Revenue Alternatives

City Council Meeting
May 21, 2025

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May 14th Council Direction

Motions passed:

- …direct the City Manager to prepare an ordinance consistent with the outline set forth in Attachment A of this AIS with alternatives of either an $8 million dollar or $6 million dollar revenue generation and have a sunset date of 4 years.

- …direct the City Manager to bring back information to the Council's May 21 work session regarding a stormwater fee increase that would generate $4.7 million revenue, with $1.1 million one time, with a 4-year sunset.

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New Temporary City Operations Fee

- Draft Temporary City Operations Fee Ordinance
  - Includes 9 rate categories. (3 residential and 6 general service)
  - Rate set to collect $6 or $8 Million in net revenue annually.
  - Fee sunset on June 29, 2029 (4 years).
  - Approximately 6 to 10 months to implement.
    - New bill mailing.
    - Approximately $1.5M/yr collection costs.
    - Approximately $500k/yr in assumed under collection.
  - Requires use of bridge funding to implement.
  - Creates a temporary ad hoc Citizen Fiscal Stability Advisory committee to review the city's expenditures, services, and potential revenues.

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New $8M Temporary City Operations Fee

Rate Categories	Monthly City Operations Fee Charge Per Stormwater Service Customer Account
Fee Collection	(Approx. $10 Million/yr Rev.) **$8 Million/yr Net Rev.**
Small Residential	$3
Medium Residential	$9
Large Residential	$15
General Service 1	$22
General Service 2	$75
General Service 3	$215
General Service 4	$484
General Service 5	$1,075
General Service 6	$2,150

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Fee Comparison New Temp City Operations Fee $8M & $6M

Rate Categories	Monthly City Operations Fee Charge Per Stormwater Service Customer Account	Monthly City Operations Fee Charge Per Stormwater Service Customer Account
Fee Collection	(Approx. $10 Million/yr Rev.) **$8 Million/yr Net Rev.**	(Approx. $8 Million/yr Rev.) **$6 Million/yr Net Rev.**
Small Residential	$3	$2.50
Medium Residential	$9	$7
Large Residential	$15	$12
General Service 1	$22	$17
General Service 2	$75	$60
General Service 3	$215	$170
General Service 4	$484	$383
General Service 5	$1,075	$850
General Service 6	$2,150	$1,700

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Temp Stormwater Fee Increase Option

- Potential administrative Stormwater Fee increase
  - Uses the existing 4 rate categories. (3 res and 1 general service)
  - Temporary Fee Increase ≈ $4.7M or 18%.
  - No additional collection costs.
  - Fee implemented until June 29, 2029 (4 years).
  - Implement in approximately 9 to 10 weeks.
  - Collection likely to begin in August 2025.
  - Minimal use of bridge funding needed to implement.
- Separate motion to create a temporary ad hoc Citizen Fiscal Stability Advisory committee to review the city's expenditures, services, and potential revenues.

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Fee Comparison New Temp City Operations Fee $8M & $6M, plus $4.7M Stormwater Fee Increase

Rate Categories	Monthly City Operations Fee Charge Per Stormwater Service Customer Account	Monthly City Operations Fee Charge Per Stormwater Service Customer Account	Monthly Stormwater Fee Increase Charge Per Stormwater Service Customer Account (AVG)
Fee Collection	(Approx. $10 Million/yr Rev.) **$8 Million/yr Net Rev.**	(Approx. $8 Million/yr Rev.) **$6 Million/yr Net Rev.**	**$4.7 Million/yr**
Small Residential	$3	$2.50	-
Medium Residential	$9	$7	$3.50
Large Residential	$15	$12	-
General Service 1	$22	$17	-
General Service 2	$75	$60	$47
General Service 3	$215	$170	-
General Service 4	$484	$383	-
General Service 5	$1,075	$850	$672
General Service 6	$2,150	$1,700	-

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Options Table

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Questions?

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Potential Council Motions

Potential Council Motions:

- Move to direct the City Manager to schedule a June 16, 2025, public hearing on the ordinance set forth in Attachment A to this AIS to generate ($8 million or $6 million) dollars in revenue.

In the alternative:

- Move to direct the City Manager to initiate a stormwater fee amendment pursuant to Chapter 6 of the Eugene Code that proposes a fee increase that would generate approximately $4.7 million in new stormwater fee revenue until July 1, 2029…

And

- Move to direct the City Manager to schedule a work session in the fall of 2025 to discuss creating, in accordance with Eugene Code 2.013, an ad hoc Citizen Fiscal Stability Advisory committee to review the city's expenditures, services, and potential revenues.

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