

Proposed G.O. Bond Measure for Street Repair



EUGENE CITY COUNCIL

WORK SESSION

APRIL 25, 2022



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City Council Work Session

- Overview of Pavement Management System needs
- Overview of prior and current street bonds
- Considerations for bond measure renewal
- Next steps and schedule

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Overview of Three Street Bond Measures

2008
\$39 Million
\$350K/year for Off-
Street
Path System

2012
\$43 Million
\$500K/year for
Active
Transportation

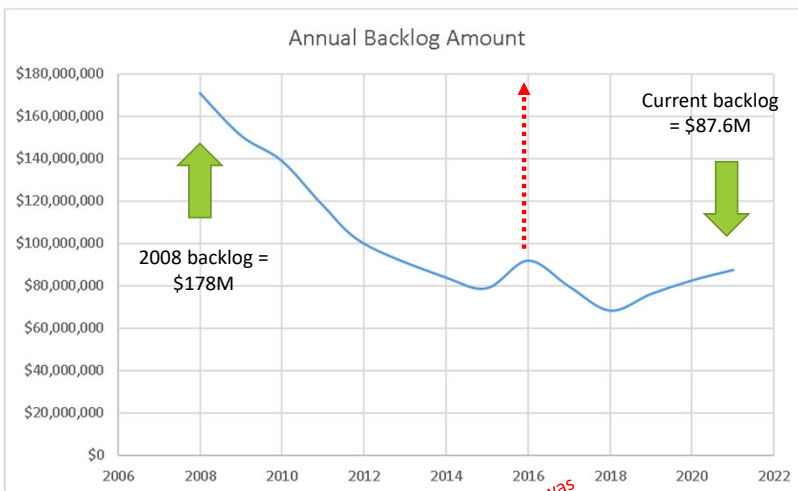
2017
\$51 Million
\$1 Million/year for
Active
Transportation



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Review of 2022 Pavement Management Report

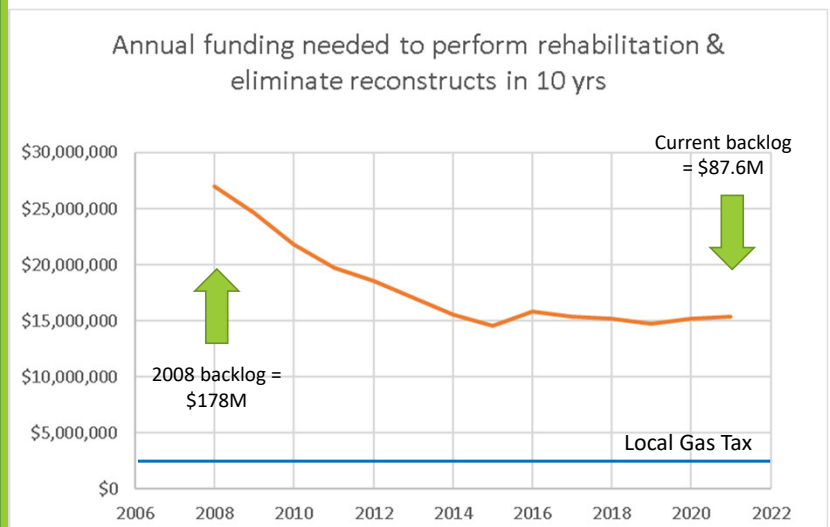


In 2007, it was
estimated the
backlog would
reach \$282M by
2016

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Review of 2022 Pavement Management Report



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Overview of the Current Street Bond

- \$51.2 million over 5 years
- 78 named streets, covering 88 lane miles
- Average of \$1 million per year to fund active transportation projects
- Street Repair Review Panel (SRRP) annual report
- Independent Financial Audit



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Review of Previous Bond Measures

Active Transportation Facilities

- The 2008 bond allocated \$350,000 per year to fund overlay and reconstruction of existing off-street paths
- The 2012 bond allocated \$516,000 per year to fund pedestrian and bicycle improvements
- The 2017 bond allocated \$1,000,000 per year to fund pedestrian and bicycle improvements



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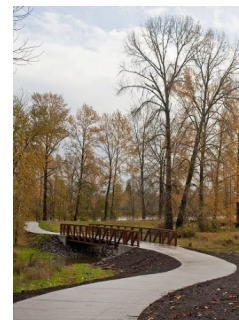
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Review of Previous Bond Measures

Active Transportation Facilities

In addition to the bond measure funding, since 2008 pedestrian and bicycling improvements have also been funded with:

- Transportation SDC funds
- Federal grant funds
- State grant funds
- Parks Bond
- Parks SDC funds



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G.O. Bond – Line of Credit Approach

- Borrow as expenditures are made
- Repay from annual property tax receipts
- Lower issuance and interest costs
- No long-term debt outstanding
- Outside Measure 5 tax rate limits

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Proposed 2022 Bond Scenarios – Assumptions

Factor	Assumption
Timing	Election: November 2022 Tax Impact: FY25 to FY29
Structure	G.O. Bond Using Line of Credit
Bond Issuance Costs	0.5% of Total Bond Amount
Tax Collections	Property Tax Collection Rate of 94%
City-wide Assessed Value	FY22 Assessed Value (AV) from Lane County Assessor = \$17.4 billion City-wide AV Increases at 4% Per Year
Typical Home Value	\$387,808 Real Market Value (RMV) and \$230,573 Assessed Value Per Lane County Assessor for FY22 Typical Home AV Increases at 3% Per Year

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Bond Scenarios – Tax Impacts

Scenario	Bond Total	Average Tax Rate*	Cost to Typical Home
Same Tax Rate	\$61.2M	\$0.63	\$169
Fully Fund Paving Program	\$75.1 M	\$0.77	\$207
Each additional \$1M/Year		Adds \$.01 to rate	Adds \$3.00 to typical home

*Per \$1000 of assessed value



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Proposed Bond Measure Amount

- Using the current average tax rate of \$0.63 per \$1,000 assessed value, is estimated to result in a five year bond of \$61.2 million
- After deducting bond issuance fees, this leaves \$60.9 million for projects
- Dedicate funds for walking and biking,
- Use other local and grant funds to supplement project funding



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Proposed Bond Measure

Street Selection Considerations:

- Pavement condition/rehabilitation needs
- Geographic distribution
- Council & community input
- School zones
- Transit routes
- Bicycling routes
- Social Equity Prioritization
- Opportunities to address Vision Zero and safety concerns
- Inclusion in the Transportation System Plan



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Proposed Bond Measure Accountability

Staff recommend keeping the accountability provisions that were included in the prior bond measures:

- Named street projects
- External auditor annual report
- Street repair review panel



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Proposed Bond Measure Outreach

Stakeholder presentations:

- Eugene Active Transportation Committee
- Eugene Street Repair Review Panel
- Better Eugene Springfield Transportation (BEST) convened a group of interested non-profits that included representation from BEST, AARP, League of Women Voters, and 350 Eugene
- Eugene Human Rights Commission
- Greater Area Chamber of Commerce Local Government Affairs Committee (LGAC)
- Eugene Sustainability Committee



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Proposed Bond Measure Outreach

Stakeholder presentations asked for feedback on:

- Considerations to align the bond to newer plans such as the CAP 2.0, Vision Zero, and the TSP
- Increasing the portion of the bond that goes to the active transportation projects
- Including in the scope and cost estimates for the named street projects, complete street items, such as:
 - New or upgraded streetlights
 - Sidewalk infill
 - Enhanced street crossings



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Proposed Bond Measure Polling

- DHM Research is the contracted polling consultant
- DHM developed questions to test:
 - General mood
 - The street bond, in general
 - Safety and active transportation
 - Complete streets
 - Additional funding

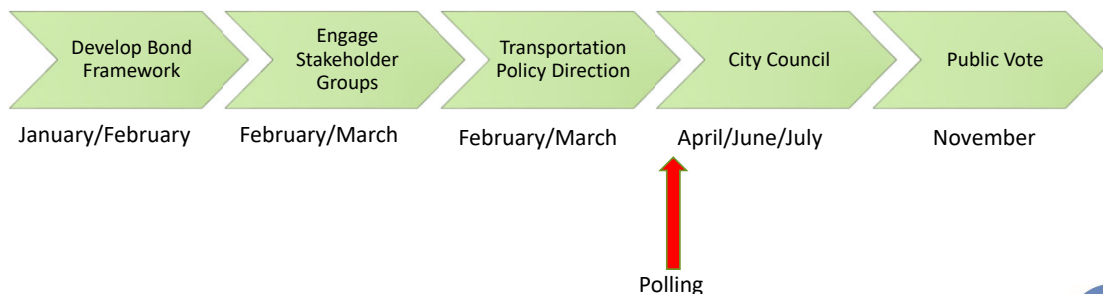


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Proposed Bond Measure – Next Steps



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