libraries. Service fees are generally billed to the occupants of developed property and are structured like other common utility fees. The fees can be adjusted over time as costs rise to keep pace with the cost of service and are used broadly across the state to recover all or a portion of services provided.

September 30, 2024 Special Meeting – Item 1

This work session is an opportunity for Council to receive information on the structure for the proposed Fire Service Fee and provide input prior to the next work session on this topic which is currently scheduled for October 28, 2024.

RELATED CITY POLICIES

City of Eugene [Strategic Plan](#) Focus Area – Organizational wellbeing: To create a sustainable budget with balanced revenues and expenditures that provides funding for necessary services in the community.

PREVIOUS COUNCIL DIRECTION

[September 14, 2022 Work Session](#)

This session was an information update on the condition of the General Fund and the future financial outlook.

[February 27, 2023 Work Session](#)

This session provided a high-level budget update and a recommendation for a revenue team to develop funding strategies for unfunded services.

[April 12, 2023 Work Session](#)

This session provided an updated Revenue Committee proposal to develop funding strategies for unfunded services.

[April 26, 2023 Budget Committee Meeting](#)

The City Manager presented the 2023-2025 Proposed Budget.

[May 10, 2023 Budget Committee Meeting](#)

The Budget Committee received presentations on Alternative Response, Downtown Services, and Unhoused Services.

[May 17, 2023 Budget Committee Meeting](#)

The Budget Committee received presentations on the Fire Engine/Squad proposal, Climate Recovery, and URA Frozen Base.

[May 24, 2023 Work Session](#)

This session provided information on unfunded/underfunded service levels as Council considers a potential scope for the Revenue Committee.

[June 21, 2023 Work Session](#)

This session provided high level information on the financial condition of the City and discussion on a revised approach to addressing the structural gap in the General Fund and other funding and service prioritization needs.

July 10, 2023 Work Session

This session was a continuation of the Financial Condition and Revenue Update work session on June 21, 2023 to provide information and additional context to understand evolving financial needs and the approach for continued revenue and service prioritization discussions.

October 11, 2023 Work Session

This session included an overview of the revenue report created by staff in August 2023 and an update on the next steps for a revenue advisory team to advise the City Manager on revenue options to address funding issues.

February 26, 2024 Work Session

This session included an overview of the Revenue Advisor work to date including potential revenue options that could make sense for the range of funding issues facing the city.

April 22, 2024 Work Session

This session provided information on the current critical funding gap in the General Fund that begins July 2024. Staff presented a potential two-year solution that includes budget strategies, a park fee that could be implemented in the summer of 2024, and a fire fee that could be implemented in the next biennium.

May 13, 2024 Work Session

Council directed the City Manager to schedule a public hearing for an ordinance concerning charges for stormwater and parks service and amending Section 6.406 of the Eugene Code, 1971 with the following motion:

Councilor Keating, seconded by Councilor Groves moved to direct the City Manager to schedule a public hearing on an ordinance amending the definition of “stormwater service” to add the operation and maintenance of city-owned parks and open space as set out in Attachment A to this AIS.

Passed 7:1 (Opposed by Councilor Clark)

June 17, 2024 Public Hearing

Council held a public hearing for an ordinance concerning charges for stormwater and parks service and amending Section 6.406 of the Eugene Code, 1971. One person testified on behalf of the Eugene Chamber of Commerce Local Government Affairs Council which did not take a formal position on the ordinance.

June 24, 2024 Work Session

Council adopted an Ordinance amending Section 6.406 of the Eugene Code, 1971 to expand the definition of “stormwater service” to add the operation and maintenance of city-owned parks and open spaces.

Councilor Groves, seconded by Councilor Zelenka, moved to adopt an Ordinance amending Section 6.406 of the Eugene Code, 1971 as set forth in Attachment A to this AIS.

Passed 5:2 (Opposed by Councilor Clark and Councilor Semple)

September 9, 2024 Work Session

This session was an information update on the condition of the General Fund and the future financial outlook.

COUNCIL OPTIONS

Information only.

CITY MANAGER'S RECOMMENDATION

None.

SUGGESTED MOTION

None.

ATTACHMENTS

None.

FOR MORE INFORMATION

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