



Eugene City Council

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Eugene, OR 97401-2793
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www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

June 26, 2017

**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 June 26, 2017;
Her Honor Mayor Lucy Vinis Presiding**

Councilors

Alan Zelenka, President
Emily Semple
Claire Syrett

Mike Clark, Vice President
Greg Evans
Chris Pryor
Betty Taylor

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

Mayor: *I call the June 26, 2017, City Council meeting to order.*

1. PUBLIC FORUM

Mayor: *The Public Forum is an opportunity for individuals to speak to the City Council on any city-related issues except for those items which have already been heard by a Hearings Official or are on tonight's agenda as a public hearing.*

Each person will have three minutes to speak. When you come to the podium, please give your name, city of residence, and, for Eugene residents, your ward if known. The timer and lights indicate the time you have to speak. The red light indicates the end of three minutes.

Mayor closes Public Forum and asks for comments from the City Council.

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

- May 8, 2017, Meeting
- May 10, 2017, Work Session
- May 15, 2017, Meeting

B. Approval of Tentative Working Agenda

C. Adoption of a Resolution Authorizing the Issuance and Sale of Electric Utility System Revenue Bonds in the Aggregate Principal Amount Not to Exceed Eighty Million Dollars (\$80,000,000) for the Purpose of Financing Improvements to the Electric Utility System and Providing for Related Matters

City Council President: *I move to approve the items on the Consent Calendar.*

Call for vote.

3. 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

Manager: *Introduces topic, presents background information.*

Mayor opens the public hearing: *Those wishing to speak during the Public Hearing must submit a completed "Request to Speak" form to the information desk, prior to the beginning of the Public Hearing. When you come to the podium, please give your name, city of residence, and, for Eugene residents, your ward if known; you will have three minutes to comment. There are lights on the timer; the red light indicates the end of three minutes.*

Mayor: *Closes the public hearing.*

City Council President: *I move to adopt Resolution 5199 adopting a Supplemental Budget; making appropriations for the City of Eugene for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017.*

Call for vote.

4. PUBLIC HEARING and ACTION:

A Resolution Adopting the Budget, Making Appropriations,

Determining, Levying and Categorizing the Annual Ad Valorem Property Tax Levy for the City of Eugene for the Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018; a Resolution Electing to Receive State Revenue Sharing Funds Pursuant to Section 221.770 of Oregon Revised Statutes; and a Resolution Certifying that the City of Eugene Provides the Municipal Services Required by Oregon Revised Statutes Section 221.760 in Order to Receive State Shared Revenues

Manager: *Introduces topic, presents background information.*

Mayor opens the public hearing: *Those wishing to speak during the Public Hearing must submit a completed "Request to Speak" form to the information desk, prior to the beginning of the Public Hearing. When you come to the podium, please give your name, city of residence, and, for Eugene residents, your ward if known; you will have three minutes to comment. There are lights on the timer; the red light indicates the end of three minutes.*

Mayor: *Closes the public hearing.*

City Council President: *I move to adopt Resolution 5196 electing to receive State Revenue Sharing funds pursuant to Section 221.770 of Oregon Revised Statutes.*

Call for vote.

City Council President: *I move to adopt Resolution 5197 certifying that the City of Eugene provides the municipal services required by Oregon Revised Statutes Section 221.760.*

Call for vote.

City Council President: *I move to adopt Resolution 5198 adopting the budget, making appropriations, and determining, levying and categorizing the annual ad valorem property tax levy for the City of Eugene for the fiscal year beginning July 1, 2017 and ending June 30, 2018.*

Call for vote.

The Mayor adjourns the meeting of the Eugene City Council and convenes a meeting of the Eugene Urban Renewal Agency.

**5. EUGENE URBAN RENEWAL AGENCY
PUBLIC HEARING and ACTION:**

**A Resolution of the Urban Renewal Agency of the City of Eugene
Adopting the Budget, Making Appropriations, and Declaring the
Amount of Tax to be Certified for the Fiscal Year Beginning July 1,
2017 and Ending June 30, 2018**

Manager: *Introduces topic, presents background information.*

Mayor opens the public hearing: *Those wishing to speak during the Public Hearing must submit a completed "Request to Speak" form to the information desk, prior to the beginning of the Public Hearing. When you come to the podium, please give your name, city of residence, and, for Eugene residents, your ward if known; you will have three minutes to comment. There are lights on the timer; the red light indicates the end of three minutes.*

Mayor: *Closes the public hearing.*

Urban Renewal Agency President: *I move to adopt Resolution 1082 of the Urban Renewal Agency of the City of Eugene adopting the budget, making appropriations and declaring the amount of tax to be certified for the fiscal year beginning July 1, 2017 and ending June 30, 2018.*

Call for vote.

The Mayor adjourns the meeting of the Eugene Urban Renewal Agency and convenes a meeting of the Eugene City Council.

6. ACTION:

**A Resolution Denying a Measure 49 Claim for Property
Located at 1777 E. 30th Avenue, Eugene, Oregon (Assessor's Map 18-
03-08-11, TAX LOT 602)**

City Council President: *I move to adopt Resolution 5202, a resolution denying a measure 49 Claim for property located at 1777 E. 30th Avenue, Eugene, Oregon.*

Call for vote.

7. ACTION:

**An Ordinance Concerning Long Range Transportation Planning;
adopting the Eugene 2035 Transportation System Plan; amending
the Eugene-Springfield Metropolitan Area General Plan (Metro
Plan); amending the Eugene-Springfield Metropolitan Area
Transportation Plan (TransPlan); amending Sections 9.050, 9.8010,
9.9650 of the Eugene Code, 1971; amending the Street Classification
Map; amending Ordinance No. 20528 (to delete Section 67);**

repealing Section 9.9525 of the Eugene Code, 1971, repealing Ordinance No. 20322 (2003 Central Area Transportation Study); and providing for an effective date.

***City Council President:** I move to adopt Council Bill 5172, an ordinance concerning Long Range Transportation Planning.*

Call for vote.

**8. WORK SESSION:
West Eugene E-Commerce Zone Designation**

***City Council President:** I move to approve moving forward with the e-commerce resolution and direct the City Manager to schedule a phone meeting for July 3 during which the Council can officially vote on the E-Commerce resolution.*

Call for vote.

Adjourn.

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.

<p>For more information, contact the Council Coordinator at 541-682-5010, or visit us online at <i>www.eugene-or.gov</i>.</p>
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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Forum

Meeting Date: June 26, 2017
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: June 26, 2017
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: May 8, 2017, Meeting; May 10, 2017 Work Session; and May 15, 2017 Meeting.

ATTACHMENTS

- A. May 8, 2017, Meeting
- B. May 10, 2017, Work Session
- C. May 15, 2017, Meeting

FOR MORE INFORMATION

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

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

**May 8, 2017
7:30 p.m.**

Councilors Present: Emily Semple, Betty Taylor, Mike Clark, Greg Evans, Chris Pryor

Councilors Absent: Claire Syrett, Alan Zelenka

Mayor Vinis opened the May 8, 2017, meeting of the Eugene City Council.

1. PUBLIC FORUM

1. David Monk – Introduced Council to his new organization, Checks and Balances.
2. Ali Emami – Asked Council for permits to improve his businesses on Kesey Square.
3. Lloyd Davis – Expressed concern over the number of mentally ill people downtown.
4. Bob Hart – Was pleased the old Agripac building was going to be reused.
5. George Brown – Spoke about the City Charter Amendment concerning independent auditors.

Council discussion:

- Current Public Forum format does not allow for back-and-forth conversation.
- Thanks to Mr. Emami and others for helping to make Eugene better.
- Retaining a performance auditor for Council should be placed on a ballot.

Director Vinis adjourned the City Council meeting and convened a meeting of the Eugene Urban Renewal Agency.

2. ACTION: Disposition of Agripac Building

Michael Kinnison of the Eugene Community Development Division, gave a PowerPoint presentation on the disposition of the Agripac building.

Agency Discussion

- Agency decision is subjective, based on sentimentality and historical value of the building.
- Support the idea of carefully disassembling the building and reassembling it at a different location, or otherwise reusing the parts in Eugene.
- Agripac building originally built from a strictly utilitarian standpoint, and not necessarily built with longevity in mind.
- Too early to tell if the building could somehow be used in the Riverfront Redevelopment.
- Deconstruct the Agripac building now, then decide what to do with the building/parts; the deconstruction phase is time-sensitive.

MOTION AND VOTE: Councilor Clark moved, seconded by Councilor Semple, to direct the City Manager to evaluate and dismantle the building, and to reuse as much of the building as is practical, after the building is appropriately evaluated. **PASSED 5:0**

The meeting adjourned at 8:10 p.m.

Respectfully submitted,

Beth Forresst
City Recorder

(Recorded by Rodney Cimburke, LCOG)

MINUTES

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

**May 10, 2017
12:00 p.m.**

Councilors Present: Emily Semple, Claire Syrett (*via telephone*), Betty Taylor, Mike Clark, Chris Pryor

Councilors Absent: Greg Evans, Alan Zelenka

Mayor Vinis opened the May 10, 2017, Work Session of the Eugene City Council.

A. WORKSESSION: Railroad Quiet Zone and Safety Improvement Project

Eugene City Engineer Mark Schoening offered Council a presentation on the Quiet Zone and Safety Improvement Project.

Council Discussion

- Chief benefit would be experienced by people living close to quieted RR crossings.
- Difficult to support a general obligation bond when there are existing resources from which to draw capital for the project.
- Westernmost intersections are under County jurisdiction.
- Use of Urban Renewal funds for projects should be contingent on approval by voters.
- If Railroad Quiet Zones are added to the Streets Bond, voters will not vote in favor of the bond.
- Funding strategies for the west end of town can be determined while work is done on the east end of town.
- A pedestrian safety crossing should be added to the Pearl Street crossing.
- Cannot support improving the Riverfront Urban Renewal area only, without a commitment to improving the entire zone.
- The proposed fencing is superfluous.
- The Railroad is a private property and is dangerous for pedestrians;; the proposed fencing is appropriate.
- Railroad Quiet Zones would increase neighboring property values.
- The community functions better when improvements are made community-wide.

MOTION and VOTE: Councilor Clark, seconded by Councilor Taylor, moved to accept the safety measures for each of the 10 rail crossings from 8th/Hilyard to Van Buren, with the addition of the Pearl Street pedestrian crossing, as recommended by the Railroad Quiet Zone Citizen Panel and outlined in the Railroad Quiet Zone and Safety Improvement Project Report. [Note: if the City Council approves this motion, then the City Manager will schedule a work session for the Agency Board to review a proposed minor amendment to the Riverfront Urban Renewal District boundary and approve the process for appointing a Riverfront Urban Renewal District advisory committee.] **PASSED 5:0.**

A separate work session will be called to discuss funding.

B. WORK SESSION: Vision Zero Action Plan

Eugene City Transportation Planning Manager Rob Inerfeld, and City Traffic Engineer Matt Rodrigues offered Council an update on the Vision Zero Action Plan.

Council discussion:

- Advocate for traffic light cameras.
- The City does not have the power to reduce speed limits without consent of the State.
- The City does have the ability to do a bicycle count as well as an auto count.
- Concern expressed that the plan seems to concentrate on automobiles almost exclusively.
- Concern expressed about intersections that have blocked or partially blocked views due to obstructions on the corners.
- Enforcement of existing speed limits is needed more than changing the speed limits.
- Continuity is essential for all traffic devices, especially pedestrian crosswalks.
- Community input is important for localized traffic concerns.

The meeting adjourned at 1:43 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Rodney Cimburke, LCOG)

MINUTES

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

**May 15, 2017
5:30 p.m.**

Councilors Present: Greg Evans, Chris Pryor, Emily Semple, Betty Taylor, Alan Zelenka

Councilors Absent: Mike Clark, Claire Syrett

Councilor Zelenka opened the May 15, 2017, Work Session of the Eugene City Council.

A. WORK SESSION: Boards and Commissions Interviews: Interviews for the Budget Committee, Civilian Review Board, and Human Rights Commission

The following candidates who were chosen for interviews gave three-minute presentations on their qualifications and interest in serving on the board or commission:

Budget Committee Interviews

Benjamin Clark
Alan Eliason
Emily Fiocco
Leeann Ford
Daniel Ivy
Eliza Kashinsky
Teri Rowe
Kimberlee Voorhies
Christina Wozniak

Civilian Review Board Interviews

Robert Paul Brown
Sarah Delp
James Hargreaves
Hannah Horsfall
Michael Kasahun
Mary Lum
Randall Prince
Carolyn Williams

Human Rights Commission Interviews

Ibrahim Coulibaly
Ibrahim Hamide
Michael Kasahun
Ela Kubok
Charles Landeros

Whilamut Citizen Planning Committee Interviews

Andrea Smith

Vicky Mello

Erin Quinn

The meeting adjourned at 6:59 p.m.

Respectfully submitted,

Beth Forrest

City Recorder

(Recorded by Rodney Cimburke, LCOG)

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: June 26, 2017
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

June 22, 2017

JUNE 26	MONDAY
5:30 p.m.	Council Work Session
Harris Hall	Expected Absences:
A. Committee Reports and Items of Interest	
B. Action: Ward 4 Appointment	CS/Forrest
C. WS: Overview of Chronic Nuisance Code	45 mins – PDD/Nicholas

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
c. Approval of EWEB Electric System Revenue Bonds	CS/Cutsogeorge
3. PH and Action: FY17 Supplemental Budget #2	CS/Miller
4. PH and Action: FY18 Proposed Budget	CS/Miller
5. PH and Action: URA FY18 Proposed Budget	CS/Miller
6. Action: Wilson Measure 49 Claim	PDD/Hansen
7. Action: Eugene 2035 Transportation System Plan	PW/Inerfeld
8. WS: E-Commerce Zone Resolution	PDD/D'Souza

JUNE 27	TUESDAY	** NOTE: PUBLIC HEARING ADDED **
6:30 p.m.	JEO Public Hearing	
Harris Hall	Expected Absences:	
A. PH: Envision Eugene		PDD/Hostick

JUNE 28	WEDNESDAY
Noon	Council Work Session
Harris Hall	Expected Absences:
A. Executive Session pursuant to ORS 192.660 (2)(e)	
B. Executive Session pursuant to ORS 192.660 (2)(i)	
C. WS: City Manager Performance Review	CS/Holmes

JULY 3	MONDAY	**NOTE: MEETING ADDED**
10:00 a.m.	Council Meeting	
Harris Hall	Expected Absences: Taylor, Syrett	
A. Action: E-Commerce Zone Resolution		PDD/D'Souza

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

June 22, 2017

JULY 10	MONDAY
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5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
A. Committee Reports: HRC, SC, HSC, LCOG, MPC, PSCC		
B. WS: Property Disposition 8 th & Mill		20 mins – PDD/D'Souza
C. WS: Property Disposition Broadway & Hilyard		20 mins – PDD/D'Souza

7:30 p.m.	Council Meeting	
Harris Hall	Expected Absences:	
1. Pledge of Allegiance to the Flag and Reading of the Declaration of Independence (Independence Day)		
2. Public Forum		
3. Consent Calendar		
a. Approval of City Council Minutes		CS/Forrest
b. Approval of Tentative Working Agenda		CS/Forrest
c. Approval of Resolution Annexing Lands north of Lone Oak & Moore (V.K. Properties, A 17-3)		PDD/Gioello
4. Action: Ordinance Concerning RR-SC Urban Facilities Plan Amendment (RA 16-1)		PDD/Berg-Johansen
5. Action: Eugene-Springfield 2018 One-Year Action Plan		PDD/Jennings

JULY 12	WEDNESDAY
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Noon	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: 2017 GO Bonds for Street Preservation Projects		45 mins – PW/Willer
B. WS:		

JULY 17	MONDAY	**NOTE: WORK SESSION ADDED**
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5:30 p.m.	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: Envision Eugene		PDD/Hostick
B. Action: Motions Regarding Envision Eugene		PDD/Hostick

JULY 19	WEDNESDAY
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Noon	Council Work Session	
Harris Hall	Expected Absences:	
A. WS: URA Review of Boundary Expansion Resolution & Approval of Process to Appoint Riverfront UR Advisory Committee		45 mins – PDD/Flannery
B. WS: Separation of Retail Marijuana Businesses		45 mins – PDD/McKerrow

EUGENE CITY COUNCIL TENTATIVE WORKING AGENDA

June 22, 2017

JULY 24

MONDAY

5:30 p.m.

Council Work Session

Harris Hall

Expected Absences:

- A. WS: Police Chief Recruitment
- B. WS:

45 mins – CS/Hammitt

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
- 3. Action: Enterprise Zone Public Benefit Criteria
- 4. Action: Resolution re: Bond Measure Renewal for Street Repairs
- 5. Action: Motions Related to Voters' Pamphlet for November Election

CS/Forrest
CS/Forrest
PDD/D'Souza
CS/Cutsogeorge
CS/Forrest

JULY 26

WEDNESDAY

Noon

Council Work Session

Harris Hall

Expected Absences:

- A. WS: Parks and Recreation System Plan Update
- B. WS: Parks Security
- C. WS: Downtown Update

45 mins – PW/Burke
15 mins – PW/
30 mins – CS/

COUNCIL BREAK: JULY 27, 2017 – SEPTEMBER 11, 2017

ON THE RADAR

Work Session Polls/Council Requests

- 1. Drones (Taylor).....

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Adoption of a Resolution Authorizing the Issuance and Sale of Electric Utility System Revenue Bonds in the Aggregate Principal Amount Not to Exceed Eighty Million Dollars (\$80,000,000) for the Purpose of Financing Improvements to the Electric Utility System and Providing for Related Matters

Meeting Date: June 26, 2017
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2C
Staff Contact: Sue Cutsogeorge
Contact Telephone Number: 541-682-5589

ISSUE STATEMENT

Eugene Water & Electric Board (EWEB) is requesting authority to proceed with the issuance of Electric Utility Revenue Bonds in the amount of \$80,000,000 for capital improvements.

BACKGROUND

A new authorization for \$80,000,000 of Electric Utility System Revenue Bonds is being requested under the provisions of the Uniform Revenue Bond Act. The bonds that are issued pursuant to this authorization will provide funds primarily for the licensing, design, construction, installation and equipping of certain capital improvements related to the relicensing of the Carmen-Smith Hydroelectric Project (Carmen-Smith), as well as other projects described in the Electric Capital Improvement Plan. EWEB last issued Electric Utility System Revenue Bonds for capital improvements in 2012. If authorized by the City, EWEB staff intends to request that the EWEB Board of Commissioners approve a \$40 million Electric Utility Bond issuance in 2017 and a second issuance in 2021. The \$80 million request is projected to cover Electric Utility bond needs through 2024 which will allow EWEB to be more responsive to financial market conditions and infrastructure needs for the second bond issuance.

Since 2015, EWEB has focused on restructuring Electric Utility debt to the benefit of its customer-owners. The following actions have been taken:

- \$29 million note balloon payment paid off in 2015 instead of refinancing with bonds
- \$27 million of bonds defeased (paid off) with proceeds from the sale of Smith Creek Hydroelectric project in 2016
- \$19 million of interest rate savings achieved with 2016 refinancing which are realized primarily over the next six years
- \$42 million of bonds defeased in June 2017

With this work, annual debt service payments are significantly lower than in prior years even with the proposed 2017 issuance. Information on annual debt service costs is included in Attachment A. The defeasance, combined with the proposed 2017 issuance, reduces the Electric Utility rate trajectory by approximately 1%.

Carmen-Smith began operations in 1963, is EWEB's largest owned local generating resource and is currently being relicensed through the Federal Energy Regulatory Commission. At their May Strategic Planning work session, EWEB Commissioners reaffirmed that Carmen-Smith is a valued generation resource to be retained by EWEB due to its importance as a local resource that can readily supply power to the Eugene community when demand is high, the ability to manage environmental measures according to EWEB and community values, and the recreational opportunities it provides the community. Major upcoming projects for the Carmen-Smith facility include replacing the turbine shut-off valves, rebuilding the substation, upgrading the switchgear and controls, replacing a turbine, and rewinding a generator at the Carmen Powerhouse. All these projects enhance operational reliability and resiliency. For more information about the project, see the following websites:

<http://www.eweb.org/about-us/power-supply/carmen-smith>

<http://www.eweb.org/about-us/news/an-in-depth-look-at-carmen-smith-hydroelectric-project>

RELATED CITY POLICIES

There are no City policies related to this item.

COUNCIL OPTIONS

The council can adopt or not adopt this resolution. If the council does not adopt the resolution, EWEB would not be able to issue new revenue bonds to complete its capital improvements.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the resolution.

SUGGESTED MOTION

Move to adopt Resolution 5201 , a Resolution Authorizing the Issuance and Sale of Electric Utility System Revenue Bonds for the Purpose of Financing Improvements to the Electric Utility System in the Aggregate Principal Amount of not to Exceed Eighty Million Dollars (\$80,000,000);

ATTACHMENTS

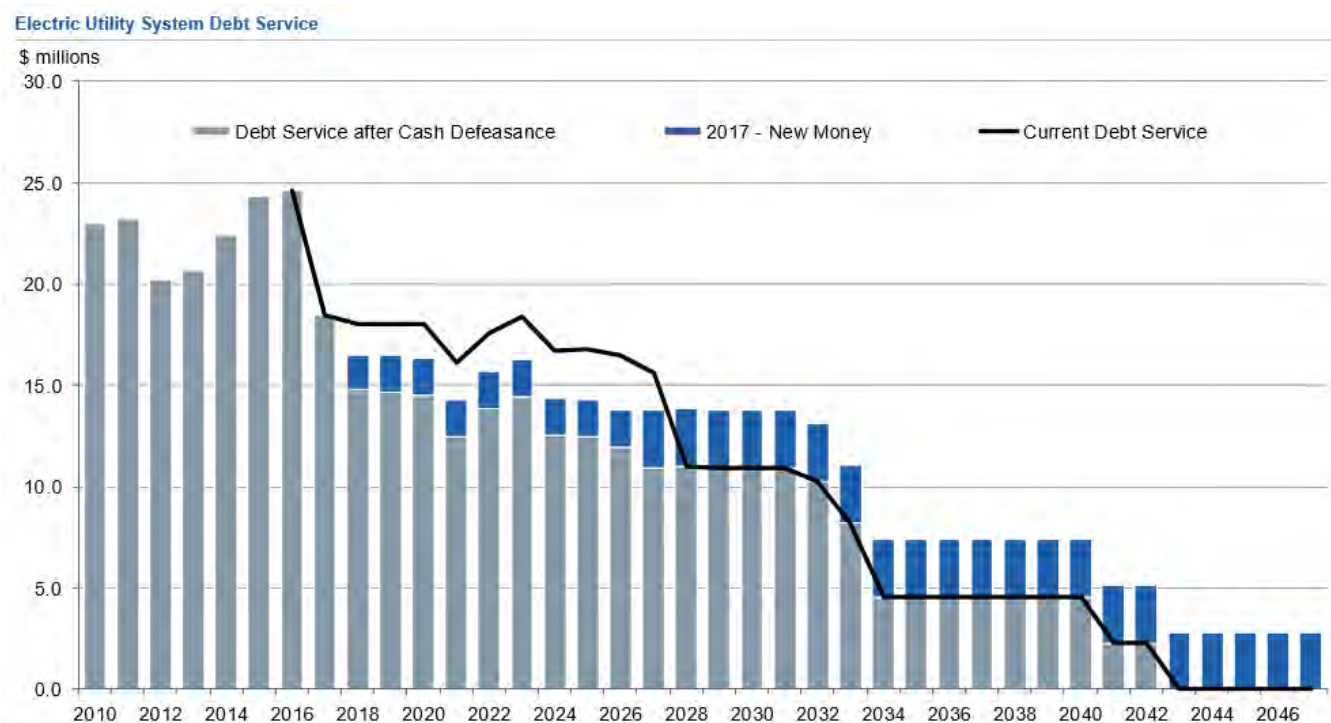
- A. Electric Utility Annual Debt Service Costs
- B. Resolution Authorizing the Issuance and Sale of Electric Utility System Revenue Bonds

FOR MORE INFORMATION

Staff Contact: Sue Cutsogeorge
Telephone: 541-682-5589
Staff E-Mail: Sue.L.Cutsogeorge@ci.eugene.or.us

Electric Utility Annual Debt Service Costs

The gray bars on the following graph depict the Electric Utility annual debt service requirements after the June 2017 \$42 million bond defeasance. The significant drop in 2017 is a result of the 2016 refinancing authorized by the EWEB Board and City Council. The black line represents the annual debt service requirements prior to the June 2017 defeasance, and the blue bars represent anticipated 2017 bond issuance debt service costs. For approximately ten years, annual debt service costs after the defeasance and 2017 bond issuance are projected to be lower than debt service requirements prior to those actions.



ATTACHMENT B

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ELECTRIC UTILITY SYSTEM REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED EIGHTY MILLION DOLLARS (\$80,000,000) FOR THE PURPOSE OF FINANCING IMPROVEMENTS TO THE ELECTRIC UTILITY SYSTEM AND PROVIDING FOR RELATED MATTERS.

The City Council of the City of Eugene finds that:

- A.** Oregon Revised Statutes (“ORS”) Section 287A.150 authorizes the City of Eugene, Oregon (the “City”) to issue revenue bonds payable from identified revenues of the City. The City, acting by and through the Eugene Water & Electric Board (“EWEB”), owns and operates an electric utility system and related facilities and systems.
- B.** On June 16, 1986, EWEB adopted a resolution authorizing and providing for the issuance, from time to time, of City of Eugene, Oregon Electric Utility System Revenue Bonds to be equally and ratably secured by the pledge of revenues, funds and accounts thereunder (as amended and supplemented, the “Bond Resolution”).
- C.** The Bond Resolution provides in part that the principal of, premium, if any, and interest on the bonds issued thereunder shall not be payable from any funds of the City or EWEB other than the Bond Fund established by the Bond Resolution, nor constitute a general obligation of EWEB or the City or create a charge upon the tax revenues of the City or any other property of the City or property of EWEB, except the revenues and other moneys and securities pledged under the Bond Resolution.
- D.** EWEB has requested by resolution that the City Council adopt this Resolution to set the terms for and authorize the issuance of not to exceed \$80,000,000 in aggregate principal amount of electric utility system revenue bonds (the “Bonds”) for the purpose of the licensing, design, construction, installation and equipping of certain capital improvements related to the relicensing of the Carmen-Smith Hydroelectric Project and other projects described in the Electric Capital Improvement Plan (collectively, the “Project”), to fund necessary reserves and to pay the costs of issuance of Bonds.
- E.** The Bonds will not be general obligations of the City, nor a charge upon its tax revenues, but will be payable solely from revenues of the Electric Utility System which EWEB pledges to the payment of such Bonds pursuant to ORS Sections 287A.310 and 287A.325 and the resolution to be adopted by EWEB pursuant to this Resolution.
- F.** EWEB has by resolution undertaken to cause to be prepared a plan showing that EWEB’s estimated Electric Utility System revenues are sufficient to pay the estimated debt service on the Bonds authorized by this Resolution.

- G. The City and EWEB anticipate incurring expenditures (“Expenditures”) to finance the costs of the Project and wish to declare their official intent to reimburse themselves for the Expenditures made on the Project from the proceeds of the Bonds. To the extent that the expenditures and the use of proceeds of the Bonds may qualify under federal tax law and regulations, the City, including EWEB, intends for the interest on such bonds to be excludable from gross income for federal income tax purposes under §103 of the Internal Revenue Code of 1986, as amended (the “Code”).
- H. EWEB has requested by resolution that the City Council adopt this Resolution in part to authorize the publication of the Notice of Revenue Bond Authorization relating to the Bonds, such notice being in substantially the form attached to this Resolution as Exhibit “A” (the “Notice”). The Notice shall specify the last date on which petitions may be submitted, and the City, acting by and through EWEB, shall cause the Notice to be published in *The Register-Guard*, a newspaper of general circulation within the boundaries of the City, in the same manner as are other public notices of the City.

NOW THEREFORE, based upon the above findings,

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

Section 1. Authorization of Bonds and Publication of Notice; Purpose of Issue. Based on the above findings, subject to the prior publication of the Notice and the expiration of the 60-day period following the publication of the Notice without the receipt of a petition for an election questioning the issuance of the Bonds, which facts and circumstances shall be determined conclusively and for all purposes by any individual designated by EWEB, the City Council hereby authorizes EWEB, on behalf of the City, to issue and sell the Bonds designated as the “City of Eugene, Oregon Electric Utility System Revenue Bonds,” in one or more series, in the aggregate principal amount of not to exceed \$80,000,000, for the purpose of financing the Project, and to fund any required reserves and costs of issuance, and to publish the Notice as aforesaid. If petitions for an election, containing the valid signatures of not less than five percent (5.0%) of the City’s qualified electors, are received within the time indicated in the Notice, the question of issuing Bonds shall be placed on the ballot at the next legally available election date. If such petitions are received no Bonds may be sold until the question of whether to issue the Bonds is approved by a majority of electors living within the boundaries of the City who vote on that question. Any such petitions will be subject to ORS 287A.150 and §§2.960-2.1005 of The Eugene Code, 1971.

Section 2. Conditions of Issuance and Sale. The City Council hereby prescribes that:

(a) The Bonds of each series shall: (i) mature not later than thirty (30) years from the date of issuance of the series; (ii) be sold through public competitive sale and awarded to the bidder offering the most favorable terms to EWEB, on behalf of the City, or sold pursuant to negotiation at par or with a net original issue discount or premium that does not exceed twenty percent (20.0%) of the aggregate principal amount thereof; and (iii) have an effective interest rate of not to exceed six percent (6.0%) per annum; and

(b) The proceeds of the Bonds shall be used only for the purposes above described.

Section 3. Delegation of Authority for Terms of Bonds; Provisions for Issuance. Pursuant to ORS 287A.300(4), EWEB, or any individual designated by EWEB, is hereby authorized and directed to determine, with respect to the Bonds, the form of bond and series designation, the manner of disbursement of proceeds of the Bonds, the maturity dates, principal amounts, redemption provisions, interest rates or the method for determining a variable or adjustable interest rate, obtain bond insurance or some other form of guaranty or security for the payment of the Bonds, denominations, form, authorized signatory and other terms and conditions of the Bonds because the same cannot be determined by the City Council at this time. Prior to the issuance of any Bonds, EWEB shall: (i) prepare a plan showing that the estimated Electric Utility System revenues are sufficient to pay the estimated debt service on the Bonds; (ii) adopt a supplemental bond authorizing resolution and provide a copy of such resolution to the City; and (iii) provide to the City a resolution determining that any and all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of the Bonds, exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Oregon, the Charter and ordinances of the City and this Resolution.

Section 4. Declaring Intent to Reimburse. The City reasonably anticipates that the City and EWEB may incur preliminary, cost of issuance and other project expenditures that qualify as "Original Expenditures" under Treasury Regulation §1.150-2 prior to the date of issuance of the Bonds, and hereby declares its official intent to reimburse itself or EWEB with proceeds of the sale of the Bonds to be issued in an amount not to exceed \$80,000,000 in aggregate principal amount.

Section 5. Statement on Form of Bond. All Bonds shall include a statement on their face to the effect:

(a) That they do not in any manner constitute a general obligation of EWEB or of the City, or create a charge upon the tax revenues of the City, or upon any other revenues or property of the City, or property of EWEB, but are charges upon and are payable solely from the revenues of the Electric Utility System operated by EWEB, or any portion thereof, pledged to the payment thereof; and

(b) That the holders thereof may look for repayment only to the revenues of the Electric Utility System which are pledged for the payment thereof, and may not directly or indirectly be paid or compensated through any other property of the City, or EWEB, or by or through the taxing power of the City.

Section 6. Bonds Payable Solely from Revenues. The Bonds shall not be general obligations of the City, nor a charge upon its tax revenues, but shall be payable solely from the revenues and funds which EWEB pledges to the payment thereof pursuant to ORS 287A.150, any applicable authorizations and in accordance with this Resolution.

Section 7. Bonds Reporting. EWEB shall submit to the City by May 1 of each year the following annual reports commencing after the first sale of any Bonds or other evidences of indebtedness hereunder and each year thereafter until the Bonds have been paid and retired:

(a) A report on the funds for each series of Bonds describing the funds established, the amounts in each fund, expenditure from each fund, the manner in which the monies in each fund have been invested, the income from such investments and the application of such income; and

(b) A report on Bond payments describing amounts paid and amounts scheduled to be paid and the source of such payments.

If the contents of the reports required by subsections (a) and (b) above are included in the yearly audit report of EWEB, then EWEB may comply with this Section 7 by transmitting a copy of its yearly audit report to the City.

Section 8. Appointment of Professionals. EWEB is authorized to appoint bond counsel, disclosure counsel, financial advisor, underwriter in the case of a negotiated sale, trustees, registrars, paying agents, escrow agents, verification agents and any other professional assistance that EWEB determines is necessary or convenient to accomplish the issuance and sale of any or all of the Bonds.

Section 9. Official Statement and Disclosure Obligations. EWEB or any party designated by EWEB is authorized to prepare and distribute or direct the preparation and distribution of one or more preliminary or final official statement(s) or other disclosure document(s) for any of the Bonds, and to enter into continuing disclosure agreements for the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission. The City shall have no disclosure obligation related to the Bonds or any continuing disclosure agreement for the Bonds. Any similar agreement for any other borrowing by EWEB, shall obligate only EWEB and not the City, and the City shall have no obligation to comply with any of those agreements, or to report EWEB's compliance with those agreements to the MSRB or any other party. In addition to complying with continuing disclosure agreements related to any borrowings by EWEB, EWEB shall comply with its Post Issuance Compliance Procedures in effect from time to time.

Section 10. Other Sale Documents. EWEB or any party designated by EWEB is also authorized to obtain bond insurance or other credit enhancement or commitments therefor, to obtain a rating on any or all of the Bonds from Moody's Investors Service, Inc., Standard & Poor's and/or Fitch Ratings, and to issue and publish such notices of sale of the Bonds or execute such purchase contracts as may be necessary or required to accomplish the sale of the Bonds in accordance with this Resolution and to determine any other terms, conditions or covenants regarding any or all of the Bonds or the Project, which are necessary or desirable to effect the sale of any or all of the Bonds.

Section 11. Effective Date of Resolution. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted by the City Council this 26th day of June 2017.

City Recorder

EXHIBIT A

FORM OF NOTICE OF REVENUE BOND AUTHORIZATION]

NOTICE IS HEREBY GIVEN that the City Council of the City of Eugene, Oregon (the “City”), acting pursuant to the request of the Eugene Water & Electric Board (“EWEB”), adopted Resolution No. ____ on June 26, 2017, authorizing the issuance of the City’s revenue bonds. The revenue bonds will be issued in one or more series to provide funds for the purpose of financing the licensing, design, construction, installation and equipping of certain capital improvements related to the relicensing of the Carmen-Smith Hydroelectric Project and other projects described in the Electric Capital Improvement Plan (collectively, the “Project”), fund necessary reserves and pay the costs of issuance of the revenue bonds.

The costs of the Project to be funded, together with the necessary reserves and costs of issuance of the revenue bonds, are estimated not to exceed \$80,000,000. In accordance with these estimates, the City expects that the revenue bonds will be issued in an aggregate principal amount not to exceed \$80,000,000.

Subject to certain parameters, EWEB may establish all terms, conditions and covenants regarding the revenue bonds and the revenues which are necessary or desirable to affect the sale of the revenue bonds.

The revenue bonds will not be general obligations of the City, nor a charge upon its tax revenues, but will be payable solely from the revenues of the City’s Electric Utility System.

If written petitions, signed by not less than five percent (5.0%) of the City’s qualified electors, are filed at the Office of the City Recorder on or before _____, 2017 (the 61st day after the date of publication of this notice), the question of issuing \$80,000,000 of electric revenue bonds shall be placed on the ballot at the next legally available election date. Any such petition shall be subject to ORS 287A.150 and Sections 2.970-2.989 of the Eugene Code, 1971.

The Office of the City Recorder is located at 125 E. 8th Avenue, 2nd Floor, Eugene, Oregon 97401. Information on procedures for filing petitions may also be obtained at such address or by telephone at (541) 682-5010.

The resolution authorizing the revenue bonds is available for inspection at the Office of the City Recorder.

The revenue bonds will be issued and sold pursuant to ORS 287A.150, and this notice is published pursuant to ORS 287A.150(4).

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: June 26, 2017
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Twylla Miller
Contact Telephone Number: 541-682-8417

ISSUE STATEMENT

Council approval of the second Supplemental Budget (SB2) for Fiscal Year 2016-2017 (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”. 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

This Supplemental Budget recognizes new revenues and authorizes changes in legal levels of appropriations for the current fiscal year (FY17). A summary of items included in this Supplemental Budget is presented below:

General Fund

- Recognize \$164,142 in grant revenue from the Federal Emergency Management Agency for the December 2016 ice storm and increase Public Works department operating appropriation authority by \$139,342, and increase Fire and EMS department operating appropriation by \$24,800.
- Recognize \$40,000 in grant revenue from the Urban Sustainability Directors Network (USDN) and increase Central Services department operating appropriation authority by the same amount to study and prepare for sustainable sporting events.
- Recognize \$25,410 for an Oregon Department of Environmental Quality grant for the City's Climate and Energy Action Plan and increase Central Service department operating appropriation authority by the same amount.

- Move \$500,000 out of the 2021 Reserves and increase Central Services department operating appropriation authority by the same amount. The funds will be used to maximize results from existing plans and policies that support the 2021 World Championships, engage the community, and inspire the world. To do that staff will work towards legacy projects through infrastructure, service quality and capacity, community and organizational culture, and leadership and relationships. Council will receive regular updates as this work progresses.

Road Fund

- Recognize \$888,255 in grant revenues from the Federal Emergency Management Agency for the December ice storm and increase Public Works department operating appropriation authority by the same amount.

Library, Parks, and Recreation Special Revenue Fund

- Recognize \$10,335 in grant revenues from the Federal Emergency Management Agency for the December ice storm and increase Capital Projects appropriation authority by the same amount.

Transportation Capital Projects Fund

- Recognize \$596,718 in grant revenues from the Oregon Department of Transportation for intersection improvements at 18th and Oak Patch and increase Capital Projects appropriation by the same amount.

Municipal Airport Fund

- Recognize \$61,789 in grant revenues from the Federal Emergency Management Agency for the December ice storm and increase Public Works department appropriation authority by the same amount.

Wastewater Utility Fund

- Recognize \$67,503 in grant revenues from the Federal Emergency Management Agency for the December ice storm and increase Public Works department appropriation authority by the same amount.

Stormwater Utility Fund

- Recognize \$465,783 in grant revenues from the Federal Emergency Management Agency for the December ice storm and increase Public Works department appropriation authority by the same amount.

Ambulance Transport Fund

- Increase Charges for Services revenue by \$229,350 for Battalion Chief Services (\$185,550) for the City of Springfield, and for EMS operations (\$43,800). Increase Miscellaneous revenue by \$35,100 for recovery of revenue from prior year billing for transport services. Increase Fire and EMS department operating appropriation authority by \$264,450 for one-time funding for Battalion Chief operations (\$185,550) and for one-time funding for EMS wages and overtime expenses (\$78,900).

Fleet Services Fund

- Recognize \$13,844 in grant revenues from the Federal Emergency Management Agency for the December ice storm and increase Public Works department appropriation authority by the same amount.

RELATED CITY POLICIES

Transactions included in this Supplemental Budget 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 until the following fiscal year Supplemental Budget. In certain cases, there may be financial, legal or operational impacts to delaying budget approval.

These impacts may include Oregon Local Budget Law violations due to exceeding the legal appropriation levels. The Council may also adopt amended appropriation amounts or funding sources for specific items included in this Supplemental Budget.

CITY MANAGER'S RECOMMENDATION

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

SUGGESTED MOTION

Move to approve Resolution 5199 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: Mike Streepey
Telephone: 541-682-6820
Staff E-Mail: Michael.l.streepey@ci.eugene.or.us

Transaction Summary

010 General Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	36,923,530	20,267,854	0		57,191,384
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	111,853,000	0	0		111,853,000
Licenses/Permits	6,169,200	0	0		6,169,200
Intergovernmental	4,516,849	1,154,081	229,552	a,b	5,900,482
Rental	126,040	0	0		126,040
Charges for Services	13,919,806	2,144,723	0		16,064,529
Fines/Forfeitures	2,211,250	0	0		2,211,250
Miscellaneous	847,000	0	0		847,000
Interfund Transfers	9,803,423	0	0		9,803,423
Total Revenue	149,446,568	3,298,804	229,552		152,974,924
TOTAL RESOURCES	186,370,098	23,566,658	229,552		210,166,308
II. REQUIREMENTS		164,142	65,410		
Department Operating					
Central Services	23,837,327	1,839,260	565,410	b,c	26,241,997
Fire and Emergency Medical Services	28,595,704	497,702	24,800	a	29,118,206
Library, Recreation and Cultural Services	28,980,020	1,872,700	0		30,852,720
Planning and Development	6,344,533	1,958,594	0		8,303,127
Police	51,252,004	1,458,236	0		52,710,240
Public Works	5,975,207	176,200	139,342	a	6,290,749
Total Department Operating	144,984,795	7,802,692	729,552		153,517,039
Non-Departmental					
Interfund Transfers	4,530,280	1,050,000	0		5,580,280
Contingency	32,000	(21,149)	0		10,851
Special Payments	700,000	0	0		700,000
Reserves	9,737,957	17,190,181	(500,000)	c	26,428,138
Reserve for Encumbrances	2,455,066	(2,455,066)	0		0
UEFB	23,930,000	0	0		23,930,000
Total Non-Departmental	41,385,303	15,763,966	(500,000)		56,649,269
TOTAL REQUIREMENTS	186,370,098	23,566,658	229,552		210,166,308

010 General Fund

a) Increase Intergovernmental revenue by \$164,142 for the Federal Emergency Management Agency grant for the December ice storm and increase Public Works department operating appropriation authority by \$139,342 and increase Fire and EMS department operating appropriation authority by \$24,800.

b) Increase Intergovernmental revenue by \$40,000 for a USDN sustainable sporting event grant and by \$25,410 for an Oregon Department of Environmental Quality grant for the Climate and Energy Action Plan and increase Central Services department operating appropriation authority by \$65,410.

c) Increase Central Services department operating appropriation authority by \$500,000 for projects related to the 2021 World Championships and decrease General Fund Reserves by the same amount.

131 Road Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	2,784,223	563,739	0		3,347,962
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	1,928,500	0	0		1,928,500
Intergovernmental	10,343,114	721,598	888,255	a	11,952,967
Rental	57,500	0	0		57,500
Charges for Services	113,700	0	0		113,700
Miscellaneous	146,600	0	0		146,600
Total Revenue	12,589,414	721,598	888,255		14,199,267
TOTAL RESOURCES	15,373,637	1,285,337	888,255		17,547,229
II. REQUIREMENTS					
Department Operating					
Public Works	12,312,222	469,385	888,255	a	13,669,862
Total Department Operating	12,312,222	469,385	888,255		13,669,862
Non-Departmental					
Interfund Transfers	965,000	0	0		965,000
Balance Available	2,096,415	815,952	0		2,912,367
Total Non-Departmental	3,061,415	815,952	0		3,877,367
TOTAL REQUIREMENTS	15,373,637	1,285,337	888,255		17,547,229

131 Road Fund

a) Increase Intergovernmental revenues by \$888,255 for the Federal Emergency Management Agency grant for the December ice storm and increase Public Works department operating appropriation authority by the same amount.

180 Library, Parks, and Recreation Special Revenue Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	4,125,094	571,593	0		4,696,687
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	251,251	10,335	a	261,586
Rental	17,920	0	0		17,920
Charges for Services	43,000	0	0		43,000
Miscellaneous	416,666	0	0		416,666
Total Revenue	477,586	251,251	10,335		739,172
TOTAL RESOURCES	4,602,680	822,844	10,335		5,435,859
REQUIREMENTS					
Department Operating					
Library Recreation and Cultural Svcs	370,061	224,939	0		595,000
Total Department Operating	370,061	224,939	0		595,000
Capital Projects					
Capital Projects	52,282	251,251	10,335	a	313,868
Capital Carryover	978,671	(254,998)	0		723,673
Total Capital Projects	1,030,953	(3,747)	10,335		1,037,541
Non-Departmental					
Reserves	2,459,461	294,289	0		2,753,750
Special Payments	102,006	(15,711)	0		86,295
Balance Available	640,199	323,074	0		963,273
Total Non-Departmental	3,201,666	601,652	0		3,803,318
TOTAL REQUIREMENTS	4,602,680	822,844	10,335		5,435,859

180 Library, Parks, and Recreation Special Revenue Fund

a) Increase Intergovernmental revenue by \$10,335 for the Federal Emergency Management Agency grant for the December ice storm and increase Capital Projects appropriation authority for Parks and Open Space trail work by the same amount.

340 Transportation Capital Projects Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	14,789,219	(9,288,908)	0		5,500,311
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	2,880,000	0	0		2,880,000
Intergovernmental	3,720,662	7,707,900	596,718	a	12,025,280
Miscellaneous	16,000	0	0		16,000
Charges for Services	25,000	50,521	0		75,521
Interfund Transfers	30,000	0	0		30,000
Fiscal Transactions	8,600,000	4,170,240	0		12,770,240
Total Revenue	15,271,662	11,928,661	596,718		27,797,041
TOTAL RESOURCES	30,060,881	2,639,753	596,718		33,297,352
II. REQUIREMENTS					
Capital Projects					
Capital Projects	15,283,662	4,609,140	596,718	a	20,489,520
Capital Carryover	13,324,347	(2,431,499)	0		10,892,848
Total Capital Projects	28,608,009	2,177,641	596,718		31,382,368
Non-Departmental					
Debt Service	10,000	0	0		10,000
Balance Available	1,442,872	462,112	0		1,904,984
Total Non-Departmental	1,452,872	462,112	0		1,914,984
TOTAL REQUIREMENTS	30,060,881	2,639,753	596,718		33,297,352

340 Transportation Capital Projects Fund

a) Increase Intergovernmental revenue by \$596,718 for an Oregon Department of Transportation grant for 18th and Oak Patch intersection improvements and increase Capital Projects appropriation authority by the same amount.

510 Municipal Airport Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action	FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	20,825,322	(8,689,873)	0	12,135,449
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	5,800,130	5,461,205	61,789	a 11,323,124
Rental	1,168,993	0	0	1,168,993
Charges for Services	8,908,652	0	0	8,908,652
Fines/Forfeitures	5,000	0	0	5,000
Miscellaneous	245,215	0	0	245,215
Total Revenue	16,127,990	5,461,205	61,789	21,650,984
TOTAL RESOURCES	36,953,312	(3,228,668)	61,789	33,786,433
II. REQUIREMENTS				
Department Operating				
Fire/Emergency Medical Svcs	880,671	0	0	880,671
Police	576,555	0	0	576,555
Public Works	8,038,977	235,247	61,789	a 8,336,013
Total Department Operating	9,496,203	235,247	61,789	9,793,239
Capital Projects				
Capital Projects	13,047,643	0	0	13,047,643
Capital Carryover	7,598,605	(2,290,690)	0	5,307,915
Total Capital Projects	20,646,248	(2,290,690)	0	18,355,558
Non-Departmental				
Interfund Transfers	603,000	0	0	603,000
Reserves	1,387,902	(606,842)	0	781,060
Balance Available	4,819,959	(566,383)	0	4,253,576
Total Non-Departmental	6,810,861	(1,173,225)	0	5,637,636
TOTAL REQUIREMENTS	36,953,312	(3,228,668)	61,789	33,786,433

510 Municipal Airport Fund

a) Increase Intergovernmental revenue by \$61,789 for the Federal Emergency Management Agency grant for the December ice storm and increase Public Works department operating appropriation authority by the same amount.

530 Wastewater Utility Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	6,753,847	(2,719,588)	0		4,034,259
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	0	67,503	a	67,503
Rental	22,000	0	0		22,000
Charges for Services	56,405,060	1,945,203	0		58,350,263
Fines/Forfeitures	4,500	0	0		4,500
Miscellaneous	34,000	0	0		34,000
Total Revenue	56,465,560	1,945,203	67,503		58,478,266
TOTAL RESOURCES	63,219,407	(774,385)	67,503		62,512,525
II. REQUIREMENTS					
Department Operating					
Public Works	28,151,830	(618,914)	67,503	a	27,600,419
Total Department Operating	28,151,830	(618,914)	67,503		27,600,419
Capital Projects					
Capital Projects	2,140,000	0	0		2,140,000
Capital Carryover	3,351,684	(972,093)	0		2,379,591
Total Capital Projects	5,491,684	(972,093)	0		4,519,591
Non-Departmental					
Interfund Transfers	1,718,000	0	0		1,718,000
Special Payments	27,254,200	0	0		27,254,200
Balance Available	603,693	816,622	0		1,420,315
Total Non-Departmental	29,575,893	816,622	0		30,392,515
TOTAL REQUIREMENTS	63,219,407	(774,385)	67,503		62,512,525

530 Wastewater Utility Fund

a) Increase Intergovernmental revenue by \$67,503 for the Federal Emergency Management Agency grant for the December ice storm and increase Public Works department operating appropriation authority by the same amount.

539 Stormwater Utility Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	7,839,161	(881,965)	0		6,957,196
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	111,000	0	0		111,000
Intergovernmental	0	1,096,893	465,783	a	1,562,676
Rental	29,777	0	0		29,777
Charges for Services	17,873,000	0	0		17,873,000
Miscellaneous	60,225	0	0		60,225
Total Revenue	18,074,002	1,096,893	465,783		19,636,678
TOTAL RESOURCES	25,913,163	214,928	465,783		26,593,874
II. REQUIREMENTS					
Department Operating					
Public Works	15,334,684	(12,900)	465,783	a	15,787,567
Total Department Operating	15,334,684	(12,900)	465,783		15,787,567
Capital Projects					
Capital Projects	2,265,000	36,627	0		2,301,627
Capital Carryover	4,909,728	(853,081)	0		4,056,647
Total Capital Projects	7,174,728	(816,454)	0		6,358,274
Non-Departmental					
Interfund Transfers	1,154,000	0	0		1,154,000
Special Payments	15,000	0	0		15,000
Balance Available	2,234,751	1,044,282	0		3,279,033
Total Non-Departmental	3,403,751	1,044,282	0		4,448,033
TOTAL REQUIREMENTS	25,913,163	214,928	465,783		26,593,874

539 Stormwater Utility Fund

a) Increase Intergovernmental revenue by \$465,783 for the Federal Emergency Management Agency grant for the December ice storm and increase Public Works department operating appropriation authority by the same amount.

592 Ambulance Transport Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action	FY17 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,091,244	106,252	0	1,197,496
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	0	13,930	0	13,930
Charges for Services	8,075,178	138,240	229,350 a	8,442,768
Miscellaneous	92,655	0	35,100 a	127,755
Total Revenue	8,167,833	152,170	264,450	8,584,453
TOTAL RESOURCES	9,259,077	258,422	264,450	9,781,949
II. REQUIREMENTS				
Department Operating				
Fire and Emergency Medical Services	7,474,415	364,170	264,450 a	8,103,035
Total Department Operating	7,474,415	364,170	264,450	8,103,035
Non-Departmental				
Interfund Transfers	899,998	0	0	899,998
Balance Available	884,664	(105,748)	0	778,916
Total Non-Departmental	1,784,662	(105,748)	0	1,678,914
TOTAL REQUIREMENTS	9,259,077	258,422	264,450	9,781,949

592 Ambulance Transport Fund

a) Increase Charges for Services revenue by \$229,350 for Battalion Chief Services (\$185,550) for the City of Springfield and for EMS operations (\$43,800). Increase Miscellaneous revenue by \$35,100 for recovery of revenue from prior year billing for transport services. Increase Fire and EMS department operating appropriation authority by \$264,450 for one-time funding for Battalion Chief operations (\$185,550) and for one-time funding for EMS wages and overtime expenses (\$78,900).

600 Fleet Services Fund

	FY17 Adopted	FY17 SB1 Action	FY17 SB2 Action		FY17 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	20,289,074	(101,414)	0		20,187,660
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	0	13,844	a	13,844
Rental	25,000	0	0		25,000
Charges for Services	9,199,129	0	0		9,199,129
Miscellaneous	634,000	0	0		634,000
Interfund Transfers	1,430,980	0	0		1,430,980
Total Revenue	11,289,109	0	13,844		11,302,953
TOTAL RESOURCES	31,578,183	(101,414)	13,844		31,490,613
II. REQUIREMENTS					
Department Operating					
Public Works	16,094,990	2,266,079	13,844	a	18,374,913
Total Department Operating	16,094,990	2,266,079	13,844		18,374,913
Non-Departmental					
Interfund Transfers	406,000	0	0		406,000
Reserves	14,629,159	(2,749,216)	0		11,879,943
Reserve for Encumbrances	0	0	0		0
Balance Available	448,034	381,723	0		829,757
Total Non-Departmental	15,483,193	(2,367,493)	0		13,115,700
TOTAL REQUIREMENTS	31,578,183	(101,414)	13,844		31,490,613

600 Fleet Services Fund

a) Increase Intergovernmental revenue by \$13,844 for the Federal Emergency Management Agency grant for the December ice storm and increase Public Works department operating appropriation authority 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 26th day of June, 2017.

City Recorder

EXHIBIT A

Amounts
in dollars

GENERAL FUND

Department Operating

Central Services	565,410
Fire and Emergency Medical Services	24,800
Public Works	139,342

Total Department Operating	729,552
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Non-Departmental

Reserves	(500,000)
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Total Non-Departmental	(500,000)
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TOTAL GENERAL FUND	229,552
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ROAD FUND

Department Operating

Public Works	888,255
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Total Department Operating	888,255
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TOTAL ROAD FUND	888,255
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LIBRARY, PARKS AND RECREATION SPECIAL REVENUE FUND

Capital Projects

Capital Projects	10,335
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Total Capital Projects	10,335
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TOTAL LIBRARY, PARKS AND REC. SPECIAL REVENUE FUND	10,335
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TRANSPORTATION CAPITAL PROJECTS FUND

Capital Projects

Capital Projects	596,718
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Total Capital Projects	596,718
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TOTAL TRANSPORTATION CAPITAL FUND	596,718
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MUNICIPAL AIRPORT FUND

Department Operating	
Public Works	61,789
Total Department Operating	<u>61,789</u>
TOTAL MUNICIPAL AIRPORT FUND	<u>61,789</u>

WASTEWATER UTILITY FUND

Department Operating	
Public Works	67,503
Total Department Operating	<u>67,503</u>
TOTAL WASTEWATER UTILITY FUND	<u>67,503</u>

STORMWATER UTILITY FUND

Department Operating	
Public Works	465,783
Total Department Operating	<u>465,783</u>
TOTAL STORMWATER UTILITY FUND	<u>465,783</u>

AMBULANCE TRANSPORT FUND

Department Operating	
Fire and Emergency Medical Services	264,450
Total Department Operating	<u>264,450</u>
TOTAL AMBULANCE TRANSPORT FUND	<u>264,450</u>

FLEET SERVICES FUND

Department Operating	
Public Works	13,844
Total Department Operating	<u>13,844</u>
TOTAL FLEET SERVICES FUND	<u>13,844</u>

TOTAL REQUIREMENTS - ALL FUNDS	<u><u>2,598,229</u></u>
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Please send three tear sheets and the affidavit of publication to:
PUBLISH: Monday June 19, 2017 (one time)

Mike Streepey
City of Eugene Finance
100 W 10th Ave., Ste. 400
Eugene, OR 97401
541-682-6820

NOTICE OF SUPPLEMENTAL BUDGET HEARING

The Eugene City Council will conduct a Public Hearing on a proposed Supplemental Budget for the City of Eugene for the 2016-2017 Fiscal Year on Monday, June 26, 2017 at 7:30 p.m. in Harris Hall at the Lane County Public Service Building, 125 East 8th Avenue, Eugene, Oregon, 97401. Beginning at 8:30 a.m. on June 23, 2017, the proposed Supplemental Budget document may be inspected or copies obtained free of charge at the City of Eugene Finance Division, 100 West 10th Avenue, 4th Floor, or the City Manager's Office, 125 East 8th Avenue, 2nd Floor. The Supplemental Budget materials may also be viewed on the City's website at www.eugene-or.gov/budget. Any person may appear at the public hearing on the Supplemental Budget and discuss the budget or any part of it. This Notice of Public Hearing is published this 19th day of June, 2017. For more information, please call the City of Eugene Finance Division at 541-682-6820.

City of Eugene Supplemental Budget Financial Summary for the Fiscal Year 2016-2017

GENERAL FUND

RESOURCES

Intergovernmental	\$ 229,552	
Change in Non-Property Tax Resources		<u>229,552</u>

REQUIREMENTS

Departmental

Central Services

Materials and Services	\$ 565,410	
Subtotal		565,410

Fire and Emergency Medical Services

Personnel	\$ 24,800	
Subtotal		24,800

Public Works

Personnel	\$ 139,342	
Subtotal		<u>139,342</u>

Non-Departmental

Reserves	\$ (500,000)	
Subtotal		(500,000)
Total Requirements		<u>229,552</u>

ROAD FUND**RESOURCES**

Intergovernmental	\$ 888,255	
Change in Non-Property Tax Resources		<u>888,255</u>

REQUIREMENTS

	Departmental	
	Public Works	
Personnel	\$ 888,255	
Subtotal		<u>888,255</u>
Total Fund Requirements		<u>888,255</u>

LIBRARY, PARKS AND RECREATION SPECIAL REVENUE FUND**RESOURCES**

Intergovernmental	\$ 10,335	
Change in Non-Property Tax Resources		<u>10,335</u>

REQUIREMENTS

	Capital Projects	
	\$ 10,335	
		<u>10,335</u>
Total Fund Requirements		<u>10,335</u>

TRANSPORTATION CAPITAL PROJECTS FUND**RESOURCES**

Intergovernmental	\$ 596,718	
Change in Non-Property Tax Resources		<u>596,718</u>

REQUIREMENTS

	Capital Projects	
	\$ 596,718	
		<u>596,718</u>
Total Fund Requirements		<u>596,718</u>

MUNICIPAL AIRPORT FUND**RESOURCES**

Intergovernmental	\$ 61,789	
Change in Non-Property Tax Resources		<u>61,789</u>

REQUIREMENTS

	Departmental	
	Public Works	
Materials and Services	\$ 61,789	
Subtotal		<u>61,789</u>
Total Fund Requirements		<u>61,789</u>

WASTEWATER UTILITY FUND**RESOURCES**

Intergovernmental	\$ 67,503	
Change in Non-Property Tax Resources		<u>67,503</u>

REQUIREMENTS

	Departmental	
	Public Works	
Personnel	\$ 67,503	
Subtotal		<u>67,503</u>
Total Fund Requirements		<u>67,503</u>

STORMWATER UTILITY FUND**RESOURCES**

Intergovernmental	\$ 465,783	
Change in Non-Property Tax Resources		<u>465,783</u>

REQUIREMENTS

	Departmental	
	Public Works	
Personnel	\$ 465,783	
Subtotal		<u>465,783</u>
Total Fund Requirements		<u>465,783</u>

AMBULANCE TRANSPORT FUND**RESOURCES**

Charges for Services	\$ 229,350	
Miscellaneous	<u>35,100</u>	
Change in Non-Property Tax Resources		<u>264,450</u>

REQUIREMENTS

	Departmental	
	Fire and Emergency Medical Services	
Personnel	\$ 264,450	
Subtotal		<u>264,450</u>
Total Fund Requirements		<u>264,450</u>

FLEET SERVICES FUND**RESOURCES**

Intergovernmental	\$ 13,844	
Change in Non-Property Tax Resources		<u>13,844</u>

REQUIREMENTS

	Departmental	
	Public Works	
Personnel	\$ 13,844	
Subtotal		<u>13,844</u>
Total Fund Requirements		<u>13,844</u>

TOTAL RESOURCES - ALL FUNDS		<u>2,598,229</u>
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TOTAL REQUIREMENTS - ALL FUNDS		<u>2,598,229</u>
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EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing and Action: A Resolution Adopting the Budget, Making Appropriations, Determining, Levying and Categorizing the Annual Ad Valorem Property Tax Levy for the City of Eugene for the Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018; a Resolution Electing to Receive State Revenue Sharing Funds Pursuant to Section 221.770 of Oregon Revised Statutes; and a Resolution Certifying that the City of Eugene Provides the Municipal Services Required by Oregon Revised Statutes Section 221.760 in Order to Receive State Shared Revenues

Meeting Date: June 26, 2017
Department: Central Services
www.eugene-or.gov

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

ISSUE STATEMENT

This meeting is to conduct a public hearing and take action to adopt the Fiscal Year 2017-2018 (FY18) budget for the City of Eugene. Oregon Local Budget Law requires the City to conduct a public hearing to receive testimony on the FY18 City of Eugene budget as recommended by the Budget Committee and on the proposed uses of the State Revenue Sharing funds. Resolutions electing to receive State Revenue Sharing funds and certifying that the City of Eugene provides municipal services required for receipt of state-shared revenues are also required in order to continue receiving those funds under ORS 221.760 and 221.770. Finally, ORS 294.456 requires the City Council to pass a resolution adopting the budget, making appropriations, and determining, levying and categorizing the ad valorem property taxes for the next fiscal year.

BACKGROUND

Council Action History

The City Council has consistently met the provision of the Oregon Local Budget Law which requires that a jurisdiction adopts an annual budget by June 30 of each year. If a jurisdiction elects to receive State Revenue Sharing funds, it also must hold a public hearing on the proposed uses of the funds and adopt resolutions or ordinances electing to receive the funds and certifying that the City provides qualifying municipal services.

Financial and Resource Considerations

Financial and resource considerations are detailed in the FY18 Proposed Budget document, available at www.eugene-or.gov/budget, and in the Budget Committee meeting materials, which are available at www.eugene-or.gov/budgetcommittee.

FY18 Proposed Budget and Budget Committee Changes

The City of Eugene FY18 Proposed Budget was based on balancing ongoing revenues and expenditures in the City's General Fund. A summary of the FY18 Proposed Budget changes is provided in Attachment B, Exhibit A. The City Manager presented the FY18 Proposed Budget to the Budget Committee for consideration on April 26, 2017.

The City of Eugene Budget Committee review of the FY18 Proposed Budget consisted of four meetings held on April 26, May 3, May 10 and May 24, 2017. A public comment period was held at the May 3 and May 10 meetings, and a public hearing was held at the May 24 meeting. The Budget Committee recommendation consists of the City Manager's FY18 Proposed Budget with amendments. A summary of the Budget Committee changes to the FY18 Proposed Budget is provided in Attachment A.

The Budget Committee's final recommendation, approved on May 24, 2017, is as follows:

Move that the Budget Committee recommend to the Eugene City Council the FY18 Budget for the City of Eugene that consists of the City Manager's Proposed FY18 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:

- Allocate \$40,000 (\$20,000 one-time) to implement a public budget transparency solution from the following sources: Up to \$20,000 in one-time funding to cover one-time costs, such as the bid/RFP process itself and the upfront establishment of City capabilities. One-time funds shall come from the Reserve for Revenue Shortfall (RRSF), and ongoing from Council Contingency.
- Increase the FY18 General Fund contribution on a one-time basis to the Human Services Commission by \$154,655 to provide Eugene's share of FY18 cost for Dusk to Dawn winter warming site program. Funding would initially come from RRSF with direction to the City Manager to restore said reserve using Marginal Beginning Working Capital (MBWC) in Supplemental Budget #1 after the capital transfer and any other prearranged expenditures are accounted for.
- Allocate \$1 million of one-time Comcast Settlement Funds for future shelter options and request that the City Manager develop a plan for City Council approval for spending these funds within the next two years in conjunction with inter-jurisdictional partners.
- Increase funding for one additional Basic Life Support (BLS) ambulance in the amount of \$500,000 on a one-time basis in FY18, and complete a preliminary ambulance capacity analysis and implementation options, and present both to Council prior to their 2018 winter break. The funding for this addition would come from the RRSF.
- In addition to the Budget Committee amendments to the City Manager's Proposed FY18 Budget, the Budget Committee also recommends that the City Council review the City of Eugene General Fund allocation to the Human Services Commission (HSC) for ongoing support funding in the context of overall City of Eugene human service funding.

Attachment A reconciles the FY18 Proposed Budget to the FY18 Budget Committee recommended budget. All approved motions and the committee votes are shown in Attachment B.

The Budget Committee recommendation included appropriations for prior fiscal year encumbrances and estimated unexpended capital project funds in the FY17 budget. Encumbrance carryover is for operating budget items contracted for but not expended in FY17. Capital project carryover is for capital appropriations that are estimated to remain unexpended at the end of FY17. Attachment A provides information on encumbrance and capital project carryover by fund.

Additionally, due to the Budget Committee's changes to the General Fund operating budget, the Unappropriated Ending Fund Balance (UEFB) was increased by \$280,000 to \$25,330,000 to comply with the City policy to maintain two months of expenditures in the UEFB. This increase only impacts the UEFB and the Reserve for Revenue Shortfall, neither of which is appropriated for spending.

State Revenue Sharing

The FY18 estimated revenues from State Revenue Sharing are \$1,930,006. The proposed use of these revenues is to support General Fund services. Attachment C includes the resolution requesting state revenue sharing funds, and Attachment D certifies that the City provides the services required in order to receive state revenue sharing funds.

Timing

Under Oregon Local Budget Law, the FY18 City of Eugene budget must be adopted by June 30, 2017, and a copy of the adopting resolution must be filed with the Lane County Assessor by July 15, 2017. Additionally, the City must elect to receive State Revenue Sharing funds and file a copy of the corresponding resolution with the State of Oregon Department of Administrative Services by July 31, 2017.

Other Background Information

The FY18 Proposed Budget document, Budget Committee meeting materials, and Budget Committee FY18 budget motions are available on the City's website at www.eugene-or.gov/budget.

RELATED CITY POLICIES

The FY18 budget was prepared following guidelines established in the Financial Management Goals and Policies.

COUNCIL OPTIONS

After the public hearing on the FY18 budget as recommended by the Budget Committee has been held, the City Council may make changes to the FY18 budget. City Council may reduce budgeted appropriations in any fund by any amount, as long as resources and requirements remain in balance. No additional process steps are required when appropriations are reduced by the City Council.

Budgeted appropriations may also be increased by the City Council. If the total appropriation

increase in any of the reporting funds is less than \$5,000 or 10% of the fund's appropriations as recommended by the Budget Committee, whichever is greater, then no additional process steps are required. However, if the appropriations in any fund are increased by more than those limits, the City Council must publish a revised budget notice and hold another public hearing before the adjusted budget can be adopted. Due to the timing requirements associated with the budget notice publication, the last option would effectively not be possible, assuming adoption of the FY18 budget by June 30, 2017.

If the City Council decides to amend the FY18 budget resolutions, the motion must contain specific appropriation line(s) being altered in the resolution, and each motion must be self-balancing, meaning that a resource and a requirement must exactly offset each other.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends passage of the two State Revenue Sharing resolutions and the resolution adopting the Budget Committee's recommended budget for the City of Eugene.

SUGGESTED MOTIONS

- Move to approve Resolution 5196 electing to receive State Revenue Sharing funds pursuant to Section 221.770 of Oregon Revised Statutes.
- Move to approve Resolution 5197 certifying that the City of Eugene provides the municipal services required by Oregon Revised Statutes Section 221.760.
- Move to approve Resolution 5198 adopting the budget, making appropriations, and determining, levying and categorizing the annual ad valorem property tax levy for the City of Eugene for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

ATTACHMENTS

- A. Summary of Changes to the FY18 Proposed Budget
- B. Budget Committee Motions to Amend the FY18 Proposed Budget
 - Exhibit A: FY18 Proposed Budget Changes
- C. Resolution Electing to Receive State Revenue Sharing
- D. Resolution Certifying Municipal Services Provided
- E. Resolution Adopting the FY18 City of Eugene Budget
 - Exhibit A: Fund Schedules
 - Exhibit B: Fund Names

FOR MORE INFORMATION

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

OR

Staff Contact: Mike Streepey
Telephone: 541-682-6820
Staff E-Mail: Michael.l.Streepey@ci.eugene.or.us

Summary of Changes to the City of Eugene FY18 Proposed Budget

Fund / Department	FY18 Proposed Budget	Misc. Actions	<----- Budget Committee Actions ----->			FY18 Adopted Budget
			Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
A. General Fund						
Central Services	25,173,689	1,040,000	c,d		26,213,689	26,213,689
Fire and Emergency Medical Services	30,238,972	500,000	a		30,738,972	30,738,972
Library, Recreation and Cultural Services	30,731,736				30,731,736	30,731,736
Planning and Development	7,049,245	154,655	b		7,203,900	7,203,900
Police	53,279,325				53,279,325	53,279,325
Public Works	6,463,030				6,463,030	6,463,030
Interfund Transfers	4,671,055	500,000	a		5,171,055	5,171,055
Special Payments	700,000				700,000	700,000
Contingency	32,000	(20,000)	d		12,000	12,000
Reserve	24,534,923	(2,454,655)	a,b,c,d,e	2,877,865	24,958,133	24,958,133
Unappropriated Ending Fund Balance	25,050,000	280,000	e		25,330,000	25,330,000
Total	\$ 207,923,975	-	\$ 2,877,865	-	\$ 210,801,840	\$ 210,801,840

(a) Increase funding for one additional BLS ambulance in the amount of \$500,000 on a one-time basis in FY18, and complete a preliminary ambulance capacity analysis and implementation options, and present both to Council prior to their 2018 winter break. Funding will be from the Reserve for Revenue Shortfall Fund (RRSF).

(b) Increase General Fund contribution on a one-time basis to the Human Services Commission by \$154,655 to provide Eugene's share of the FY18 cost for the Dusk to Dawn winter warming site program. Funding would initially come from the Reserve for Revenue Shortfall Fund (RRSF) with direction to the City Manager to restore said reserve using Marginal Beginning Working Capital (MBWC) in Supplemental Budget #1 after the capital transfer and any other prearranged expenditures are accounted for.

(c) Allocate \$1,000,000 of one-time Comcast Settlement Funds for future shelter options and request that the City Manager develop a plan for City Council approval for spending these funds within the next two years in conjunction with interjurisdictional partners.

(d) Procure and implement a public budget transparency solution, to go live in advance of the FY18-19 budget deliberations. Allocate \$40,000 (\$20,000 one-time funding from the Reserve for Revenue Shortfall Fund (RRSF)) to cover one-time costs, such as the bid-RFP process itself and the upfront establishment of City capabilities. Ongoing funds shall come from Council Contingency.

(e) Increase the General Fund Unappropriated Ending Fund Balance (UEFB) by \$280,000 and decrease the Reserve for Revenue Shortfall by the same amount to comply with the City policy to maintain two months of expenditures in UEFB. This change was not explicitly approved by the Budget Committee; however, it only affects the UEFB and the Reserve for Revenue Shortfall, neither of which is appropriated for spending.

Summary of Changes to the City of Eugene FY18 Proposed Budget

Fund / Department	FY18 Proposed Budget	<----- Budget Committee Actions ----->				FY18 Adopted Budget
		Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
B. <u>Special Assessment Management Fund</u>						
Central Services	102,155				102,155	102,155
Interfund Transfers	9,000				9,000	9,000
Special Payments	30,000				30,000	30,000
Reserve	50,000				50,000	50,000
Balance Available	1,085,177				1,085,177	1,085,177
Total	\$ 1,276,332	-	-	-	\$ 1,276,332	\$ 1,276,332
C. <u>Library Local Option Levy Fund</u>						
Library, Recreation and Cultural Services	2,415,896		-		2,415,896	2,415,896
Reserve	376,372				376,372	376,372
Total	\$ 2,792,268	-	-	-	\$ 2,792,268	\$ 2,792,268
D. <u>Road Fund</u>						
Public Works	12,114,176		403,712		12,517,888	12,517,888
Interfund Transfers	1,024,000				1,024,000	1,024,000
Balance Available	2,564,336				2,564,336	2,564,336
Total	\$ 15,702,512	-	\$ 403,712	-	\$ 16,106,224	\$ 16,106,224
E. <u>Public Safety Communications Fund</u>						
Police	2,158,200		-		2,158,200	2,158,200
Interfund Transfers	131,000				131,000	131,000
Balance Available	1,587,238				1,587,238	1,587,238
Total	\$ 3,876,438	-	-	-	\$ 3,876,438	\$ 3,876,438
F. <u>Telecommunication Registration/Licensing Fund</u>						
Central Services	2,747,204		-		2,747,204	2,747,204
Interfund Transfers	487,000				487,000	487,000
Reserve	592,847				592,847	592,847
Balance Available	1,586,956				1,586,956	1,586,956
Total	\$ 5,414,007	-	\$ -	-	\$ 5,414,007	\$ 5,414,007
G. <u>Construction and Rental Housing Fund</u>						
Fire and Emergency Medical Services	333,961				333,961	333,961
Planning and Development	7,385,362		356,403		7,741,765	7,741,765
Public Works	465,363				465,363	465,363
Interfund Transfers	919,000				919,000	919,000
Special Payments	880,000				880,000	880,000
Balance Available	4,315,568				4,315,568	4,315,568
Total	\$ 14,299,254	-	\$ 356,403	-	\$ 14,655,657	\$ 14,655,657

Summary of Changes to the City of Eugene FY18 Proposed Budget

Fund / Department	FY18 Proposed Budget	<----- Budget Committee Actions ----->				FY18 Adopted Budget
		Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
H. <u>Solid Waste and Recycling Fund</u>						
Planning and Development	1,002,243		112,955		1,115,198	1,115,198
Interfund Transfers	73,000				73,000	73,000
Balance Available	622,641				622,641	622,641
Total	\$ 1,697,884	-	\$ 112,955	-	\$ 1,810,839	\$ 1,810,839
I. <u>Community Development Fund</u>						
Planning and Development	3,744,932		145,925		3,890,857	3,890,857
Capital Projects	73,200			478,000	551,200	551,200
Debt Service	364,649				364,649	364,649
Interfund Transfers	93,000				93,000	93,000
Special Payments	6,687,534		963,527		7,651,061	7,651,061
Reserve	1,186,658				1,186,658	1,186,658
Total	\$ 12,149,973	-	\$ 1,109,452	\$ 478,000	\$ 13,737,425	\$ 13,737,425
J. <u>Library, Parks and Recreation Fund</u>						
Library, Recreation and Cultural Services	370,000		22,845		392,845	392,845
Capital Projects	57,222			752,228	809,450	809,450
Special Payments	86,872				86,872	86,872
Reserve	2,761,895				2,761,895	2,761,895
Balance Available	1,042,464				1,042,464	1,042,464
Total	\$ 4,318,453	-	\$ 22,845	\$ 752,228	\$ 5,093,526	\$ 5,093,526
K. <u>General Obligation Debt Service Fund</u>						
Debt Service	13,447,025				13,447,025	13,447,025
Total	\$ 13,447,025	-	-	-	\$ 13,447,025	\$ 13,447,025
L. <u>Special Assessment Bond Debt Fund</u>						
Debt Service	250,000				250,000	250,000
Interfund Transfers	10,000				10,000	10,000
Reserve	62,538				62,538	62,538
Total	\$ 322,538	-	-	-	\$ 322,538	\$ 322,538

Summary of Changes to the City of Eugene FY18 Proposed Budget

Fund / Department	FY18 Proposed Budget	<----- Budget Committee Actions ----->				FY18 Adopted Budget
		Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
M. <u>General Capital Projects Fund</u>						
Library, Recreation and Cultural Services	20,000				20,000	20,000
Capital Projects	3,205,878			22,825,376	26,031,254	26,031,254
Debt Service	40,000				40,000	40,000
Reserve	26,560				26,560	26,560
Balance Available	3,348,017				3,348,017	3,348,017
Total	\$ 6,640,455	-	-	\$ 22,825,376	\$ 29,465,831	\$ 29,465,831
N. <u>Systems Development Capital Projects Fund</u>						
Planning and Development	119,171				119,171	119,171
Public Works	531,453		12,953		544,406	544,406
Capital Projects	5,524,830			10,961,539	16,486,369	16,486,369
Interfund Transfers	44,000				44,000	44,000
Balance Available	15,802,565				15,802,565	15,802,565
Total	\$ 22,022,019	-	\$ 12,953	\$ 10,961,539	\$ 32,996,511	\$ 32,996,511
O. <u>Transportation Capital Projects Fund</u>						
Capital Projects	22,701,671			18,817,755	41,519,426	41,519,426
Debt Service	10,000				10,000	10,000
Balance Available	860,303				860,303	860,303
Total	\$ 23,571,974	-	-	\$ 18,817,755	\$ 42,389,729	\$ 42,389,729
P. <u>Special Assessments Capital Projects Fund</u>						
Interfund Transfers	20,000				20,000	20,000
Balance Available	1,221,312				1,221,312	1,221,312
Total	\$ 1,241,312	-	-	-	\$ 1,241,312	\$ 1,241,312
Q. <u>Municipal Airport Fund</u>						
Fire and Emergency Medical Services	919,653				919,653	919,653
Police	634,276				634,276	634,276
Public Works	8,087,699		946,132		9,033,831	9,033,831
Capital Projects	6,551,000			11,615,302	18,166,302	18,166,302
Interfund Transfers	605,000				605,000	605,000
Reserve	139,025				139,025	139,025
Balance Available	5,123,314				5,123,314	5,123,314
Total	\$ 22,059,967	-	\$ 946,132	\$ 11,615,302	\$ 34,621,401	\$ 34,621,401

Summary of Changes to the City of Eugene FY18 Proposed Budget

Fund / Department	FY18 Proposed Budget	<----- Budget Committee Actions ----->				FY18 Adopted Budget
		Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
R. <u>Parking Services Fund</u>						
Central Services	401,966				401,966	401,966
Planning and Development	6,022,332		245,376		6,267,708	6,267,708
Public Works	78,727				78,727	78,727
Capital Projects	250,000			48,200	298,200	298,200
Interfund Transfers	1,087,350				1,087,350	1,087,350
Balance Available	518,643				518,643	518,643
Total	\$ 8,359,018	-	\$ 245,376	48,200	\$ 8,652,594	\$ 8,652,594
S. <u>Wastewater Utility Fund</u>						
Public Works	23,788,057		1,391,788		25,179,845	25,179,845
Capital Projects	2,140,000			4,130,937	6,270,937	6,270,937
Interfund Transfers	1,785,000				1,785,000	1,785,000
Special Payments	28,589,000		176,127		28,765,127	28,765,127
Balance Available	347,072				347,072	347,072
Total	\$ 56,649,129	-	\$ 1,567,915	\$ 4,130,937	\$ 62,347,981	\$ 62,347,981
T. <u>Stormwater Utility Fund</u>						
Public Works	15,308,444		508,761		15,817,205	15,817,205
Capital Projects	3,165,000			5,028,347	8,193,347	8,193,347
Interfund Transfers	1,111,000				1,111,000	1,111,000
Special Payments	15,000				15,000	15,000
Balance Available	3,258,531				3,258,531	3,258,531
Total	\$ 22,857,975	-	\$ 508,761	\$ 5,028,347	\$ 28,395,083	\$ 28,395,083
U. <u>Ambulance Transport Fund</u>						
Fire and Emergency Medical Services	8,190,077	500,000 (a)	-		8,690,077	8,690,077
Interfund Transfers	979,757				979,757	979,757
Balance Available	3,805				3,805	3,805
Total	\$ 9,173,639	500,000	-	-	\$ 9,673,639	\$ 9,673,639
(a) Increase funding for one additional BLS ambulance in the amount of \$500,000 on a one-time basis in FY18, and complete a preliminary ambulance capacity analysis and implementation options, and present both to Council prior to their 2018 winter break. Funding will be from the Reserve for Revenue Shortfall (RRSF).						
V. <u>Fleet Services Fund</u>						
Public Works	15,870,583		2,286,528		18,157,111	18,157,111
Interfund Transfers	394,000				394,000	394,000
Reserve	17,157,656				17,157,656	17,157,656
Balance Available	1,370,946				1,370,946	1,370,946
Total	\$ 34,793,185	-	\$ 2,286,528	-	\$ 37,079,713	\$ 37,079,713

Summary of Changes to the City of Eugene FY18 Proposed Budget

Fund / Department	FY18 Proposed Budget	<----- Budget Committee Actions ----->				FY18 Adopted Budget
		Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
W. <u>Information Systems and Services Fund</u>						
Central Services	12,471,505		1,290,610		13,762,115	13,762,115
Interfund Transfers	402,000				402,000	402,000
Reserve	1,617,024				1,617,024	1,617,024
Balance Available	2,265,603				2,265,603	2,265,603
Total	\$ 16,756,132	-	\$ 1,290,610	-	\$ 18,046,742	\$ 18,046,742
X. <u>Facilities Services Fund</u>						
Central Services	9,900,898		191,211		10,092,109	10,092,109
Planning and Development	492,281		14,784		507,065	507,065
Capital Projects	375,000			256,860	631,860	631,860
Debt Service	211,165				211,165	211,165
Interfund Transfers	477,000				477,000	477,000
Reserve	412,000				412,000	412,000
Balance Available	2,015,803				2,015,803	2,015,803
Total	\$ 13,884,147	-	\$ 205,995	\$ 256,860	\$ 14,347,002	\$ 14,347,002
Y. <u>Risk and Benefits Fund</u>						
Central Services	37,949,143		68,297		38,017,440	38,017,440
Debt Service	6,674,500				6,674,500	6,674,500
Interfund Transfers	224,000				224,000	224,000
Reserve	6,961,697				6,961,697	6,961,697
Balance Available	7,087,098				7,087,098	7,087,098
Total	\$ 58,896,438	-	\$ 68,297	-	\$ 58,964,735	\$ 58,964,735
Z. <u>Professional Services Fund</u>						
Public Works	6,571,143		71,824		6,642,967	6,642,967
Interfund Transfers	920,000				920,000	920,000
Reserve	388,512				388,512	388,512
Balance Available	1,082,377				1,082,377	1,082,377
Total	\$ 8,962,032	-	\$ 71,824	-	\$ 9,033,856	\$ 9,033,856
TOTAL CITY OF EUGENE BUDGET	\$ 589,088,081	500,000	\$ 12,087,623	\$ 74,914,544	\$ 676,590,248	\$ 676,590,248

FY18 Budget Committee Motions

Attachment B

			FY18 Budget Changes					
#	Source	Motion	Revenue Change	Expenditure Change	Net Amount	1X\$	Vote	Opposed Votes; Absent Members
1	Jasper on behalf of Skov	Procure and implement a public budget transparency solution, to go live in advance of the FY18-19 budget deliberations. Allocate \$40,000 (\$20,000 one-time funding from the Reserve for Revenue Shortfall (RRSF)) to cover one-time costs, such as the bid/RFP process itself and the upfront establishment of City capabilities. Ongoing funds shall come from Council Contingency.	\$0	\$20,000	\$20,000	1X\$	7-4, passed	<u>Opposed:</u> S. Londahl, S. Nowicki, C. Pryor, B. Taylor <u>Absent:</u> C. Syrett, G. Dunlavey, J. Skov
2	Beeson	Increase General Fund contribution on a one-time basis to the Human Services Commission by \$154,655 to provide Eugene's share of the FY18 cost for the Dusk to Dawn winter warming site program. Funding would initially come from the Reserve for Revenue Shortfall Fund (RRSF) with direction to the City Manager to restore said reserve using Marginal Beginning Working Capital (MBWC) in Supplemental Budget #1 after the capital transfer and any other prearranged expenditures are accounted for.	\$0	\$154,655	\$154,655	1X\$	9-2, passed	<u>Opposed:</u> M. Clark, B. Taylor <u>Absent:</u> C. Syrett, G. Dunlavey, J. Skov
3	Zelenka	Allocate \$1 million of one-time Comcast Settlement Funds for future shelter options and request that the City Manager develop a plan for City Council approval for spending these funds within the next two years in conjunction with interjurisdictional partners.	\$0	\$1,000,000	\$1,000,000	1X\$	8-3, passed	<u>Opposed:</u> M. Clark, C. Pryor, B. Taylor <u>Absent:</u> C. Syrett, G. Dunlavey, J. Skov
4	Clark	Allocate up to \$1.6 million of one-time funds for an ALS 24/7 ambulance. Direct the City Manager to bring results of ambulance system study back to Council prior to the 2018 winter break.		\$1,600,000	\$1,600,000	1X\$	5-6, failed	<u>Opposed:</u> K. Beeson, J. Fetherstonhaugh, S. Londahl, S. Nowicki, C. Pryor, A. Zelenka <u>Absent:</u> C. Syrett, G. Dunlavey, J. Skov
5	Semple	Increase funding for one additional BLS ambulance in the amount of \$500,000 on a one-time basis in FY18, and complete a preliminary ambulance capacity analysis and implementation options, and present both to Council prior to their 2018 winter break. Funding will be from the RRSF.		\$500,000	\$500,000	1X\$	11-0, passed	<u>Opposed:</u> None
Total Budget Committee Approved FY18 General Fund Ongoing Motions			\$0	\$0	\$0			
Total Budget Committee Approved FY18 General Fund One-Time Motions			\$0	\$1,674,655	\$1,674,655			

Exhibit A

FY18 Proposed Budget Changes

The City of Eugene FY18 Proposed Budget was presented to the Budget Committee for consideration on April 26, 2017. Concurrent with the Budget Committee's review of the Proposed Budget document, the FY18 Proposed Budget was published on the City website and made available in hard copy format for public review.

The City of Eugene FY18 Proposed Budget was based on balancing ongoing revenues and expenditures in the City's General Fund. The Proposed Budget, as presented, included the following changes:

FY18 Proposed Budget Changes - General Fund

Main Subfund (Subfund 011)		
Proposed Ongoing Funding	FTE	Amount
Downtown Urban Renewal Staffing (revenue-backed) *	2.50	\$302,000
Criminal Justice System Funding Gaps (revenue-backed)	0.00	\$250,000
Police Reimbursable Overtime (revenue-backed)	0.00	\$200,000
Assistant City Manager Position	0.50	\$124,000
Planning and Development Executive Director Position	0.50	\$102,000
Land Use Planning (revenue-backed)	1.00	\$100,000
Police Auditor Community Engagement Specialist	0.80	\$75,000
Urban Renewal Finance Manager (revenue-backed) *	0.50	\$55,000
Park Safety and Security (revenue-backed)	0.00	\$50,000
Marijuana Tax Administration (revenue-backed)	0.00	\$20,000
Total	5.80	\$1,278,000

Proposed Limited Duration Funding (End Date)	FTE	Amount
Downtown and Urban Parks Improvements (FY18)	0.00	\$500,000
Body Worn Cameras (FY18)	0.00	\$250,000
Envision Eugene Legal Services (FY18)	0.00	\$181,000
Veterans Affairs Clinic SDC Repayment from Property Taxes (FY27)	0.00	\$135,000
Greenhill Contract Increase (FY18)	0.00	\$100,000
Total	0.00	\$1,166,000

* See corresponding Urban Renewal proposed changes in Urban Renewal Agency section.

Cultural Services Subfund (Subfund 031)		
Proposed Ongoing Funding	FTE	Amount
Cultural Services Activity Increase	0.00	\$818,000
Total	0.00	\$818,000
Proposed Limited Duration Funding	FTE	Amount
Hult Ticketing Improvements, Web Redesign and Marketing Outreach	0.00	\$150,000
Total	0.00	\$150,000

FY18 Proposed Budget Changes - Other Funds

Road Fund (Fund 131)	FTE	Amount
Signs and Markings Inventory Growth	0.00	\$100,000
Utility Locate Technical Specialist (partially funded by Fund 530)	0.50	\$62,000
Telecom Registration/Licensing Fund (Fund 135)		
Telecom Equipment Replacement Fund Shortfall	0.00	\$500,000
Construction and Rental Housing Fund (Fund 150)		
Plumbing Inspector and Van	1.00	\$144,000
Structural Engineer Plans Reviewer	1.00	\$137,000
Business Liaison	1.00	\$137,000
Municipal Airport Fund (Fund 510)		
Air Show	0.00	\$100,000
Airport Worker	1.00	\$95,000
Parking Services Fund (Fund 520)		
Business Intelligence Analyst	0.50	\$0
Wastewater Utility Fund (Fund 530)		
Utility Locate Technical Specialist (partially funded by Fund 131)	0.50	\$62,000
Utility Administration Coordinator	1.00	\$90,000
Stormwater Utility Fund (Fund 539)		
Green Infrastructure Maintenance	0.00	\$50,000
Ambulance Transport Fund (Fund 592)		
Basic Life Support System (revenue-backed)	0.00	\$250,000
Risk and Benefits Fund (Fund 620)		
Emergency Management Analyst	0.50	\$53,000
Total	7.00	\$1,780,000

RESOLUTION NO. 5196

**A RESOLUTION ELECTING TO RECEIVE STATE REVENUE SHARING
FUNDS PURSUANT TO SECTION 221.770 OF OREGON REVISED STATUTES**

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

Section 1. The City of Eugene, Oregon, for the fiscal year starting July 1, 2017, and ending June 30, 2018, elects to receive distribution of funds from State Revenue Sharing pursuant to Oregon Revised Statutes Section 221.770.

Section 2. The Finance Director of the City of Eugene is hereby requested to file a copy of this Resolution with the Department of Administrative Services of the State of Oregon as prescribed by Oregon Revised Statutes Section 221.770.

The foregoing Resolution adopted the 26th day of June, 2017.

City Recorder

RESOLUTION NO. 5197

**A RESOLUTION CERTIFYING THAT THE CITY OF EUGENE PROVIDES
THE MUNICIPAL SERVICES REQUIRED BY OREGON REVISED STATUTES
SECTION 221.760 IN ORDER TO RECEIVE STATE SHARED REVENUES**

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

Section 1. The City of Eugene, Oregon, recognizes the desirability of assisting the State officer responsible for determining the eligibility of cities to receive State Shared Revenues under Oregon Revised Statutes Sections 323.455, 366.785 to 366.820 and 471.805.

Section 2. The City of Eugene, Oregon, declares its eligibility to receive such funds as a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census that provides four or more of the following municipal services, as required by Oregon Revised Statutes Subsection 221.760(1):

- (a) Police protection.
- (b) Fire protection.
- (c) Street construction, maintenance, and lighting.
- (d) Sanitary sewers.
- (e) Storm sewers.
- (f) Planning, zoning and subdivision control.

The foregoing Resolution adopted the 26th day of June, 2017.

City Recorder

RESOLUTION NO. 5198

**A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS,
AND DETERMINING, LEVYING AND CATEGORIZING
THE ANNUAL AD VALOREM PROPERTY TAX LEVY
FOR THE CITY OF EUGENE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018**

The City Council of the City of Eugene finds that Adopting the Budget and Making Appropriations is necessary under ORS 294.305 to 294.565.

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 budget for the City of Eugene, Oregon, for the fiscal year commencing July 1, 2017 and ending June 30, 2018, as set forth in attached Exhibit A is hereby adopted.

Section 2. That the City Council of the City of Eugene, Oregon makes appropriations for the purposes as set forth in attached Exhibit A.

Section 3. That a total levy in the amount of \$7.0058 per \$1,000 of Assessed Value be made against all taxable property within the City of Eugene in general, a Library Local Option Levy of \$2,700,000 and a Bonded Debt Levy of \$13,794,001 for the purpose of deriving funds necessary to carry on the different programs and to meet the expenses of the government of the City of Eugene for the fiscal year beginning July 1, 2017 and ending June 30, 2018; and to create and provide sinking funds and interest funds for the various outstanding bonds and obligations of the City.

Section 4. That the following allocation and categorization subject to the limits of section 11b, Article XI of the Oregon Constitution constitute the above levy:

	Subject to the General Government Limitation	Excluded from the Limitation
General Fund	\$7.0058 per \$1,000 of Assessed Value	\$0
Library Local Option Levy Fund	\$2,700,000	\$0
Bonded Debt Fund	\$0	\$13,794,001

Section 5. That the Finance Director of the City of Eugene is hereby requested to certify the levies as herein made and set forth to the County Assessor of Lane County, Oregon, and shall file with the Lane County Assessor and the Lane County Clerk a copy of the adopted budget for Fiscal Year 2017-2018, and such other documents as required by ORS 294.458.

Section 6. That the list of fund numbers and fund titles set forth in attached Exhibit B is hereby adopted, and any fund numbers and fund titles in conflict herewith are hereby repealed.

The foregoing Resolution adopted this 26th day of June, 2017.

City Recorder

Exhibit A

**City of Eugene
Expenditure Appropriations by Fund**

<u>General Fund</u>	<u>\$</u>
Department Operating	
Central Services	26,213,689
Fire and Emergency Medical Services	30,238,972
Library, Recreation and Cultural Services	30,731,736
Planning and Development	7,203,900
Police	53,279,325
Public Works	6,463,030
Total Department Operating	<u>154,130,652</u>
Non-Departmental	
Interfund Transfers	5,171,055
Special Payments	700,000
Contingency	12,000
Reserve*	25,458,133
Unappropriated Ending Fund Balance*	25,330,000
Total Non-Departmental	<u>56,671,188</u>
Total General Fund	<u><u>210,801,840</u></u>
 <u>Special Assessment Management Fund</u>	
Department Operating	
Central Services	102,155
Total Department Operating	<u>102,155</u>
Non-Departmental	
Interfund Transfers	9,000
Special Payments	30,000
Reserve*	50,000
Balance Available*	1,085,177
Total Non-Departmental	<u>1,174,177</u>
Total Special Assessment Management Fund	<u><u>1,276,332</u></u>
 <u>Library Local Option Levy Fund</u>	
Department Operating	
Library, Recreation and Cultural Services	2,415,896
Total Department Operating	<u>2,415,896</u>
Non-Departmental	
Reserve*	376,372
Total Non-Departmental	<u>376,372</u>
Total Library Local Option Levy Fund	<u><u>2,792,268</u></u>
 <u>Road Fund</u>	
Department Operating	
Public Works	12,517,888
Total Department Operating	<u>12,517,888</u>
Non-Departmental	
Interfund Transfers	1,024,000
Balance Available*	2,564,336
Total Non-Departmental	<u>3,588,336</u>
Total Road Fund	<u><u>16,106,224</u></u>

<u>Public Safety Communications Fund</u>		\$
Department Operating		
Police	2,158,200	
Total Department Operating	<u>2,158,200</u>	
Non-Departmental		
Interfund Transfers	131,000	
Balance Available*	<u>1,587,238</u>	
Total Non-Departmental	<u>1,718,238</u>	
Total Public Safety Communications Fund	<u><u>3,876,438</u></u>	
<u>Telecommunications Registration/Licensing Fund</u>		
Department Operating		
Central Services	2,747,204	
Total Department Operating	<u>2,747,204</u>	
Non-Departmental		
Interfund Transfers	487,000	
Reserve*	592,847	
Balance Available*	<u>1,586,956</u>	
Total Non-Departmental	<u>2,666,803</u>	
Total Telecommunications Registration/Licensing Fund	<u><u>5,414,007</u></u>	
<u>Construction and Rental Housing Fund</u>		
Department Operating		
Fire and Emergency Medical Services	333,961	
Planning and Development	7,741,765	
Public Works	<u>465,363</u>	
Total Department Operating	<u>8,541,089</u>	
Non-Departmental		
Interfund Transfers	919,000	
Special Payments	880,000	
Balance Available*	<u>4,315,568</u>	
Total Non-Departmental	<u>6,114,568</u>	
Total Construction and Rental Housing Fund	<u><u>14,655,657</u></u>	
<u>Solid Waste and Recycling Fund</u>		
Department Operating		
Planning and Development	1,115,198	
Total Department Operating	<u>1,115,198</u>	
Non-Departmental		
Interfund Transfers	73,000	
Balance Available*	<u>622,641</u>	
Total Non-Departmental	<u>695,641</u>	
Total Solid Waste and Recycling Fund	<u><u>1,810,839</u></u>	

<u>Community Development Fund</u>	\$
Department Operating	
Planning and Development	3,890,857
Total Department Operating	<u>3,890,857</u>
Total Capital Projects	<u>551,200</u>
Non-Departmental	
Debt Service	364,649
Interfund Transfers	93,000
Special Payments	7,651,061
Reserve*	1,186,658
Total Non-Departmental	<u>9,295,368</u>
Total Community Development Fund	<u><u>13,737,425</u></u>

<u>Library, Parks and Recreation Fund</u>	
Department Operating	
Library, Recreation and Cultural Services	392,845
Total Department Operating	<u>392,845</u>
Total Capital Projects	<u>809,450</u>
Non-Departmental	
Special Payments	86,872
Reserve*	2,761,895
Balance Available*	1,042,464
Total Non-Departmental	<u>3,891,231</u>
Total Library, Parks and Recreation Fund	<u><u>5,093,526</u></u>

<u>General Obligation Debt Service Fund</u>	
Non-Departmental	
Debt Service	13,447,025
Total Non-Departmental	<u>13,447,025</u>
Total General Obligation Debt Service Fund	<u><u>13,447,025</u></u>

<u>Special Assessment Bond Debt Fund</u>	
Non-Departmental	
Debt Service	250,000
Interfund Transfers	10,000
Reserve*	62,538
Total Non-Departmental	<u>322,538</u>
Total Special Assessment Bond Debt Fund	<u><u>322,538</u></u>

<u>General Capital Projects Fund</u>	
Department Operating	
Library, Recreation and Cultural Services	20,000
Total Department Operating	<u>20,000</u>
Total Capital Projects	<u>26,031,254</u>
Non-Departmental	
Debt Service	40,000
Reserve*	26,560
Balance Available*	3,348,017
Total Non-Departmental	<u>3,414,577</u>
Total General Capital Projects Fund	<u><u>29,465,831</u></u>

<u>Systems Development Capital Projects Fund</u>		\$
Department Operating		
Planning and Development	119,171	
Public Works	544,406	
Total Department Operating	<u>663,577</u>	
Total Capital Projects	<u>16,486,369</u>	
Non-Departmental		
Interfund Transfers	44,000	
Balance Available*	15,802,565	
Total Non-Departmental	<u>15,846,565</u>	
Total Systems Development Capital Projects Fund	<u><u>32,996,511</u></u>	
<u>Transportation Capital Projects Fund</u>		
Total Capital Projects	<u>41,519,426</u>	
Non-Departmental		
Debt Service	10,000	
Balance Available*	860,303	
Total Non-Departmental	<u>870,303</u>	
Total Transportation Capital Projects Fund	<u><u>42,389,729</u></u>	
<u>Special Assessments Capital Projects Fund</u>		
Non-Departmental		
Interfund Transfers	20,000	
Balance Available*	1,221,312	
Total Non-Departmental	<u>1,241,312</u>	
Total Special Assessments Capital Projects Fund	<u><u>1,241,312</u></u>	
<u>Municipal Airport Fund</u>		
Department Operating		
Fire and Emergency Medical Services	919,653	
Police	634,276	
Public Works	9,033,831	
Total Department Operating	<u>10,587,760</u>	
Total Capital Projects	<u>18,166,302</u>	
Non-Departmental		
Interfund Transfers	605,000	
Reserve*	139,025	
Balance Available*	5,123,314	
Total Non-Departmental	<u>5,867,339</u>	
Total Municipal Airport Fund	<u><u>34,621,401</u></u>	

<u>Parking Services Fund</u>		\$
Department Operating		
Central Services		401,966
Planning and Development		6,267,708
Public Works		78,727
Total Department Operating		<u>6,748,401</u>
Total Capital Projects		<u>298,200</u>
Non-Departmental		
Interfund Transfers		1,087,350
Balance Available*		518,643
Total Non-Departmental		<u>1,605,993</u>
Total Parking Services Fund		<u>8,652,594</u>

<u>Wastewater Utility Fund</u>		
Department Operating		
Public Works		25,179,845
Total Department Operating		<u>25,179,845</u>
Total Capital Projects		<u>6,270,937</u>
Non-Departmental		
Interfund Transfers		1,785,000
Special Payments		28,765,127
Balance Available*		347,072
Total Non-Departmental		<u>30,897,199</u>
Total Wastewater Utility Fund		<u>62,347,981</u>

<u>Stormwater Utility Fund</u>		
Department Operating		
Public Works		15,817,205
Total Department Operating		<u>15,817,205</u>
Total Capital Projects		<u>8,193,347</u>
Non-Departmental		
Interfund Transfers		1,111,000
Special Payments		15,000
Balance Available*		3,258,531
Total Non-Departmental		<u>4,384,531</u>
Total Stormwater Utility Fund		<u>28,395,083</u>

<u>Ambulance Transport Fund</u>		
Department Operating		
Fire and Emergency Medical Services		8,690,077
Total Department Operating		<u>8,690,077</u>
Non-Departmental		
Interfund Transfers		979,757
Balance Available*		3,805
Total Non-Departmental		<u>983,562</u>
Total Ambulance Transport Fund		<u>9,673,639</u>

<u>Fleet Services Fund</u>		\$
Department Operating		
Public Works	18,157,111	
Total Department Operating	<u>18,157,111</u>	
Non-Departmental		
Interfund Transfers	394,000	
Reserve*	17,157,656	
Balance Available*	1,370,946	
Total Non-Departmental	<u>18,922,602</u>	
Total Fleet Services Fund	<u><u>37,079,713</u></u>	
<u>Information Systems and Services Fund</u>		
Department Operating		
Central Services	13,762,115	
Total Department Operating	<u>13,762,115</u>	
Non-Departmental		
Interfund Transfers	402,000	
Reserve*	1,617,024	
Balance Available*	2,265,603	
Total Non-Departmental	<u>4,284,627</u>	
Total Information Systems and Services Fund	<u><u>18,046,742</u></u>	
<u>Facilities Services Fund</u>		
Department Operating		
Central Services	10,092,109	
Planning and Development	507,065	
Total Department Operating	<u>10,599,174</u>	
Total Capital Projects	<u>631,860</u>	
Non-Departmental		
Debt Service	211,165	
Interfund Transfers	477,000	
Reserve*	412,000	
Balance Available*	2,015,803	
Total Non-Departmental	<u>3,115,968</u>	
Total Facilities Services Fund	<u><u>14,347,002</u></u>	
<u>Risk and Benefits Fund</u>		
Department Operating		
Central Services	38,017,440	
Total Department Operating	<u>38,017,440</u>	
Non-Departmental		
Debt Service	6,674,500	
Interfund Transfers	224,000	
Reserve*	6,961,697	
Balance Available*	7,087,098	
Total Non-Departmental	<u>20,947,295</u>	
Total Risk and Benefits Fund	<u><u>58,964,735</u></u>	

	<u>Professional Services Fund</u>	\$
Department Operating		
Public Works		6,642,967
Total Department Operating		<u>6,642,967</u>
Non-Departmental		
Interfund Transfers		920,000
Reserve*		388,512
Balance Available*		1,082,377
Total Non-Departmental		<u>2,390,889</u>
Total Professional Services Fund		<u><u>9,033,856</u></u>
 Total Resolution		 <u><u>676,590,248</u></u>

* Reserve, Balance Available, and Unappropriated Ending Fund Balance amounts are not appropriated for spending and are shown for informational purposes only.

**City of Eugene
Fund Names**

<u>Reporting Fund*</u>	<u>Managing Fund</u>	<u>Fund Title</u>
010	(011, 031, 041)	General Fund Reporting Fund
	011	General Fund Main Subfund
	031	Cultural Services Fund
	041	Equipment Replacement Fund
110	(114 - 117)	Special Assessment Management Reporting Fund
	114	Local Improvement Assistance Fund
	115	Assessment Management Fund
	117	City Sewer Deferral Fund
111	111	Library Local Option Levy Fund
131	131	Road Fund
130	(132 - 134)	Public Safety Communications Reporting Fund
	132	Public Safety Answering Point Fund
	134	Regional Radio System Fund
135	135	Telecommunications Registration/Licensing Fund
150	(151-152)	Construction and Rental Housing Reporting Fund
	151	Construction Permits Fund
	152	Rental Housing Program Fund
155	155	Solid Waste and Recycling Fund
170	(171 - 178)	Community Development Reporting Fund
	171	Community Development Block Grant Fund
	172	CDBG-108/Brownfields Economic Development Initiative Fund
	174	Historic Preservation Loan Fund
	175	Low-Income Housing Fund
	176	Community Revitalization Loan Fund
	177	CDBG Loan Program Revolving Fund
	178	HOME Fund
180	(181 - 187)	Library, Parks and Recreation Reporting Fund
	181	Library Miscellaneous Trust Fund
	183	Art Loan Program Fund
	185	Parks and Recreation Miscellaneous Trust Fund
	186	Hayes Trust Fund
	187	Parks Maintenance Fund
211	211	General Obligation Debt Service Fund
250	(251 - 278)	Special Assessment Bond Debt Reporting Fund
	251	In-City Assessment Bond Reserve Fund
	278	Special Assessment Bonds, Series 2011 Fund
310	(311 - 324)	General Capital Projects Reporting Fund
	311	General Capital Projects Fund
	314	Housing Capital Projects Fund
	319	Public Art Fund
	321	Parks/Open Space Capital Project Fund
	323	City Hall Complex Fund
	324	2006 PROS Bond Projects Fund

* City of Eugene appropriates and reports to these combined funds.

**City of Eugene
Fund Names**

<u>Reporting Fund*</u>	<u>Managing Fund</u>	<u>Fund Title</u>
330	(332 - 336)	Systems Development Capital Projects Reporting Fund
	332	Systems Development Capital Administration Fund
	333	Transportation Systems Development Capital Projects Fund
	334	Wastewater Systems Development Capital Projects Fund
	335	Stormwater Systems Development Capital Projects Fund
	336	Parks Systems Development Capital Projects Fund
340	(341 - 344)	Transportation Capital Projects Reporting Fund
	341	Road General Capital Fund
	342	Pavement Preservation Program Fund
	344	2012 Street Bonds Fund
350	(351 - 352)	Special Assessments Capital Projects Reporting Fund
	351	Special Assessments Capital Fund
	352	Delayed Assessments Fund
510	(511 - 512)	Municipal Airport Reporting Fund
	511	Airport Fund
	512	Airport Construction Fund
520	(525 - 527)	Parking Services Reporting Fund
	525	On-Street Parking Fund
	527	Off-Street Parking Fund
530	(532 - 534)	Wastewater Utility Reporting Fund
	532	Wastewater Utility - Capital Fund
	533	Wastewater Utility - Treatment Fund
	534	Wastewater Utility - Collection Fund
539	(531, 535, 536)	Stormwater Utility Reporting Fund
	531	Stormwater Utility - Capital Fund
	535	Stormwater Utility - Operation Fund
	536	Wetlands Mitigation Bank Fund
592	592	Ambulance Transport Fund
600	(616, 619)	Fleet Services Reporting Fund
	616	Fleet Replacement and Acquisition Fund
	619	Fleet Operations Fund
610	(611 - 613)	Information Systems and Services Reporting Fund
	611	Information Systems and Services Fund
	612	Public Safety Information Systems Fund
	613	Central Business Software Fund
615	(617, 618, 635)	Facilities Services Reporting Fund
	617	Atrium Fund
	618	Facilities Maintenance Fund
	635	Facilities Professional Services Fund
620	(622 - 625)	Risk and Benefits Reporting Fund
	622	Risk Management Fund
	623	Employee Health and Benefits Fund
	624	Pension Bond Fund
	625	Other Post Employment Benefits (OPEB) Fund
630	(631)	Professional Services Fund

* City of Eugene appropriates and reports to these combined funds.

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Public Hearing and Action: A Resolution of the Urban Renewal Agency
of the City of Eugene Adopting the Budget, Making Appropriations,
and Declaring the Amount of Tax to be Certified
for the Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018

Meeting Date: June 26, 2017
Department: Central Services
www.eugene-or.gov

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

ISSUE STATEMENT

This meeting is to conduct a public hearing and take action to adopt the Fiscal Year 2017-2018 (FY18) budget for the Urban Renewal Agency (URA) of the City of Eugene. Oregon Local Budget Law requires the URA Board of Directors to conduct a public hearing to receive testimony on the FY18 URA budget as recommended by the Budget Committee. ORS 294.456 requires the URA Board of Directors to pass a resolution adopting the budget, making appropriations, and declaring the amount of tax to be certified for the next fiscal year.

BACKGROUND

Financial and Resource Considerations

Financial and resource considerations are detailed in the FY18 URA Proposed Budget document, available at www.eugene-or.gov/budget, and in the Budget Committee meeting materials, which are available at www.eugene-or.gov/budgetcommittee.

Budget Committee Recommendation

The Budget Committee's final recommendation on the FY18 URA budget, approved on May 24, 2017, is as follows:

Move that the Budget Committee recommend to the Eugene City Council, acting as the Urban Renewal Agency Board of Directors, the FY18 Budget for the Urban Renewal Agency of the City of Eugene that consists of the City Manager's FY18 Proposed Budget, including the property tax levies and/or rates contained therein, amended to reflect appropriations for prior year encumbrances and prior year capital projects.

The only changes to the FY18 Proposed Budget were to amend the budget to reflect appropriations for prior year encumbrances and prior year capital projects. A summary of the Budget Committee changes to the FY18 URA Proposed Budget is provided in Attachment A.

Timing

Under Oregon Local Budget Law, the FY18 URA budget must be adopted by June 30, 2017, and a copy of the adopting resolution must be filed with the Lane County Assessor by July 15, 2017.

Other Background Information

The FY18 Proposed Budget document, Budget Committee meeting materials, and Budget Committee FY18 budget motions are available on the City's website at www.eugene-or.gov/budget.

RELATED CITY POLICIES

The FY18 URA budget was prepared following guidelines established in the Financial Management Goals and Policies.

URA BOARD OF DIRECTORS OPTIONS

After the public hearing on the FY18 URA budget as recommended by the Budget Committee has been held, the URA Board of Directors may make changes to the FY18 budget. The Board may reduce budgeted appropriations in any fund by any amount, as long as resources and requirements remain in balance. No additional process steps are required when appropriations are reduced by the Board.

Budgeted appropriations may also be increased by the Board. If the total appropriation increase in any of the reporting funds is less than \$5,000 or 10% of the fund's appropriations as recommended by the Budget Committee, whichever is greater, then no additional process steps are required. However, if the appropriations in any fund are increased by more than those limits, the URA Board of Directors must publish a revised budget notice and hold another public hearing before the adjusted budget can be adopted. Due to the timing requirements associated with the budget notice publication, the last option would effectively not be possible, assuming adoption of the FY18 budget by June 30, 2017.

If the URA Board of Directors decides to amend the FY18 budget resolution, the motion must contain specific appropriation line(s) being altered in the resolution, and each motion must be self-balancing, meaning that a resource and a requirement must exactly offset each other.

AGENCY DIRECTOR'S RECOMMENDATION

The Agency Director recommends adoption of the FY18 URA budget as recommended by the Budget Committee.

SUGGESTED MOTION

Move to approve Resolution 1082 of the Urban Renewal Agency of the City of Eugene adopting the budget, making appropriations and declaring the amount of tax to be certified for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

ATTACHMENTS

- A. Summary of Changes to the FY18 URA Proposed Budget
- B. Resolution Adopting the FY18 Urban Renewal Agency Budget
 - Exhibit A: Fund Schedules
 - Exhibit B: Fund Names

FOR MORE INFORMATION

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

OR

Staff Contact: Maurizio Bottalico
Telephone: 541-682-5418
Staff E-Mail: Maurizio.G.Bottalico@ci.eugene.or.us

**Summary of Changes to the Urban Renewal Agency
of the City of Eugene FY18 Proposed Budget**

Attachment A

Fund / Department	FY18 Proposed Budget	<----- Budget Committee Actions ----->				FY18 Adopted Budget
		Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	
A. <u>Downtown General Fund</u>						
Planning and Development	2,943,284		130,300		3,073,584	3,073,584
Special Payments	2,318,316				2,318,316	2,318,316
Balance Available	74,000				74,000	74,000
Total	\$ 5,335,600	-	\$ 130,300	-	\$ 5,465,900	\$ 5,465,900
B. <u>Downtown Debt Service Fund</u>						
Debt Service	314,000				314,000	314,000
Interfund Transfers	2,943,284				2,943,284	2,943,284
Balance Available	1,249				1,249	1,249
Total	\$ 3,258,533	-	-	-	\$ 3,258,533	\$ 3,258,533
C. <u>Downtown Capital Projects Fund</u>						
Capital Projects	-			506,367	506,367	506,367
Balance Available	27,251				27,251	27,251
Total	\$ 27,251	-	-	\$ 506,367	\$ 533,618	\$ 533,618
D. <u>Riverfront General Fund</u>						
Planning and Development	522,763				522,763	522,763
Balance Available	3,064,205				3,064,205	3,064,205
Total	\$ 3,586,968	-	-	-	\$ 3,586,968	\$ 3,586,968
E. <u>Riverfront Capital Projects Fund</u>						
Capital Projects	-			7,212,111	7,212,111	7,212,111
Balance Available	513,607				513,607	513,607
Total	\$ 513,607	-	-	\$ 7,212,111	\$ 7,725,718	\$ 7,725,718
F. <u>Riverfront Program Revenue Fund</u>						
Special Payments	3,195,218				3,195,218	3,195,218
Total	\$ 3,195,218	-	-	-	\$ 3,195,218	\$ 3,195,218
TOTAL URBAN RENEWAL AGENCY BUDGET	\$ 15,917,177	-	\$ 130,300	\$ 7,718,478	\$ 23,765,955	\$ 23,765,955

RESOLUTION NO. 1082

**A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE
ADOPTING THE BUDGET, MAKING APPROPRIATIONS,
AND DECLARING THE AMOUNT OF TAX TO BE CERTIFIED
FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018**

The Urban Renewal Agency of the City of Eugene finds that adopting the budget and making appropriations is necessary under ORS 294.305 to ORS 294.565.

NOW, THEREFORE,

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

Section 1. The budget for the Urban Renewal Agency of the City of Eugene for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018, set forth in attached Exhibit A is hereby adopted.

Section 2. The amounts for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018, and for the purposes shown in the attached Exhibit A are hereby appropriated.

Section 3. That the following be certified to the County Assessor of Lane County, Oregon:

The Downtown Plan Area shall receive the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution. This plan shall be certified under Part 4, Other Reduced Rate Plans.

The Riverfront Plan Area shall receive the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution. This plan shall be certified under Part 3, Other Standard Rate Plans.

Section 4. That the City of Eugene Finance Director is hereby requested to certify the levies as herein made and set forth to the County Assessor of Lane County, Oregon, and shall file with the Lane County Assessor and the Lane County Clerk a copy of the adopted budget for fiscal year 2017-2018, and such other documents as required by ORS 294.458.

Section 5. The list of fund numbers and fund titles set forth in attached Exhibit B is hereby adopted, and any fund numbers or fund titles in conflict herewith are hereby repealed.

The foregoing Resolution adopted this 26th day of June, 2017.

City Recorder

Exhibit A**Urban Renewal Agency of the City of Eugene
Expenditure Appropriations by Fund**

<u>Downtown General Fund</u>	\$
Department Operating	
Planning and Development	3,073,584
Total Department Operating	<u>3,073,584</u>
Non-Departmental	
Special Payments	2,318,316
Balance Available*	74,000
Total Non-Departmental	<u>2,392,316</u>
Total Downtown General Fund	<u><u>5,465,900</u></u>
<u>Downtown Debt Service Fund</u>	
Non-Departmental	
Debt Service	314,000
Interfund Transfers	2,943,284
Balance Available*	1,249
Total Non-Departmental	<u>3,258,533</u>
Total Downtown Debt Service Fund	<u><u>3,258,533</u></u>
<u>Downtown Capital Projects Fund</u>	
Total Capital Projects	<u>506,367</u>
Non-Departmental	
Balance Available*	27,251
Total Non-Departmental	<u>27,251</u>
Total Downtown Capital Projects Fund	<u><u>533,618</u></u>
<u>Riverfront General Fund</u>	
Department Operating	
Planning and Development	522,763
Total Department Operating	<u>522,763</u>
Non-Departmental	
Balance Available*	3,064,205
Total Non-Departmental	<u>3,064,205</u>
Total Riverfront General Fund	<u><u>3,586,968</u></u>

<u>Riverfront Capital Projects Fund</u>	
Total Capital Projects	<u>7,212,111</u>
Non-Departmental	
Balance Available*	<u>513,607</u>
Total Non-Departmental	<u>513,607</u>
Total Riverfront Capital Projects Fund	<u><u>7,725,718</u></u>
<u>Riverfront Program Revenue Fund</u>	
Non-Departmental	
Special Payments	<u>3,195,218</u>
Total Non-Departmental	<u>3,195,218</u>
Total Riverfront Program Revenue Fund	<u><u>3,195,218</u></u>
Total Resolution	<u><u>23,765,955</u></u>

* Reserve and Balance Available amounts are not appropriated for spending and are shown for informational purposes only.

**Urban Renewal Agency
Fund Names**

<u>Reporting Fund</u>	<u>Managing Fund</u>	<u>Fund Title</u>
817	817	Downtown General Fund
812	812	Downtown Debt Service Fund
813	813	Downtown Capital Projects Fund
821	821	Riverfront General Fund
823	823	Riverfront Capital Projects Fund
824	824	Riverfront Program Revenue Fund

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: A Resolution Denying a Measure 49 Claim for Property Located at 1777 E. 30th Avenue, Eugene, Oregon (Assessor's Map 18-03-08-11, Tax Lot 602)

Meeting Date: June 26, 2017
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 6
Staff Contact: Alissa Hansen
Contact Telephone Number: 541-682-5508

ISSUE STATEMENT

The City Council will be acting on a Measure 49 claim submitted by Chad and Katie Wilson for the alleged reduction in fair market value of their property located at 1777 E. 30th Avenue, Eugene, Oregon. A map of the property that is the subject of the claim is provided as Attachment A.

BACKGROUND

Measure 49 (codified as ORS 195.300-195.336) generally grants a property owner of residentially zoned land located within an urban growth boundary the right to compensation or waiver of a land use regulation if following five requirements are met:

- The regulation must constitute a "land use regulation" as that term is defined by Measure 49.
- The public entity against which the claim is made must have enacted the regulation after January 1, 2007, but not more than five years before the date the claim was filed.
- The regulation must "restrict the residential use" of residentially zoned private property.
- The effect of the regulation must be to cause a reduction of the fair market value of the property.
- The regulation must not fall within one of Measure 49's six exemptions.

The Measure 49 claim filed by Chad and Katie Wilson seeks a waiver of a City land use regulation, adopted in 2014 as part of the Single Family Code Amendments that applied specifically to the Amazon, Fairmont and South University neighborhoods, which limits the height of a detached secondary dwelling unit on the Wilsons' property. The Wilsons assert that the land use regulation, which limits and prescribes a certain method of measuring the height/sloped setback of detached secondary dwelling units, restricts the residential use of their property, as it prohibits the existing dwelling (built in 2004) from qualifying as a secondary dwelling. As a result, they assert that this regulation reduces the fair market value of their property, and that the regulation should be waived.

A City Council public hearing on this Measure 49 claim was held on January 17, 2017. The record on this claim closed at 5:00 p.m. on June 12, 2017. All testimony and evidence is available at <http://pdd.eugene-or.gov/LandUse/SearchApplicationDocuments?file=M49-16-0001>. Copies were previously provided to the City Council under separate cover.

On June 21, 2017, City Council held a work session to review the requirements of Measure 49 generally, as well as the specifics of the Wilson Measure 49 claim.

The Council must approve or deny this claim no later than June 30, 2017.

RELATED CITY POLICIES

None.

COUNCIL OPTIONS

The City Council may consider the following options:

1. Adopt the attached resolution denying the Wilson's Measure 49 claim.
2. Adopt the attached resolution with specific modifications as determined by the City Council.
3. Direct the City Manager to bring back a resolution approving the claim for adoption on or before June 30, 2017.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends that City Council deny the claim.

SUGGESTED MOTION

I move to adopt Resolution 5202, a resolution denying a measure 49 Claim for property located at 1777 E. 30th Avenue, Eugene, Oregon.

ATTACHMENTS

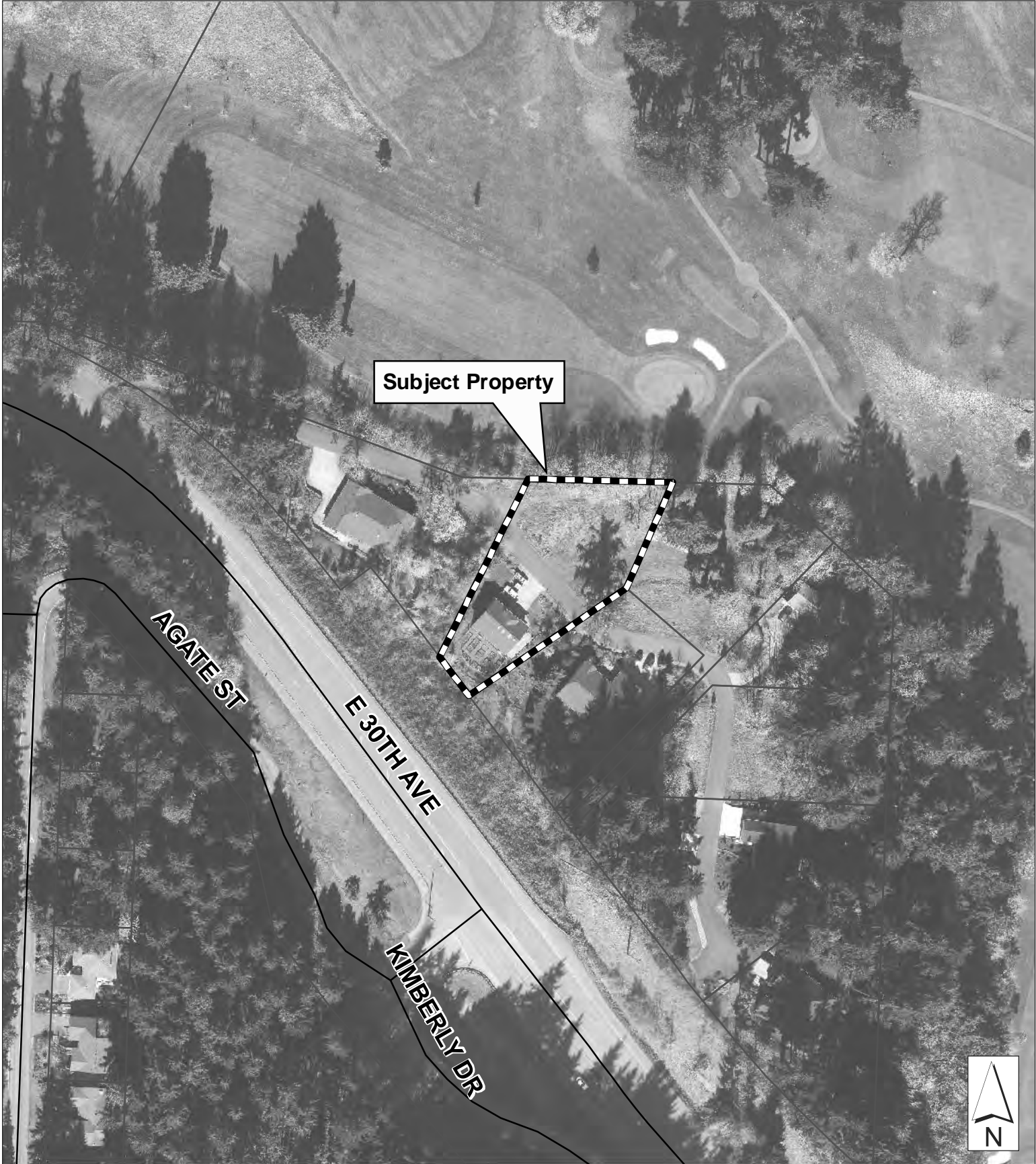
- A. Vicinity Map
- B. Proposed Resolution with attached Report and Recommendation of the City Manager




FOR MORE INFORMATION

Staff Contact: Alissa Hansen, Principal Planner
Telephone: 541-682-5508
Staff E-Mail: alissa.h.hansen@ci.eugene.or.us

Attachment A - Vicinity Map
1777 East 30th Avenue

ATTACHMENT A



-  Subject Property
-  Streets
-  Taxlots



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

September 2016



RESOLUTION NO. _____**A RESOLUTION DENYING A MEASURE 49 CLAIM FOR PROPERTY LOCATED AT 1777 E. 30TH AVENUE, EUGENE, OREGON (ASSESSOR'S MAP 18-03-08-11, TAX LOT 602).****The City Council of the City of Eugene finds that:**

A. Chad and Katie Wilson submitted a claim to the City seeking compensation or a waiver of regulations under Ballot Measure 49. Claimants alleged that the maximum height limit provision in subsection (17)(c)9. of Section 9.2751 of the Eugene Code, 1971 (EC), that applies to detached secondary dwellings on the subject property restricts the residential use and diminished the fair market value of the property at 1777 E. 30th Avenue, Eugene, Oregon (the Property).

B. The City Manager has caused the claim to be investigated and has submitted to the Council a Report and Recommendation, attached as Exhibit A to this Resolution, recommending that the claim be denied.

C. Considering the requirements of Measure 49, the materials related to the claim submitted to the City by the claimants and others, and the City Manager's recommendation and conclusion as to the validity of the claim, the City Council finds that the claim should be denied.

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, which are adopted, and the findings and analysis contained in the Report and Recommendation of the City Manager attached as Exhibit A to this Resolution, the City Council hereby denies the Measure 49 claim submitted by Claimants Chad and Katie Wilson, for the property located at 1777 E. 30th Avenue, Assessor's Map 18-03-08-11, Tax Lot 602.

Section 2. A copy of this Resolution shall be forwarded to Chad and Katie Wilson at 1777 E. 30th Avenue, Eugene, Oregon 97405, to their representative, Bill Kloos at 375 W. 4th Street, Suite 204, Eugene, Oregon 97401, to the City's Planning & Development Department, and to any person who submitted written arguments or evidence before the close of the record. A copy of this Resolution shall also be forwarded to Lane County Deeds and Records.

Section 3. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the 26th day of June, 2017.

City Recorder

**BALLOT MEASURE 49
(ORS 195.300 – ORS 195.336)**

CLAIM FOR COMPENSATION

REPORT AND RECOMMENDATION OF THE CITY MANAGER

NAME OF CLAIMANTS: Chad and Katie Wilson

PROPERTY ADDRESS: 1777 E. 30th Avenue
Eugene, OR 97405

CLAIMANTS' REPRESENTATIVE: Bill Kloos

PROPERTY IDENTIFICATION: Tax Lot 602 of Assessor's
Map 18-03-08-11

ZONING: Low Density Residential; R-1

I. Summary of Claim

Chad and Katie Wilson (Claimants) submitted a claim under Ballot Measure 49 for compensation for the alleged reduction in fair market value to their property located at 1777 E. 30th Avenue in Eugene, Oregon. The property currently contains a residence, built in 2004, located on the southwest portion of the property. Claimants assert that EC 9.2751(17)(c)9., which limits and prescribes a certain method of measuring the height/sloped setback of detached secondary dwelling units, restricts the residential use of their property, as it prevents the existing residence on their property from automatically qualifying as a secondary dwelling. Claimants also contend that EC 9.2751(17)(c)9., enacted in 2014, reduces the fair market value of their property. Claimants assert a \$60,000 decline in the value of their property, but do not specifically articulate a request for compensation. Rather, Claimants request that the City waive EC 9.2751(17)(c)9., allowing them to construct a new primary dwelling on their property and to convert the existing dwelling into a legal detached secondary dwelling unit.

II. Summary of City Manager's Recommendation

Measure 49 generally grants a property owner of residentially zoned land the right to compensation or to waiver of a land use regulation adopted by the City if five substantive requirements are met. First, the regulation must constitute a "land use regulation" as that term is defined by Measure 49. Second, the City must have enacted the regulation after January 1, 2007, but not more than five years before the date the claim was filed. Third, the regulation must "restrict the residential use" of residentially zoned private property. Fourth, the effect of the regulation must be to cause a reduction of the fair market value of the property. Fifth, the regulation must not fall within one of Measure 49's six exemptions.

As discussed below, the claim submitted by the Wilsons meets two of the five substantive requirements of Measure 49: 1) the regulation that is the subject of this claim, EC 9.2751(17)(c)9., was enacted after January 1, 2007, and less than five years before the date the claim was filed; and 2) EC 9.2751(17)(c)9. does not fall within one of Measure 49's six exemptions. However, as discussed in more detail below, the City Manager finds that: 1) EC 9.2751(17)(c)9. does not qualify as a land use regulation as defined by Measure 49; 2) EC 9.2751(17)(c)9. does not effectively restrict a previously allowed residential use on claimants' residentially zoned property; and 3) Claimants have not adequately demonstrated that their property value has been reduced as required by Measure 49. For these reasons, the City Manager recommends that the Council deny the Wilsons' claim.

III. Analysis of Claim

A. Ownership

Measure 49 provides for payment of compensation or relief from (waiver of) specific regulations for "owners" of real property. Measure 49 defines "owner" to include "[t]he owner of fee title to the property as shown in the deed records of the county where the property is located[.]" ORS 195.300(18).

Based on the information submitted by the Claimants (Warranty Deed 2003-082408 and Deed 2014-049003, and information from the Lane County Regional Land Information Database), the City Manager concludes that the subject property was acquired by Claimant Chad Wilson on August 26, 2003, and an undivided one-half interest in the property was transferred to Claimant Katie Wilson on December 9, 2014. Accordingly, both Claimants are owners.

B. "Land Use Regulations"

Measure 49 requires compensation (or waiver) only for those regulations that constitute "land use regulations" as that term is defined by Measure 49. Further, the regulation must have been enacted after January 1, 2007, but within five years of the date of the claim. Measure 49 defines "land use regulation," with respect to cities, as a "provision of a city comprehensive plan, zoning ordinance or land division ordinance *that restricts the residential use of private real property zoned for residential use.*" ORS 195.300(14)(c). (Emphasis added).

EC 9.2751(17)(c)9. is a provision of the City's zoning ordinance, and it regulates residential uses on property zoned for residential uses. EC 9.2751(17)(c)9. was adopted as part of Ordinance No. 20526, which became effective April 12, 2014. The Wilsons' Measure 49 claim was filed on February 24, 2016. EC 9.2751(17)(c)9. was enacted after January 1, 2014, and within five years of the date of the Wilsons' claim. However, as discussed in more detail in section C, below, EC 9.2751(17)(c)9. does not restrict the residential use of the Wilson's property; therefore, EC 9.2751(17)(c)9. does not qualify as a "land use regulation" for purposes of Measure 49.

C. Restriction on Residential Use

A "land use regulation" only gives rise to a Measure 49 claim if the regulation restricts the residential use of private real property zoned for residential use. EC 9.2751(17)(c)9. provides a height limit for new attached and detached secondary dwelling units within the city-recognized boundaries of Amazon Neighbors, Fairmount Neighbors and South University Neighborhood, and

proscribes a method for determining the height of a building. Claimants allege that EC 9.2751(17)(c)9. restricts the residential use of their property, as it prevents the existing residence on their property from automatically qualifying as a secondary dwelling.

Adopted on March 12, 2014 (by Ordinance No. 20526) and effective on April 12, 2014, EC 9.2751(17)(c)9. establishes the following limitations for detached secondary dwellings within the city-recognized boundaries of Amazon Neighbors, Fairmount Neighbors and South University Neighborhood:

(17) Secondary Dwellings in R-1

....

(c) Area-Specific Secondary Dwelling Standards. The following standards apply to all new attached or detached secondary dwellings in the R-1 zone within the city-recognized boundaries of Amazon Neighbors, Fairmount Neighbors and South University Neighborhood Association:

....

9. Building Height/Interior Setback. For detached secondary dwellings:
 - a. The interior yard setback shall be at least 5 feet from the interior lot line. In addition, at a point that is 8 feet above grade, the setback shall slope at the rate of 10 inches vertically for every 12 inches horizontally (approximately 40 degrees from horizontal) away from the lot line until a point not to exceed a maximum building height of 18 feet.
 - b. The allowances for setback intrusions provided at EC 9.6745(3) do not apply within the setback described in 1. above, except that eaves, chimneys and gables are allowed to project into this setback no more than 2 feet.

Prior to the Council's adoption of the above-quoted code provision, the code-prescribed manner for measuring the building height of a detached secondary dwelling would have allowed conversion of the Claimants' existing dwelling into a lawful detached secondary dwelling. *See* Section 2 of Ordinance No. 20417. That is, under the code provisions that existed prior to the adoption of Ordinance No. 20526, the Claimants' existing structure met the height requirement for a detached secondary dwelling. However, the code-prescribed manner for measuring the building height of a detached secondary dwelling that went into effect on April 12, 2014 (quoted above), prevents the Claimants from converting the existing structure to a lawful detached secondary

dwelling. Based on the measuring method adopted in 2014, the Claimants' existing structure exceeds the maximum height allowed for a detached secondary dwelling.

Claimants assert that EC 9.2751(17)(c)9. is a "land use regulation" that "restricts the residential use" of their property because prior to the 2014 adoption of Ordinance No. 20526, the existing residence on Claimants' property would have automatically qualified as a detached secondary dwelling unit. However, following the adoption of Ordinance No. 20526, the existing residence no longer automatically qualifies as a detached secondary dwelling unit because, based on the way the structure must be measured, the existing residence is too tall to qualify as a detached secondary dwelling unit.

However, despite the height restrictions imposed by EC 9.2751(17)(c)9., staff has identified a number of additional ways claimants could construct a secondary dwelling on the subject property. In a memo dated June 5, 2017, Alissa Hansen, Principal Planner, identified the following four options that would allow the Claimants to develop a secondary dwelling on the existing property:

1. The existing dwelling could remain the primary residence, and a secondary dwelling could be built on the property.
2. The kitchen could be removed from the existing dwelling (and the existing dwelling would therefore be considered detached accessory living space rather than a secondary dwelling unit), and a new primary dwelling and a secondary dwelling could be built on the property.
3. The entire structure containing the existing dwelling could be demolished, and a new dwelling and a secondary dwelling could be built on the property.
4. The structure containing the existing dwelling could be altered to meet the current height limit for secondary dwelling (this would likely require removing the top floor, and using the lower portion, currently a garage, for the dwelling) and then be converted to a secondary dwelling in conjunction with a new primary dwelling built on the property.

As Planning staff point out, while EC 9.2751(17)(c)9. prevents claimants from treating the existing structure on the property as a secondary dwelling without alterations, EC 9.2751(17)(c)9. does not foreclose the Claimants from developing both a primary dwelling and a secondary dwelling on the subject property. The Claimants argue that their use of the property is restricted because prior to EC 9.2751(17)(c)9., the structure on their property would have automatically qualified as a secondary dwelling and now it does not. However, Measure 49 requires that a land use regulation restrict a residential *use* and as noted above, EC 9.2751(17)(c)9. does not prevent the residential use of the property generally, nor does it prohibit Claimants from establishing both a primary and a secondary dwelling on the subject property. Paul Conte and Carolyn Jacobs also submitted testimony into the record arguing that EC 9.2751(17)(c)9. does not restrict the use of Claimant's property.

Because there are other ways for Claimants to place a secondary dwelling unit on the subject property, the City Manager concludes that EC 9.2751(17)(c)9. does not restrict the residential use of Claimants' property as required by Measure 49.

D. Reduction in Value

To succeed on their Measure 49 claim, claimants must show that EC 9.2751(17)(c)9. reduced the fair market value of their property. To show a reduction in fair market value, Measure 49 requires that Claimants provide an appraisal showing the fair market value of the property one year before the enactment of the land use regulation and the fair market value of the property one year after enactment. The appraisals submitted by the Claimants must comply with the Uniform Standards of Professional Appraisal Practice. ORS 195.310(2)(b). Claimants submitted appraisals of the fair market value of the property one year before the adoption of EC 9.2751(17)(c)9. (March 12, 2013), and one year after the adoption of EC 9.2751(17)(c)9. (March 12, 2015). The March 12, 2013, appraisal identifies a property value of \$470,000. The March 12, 2015, appraisal identifies a property value of \$410,000.

Evidence submitted by Paul Conte, Carolyn Jacobs and Bill Aspergren calls the Claimants' appraisals into question in several particulars. First, Claimants originally submitted a set of appraisals with dates that did not comply with Measure 49 requirements. Claimants rectified that issue when it was brought to their attention by City staff. However, testimony submitted by Carolyn Jacobs and Bill Aspergren points out that although the dates of the appraisals changed, the value of the property in the appraisals did not. In addition, testimony in the record raises questions about properties selected by the appraiser for use as comparables as well as the choice to base the appraisal on the value of a hypothetical primary residence and secondary dwelling unit, rather than on the structure that actually exists on the property.

Finally, an appraisal review conducted by C. Spencer Powell and included in the record concludes that the appraisals submitted by the Claimants do not comply with the Uniform Standards of Professional Appraisal Practice in several particulars. The claimants had an opportunity to review Mr. Powell's findings and conclusions and to submit evidence and argument rebutting those findings and conclusions. Claimants failed to provide any evidence or argument challenging Mr. Powell's findings and conclusions. The City Manager finds Mr. Powell's findings and conclusions credible. Based on the evidence and argument in the record, the City Manager concludes that the appraisals submitted by the applicant do not comply with the Uniform Standards of Professional Appraisal Practice as required by ORS 195.310(2)(b). The City Manager further concludes that Claimants have not shown that EC 9.2751(17)(c)9. has caused a reduction in the fair market value of their property as required by Measure 49.

E. Exemptions

Finally, a Measure 49 claim is not valid if the challenged regulation falls within one of the exemptions listed in ORS 195.305(3). The regulation at issue in this claim does not fall within any of the exemptions listed in ORS 195.305(3). .

IV. Conclusion and Recommendation

Based on the findings and analysis set forth above, the City Manager recommends that the City Council deny the Wilsons' Measure 49 claim.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: An Ordinance Concerning Long Range Transportation Planning; Adopting the Eugene 2035 Transportation System Plan; Amending the Eugene-Springfield Metropolitan Area General Plan (Metro Plan); Amending the Eugene-Springfield Metropolitan Area Transportation Plan (TransPlan); Amending Sections 9.050, 9.8010, 9.9650 of the Eugene Code, 1971; Amending the Street Classification Map; Amending Ordinance No. 20528 (to delete Section 67); Repealing Section 9.9525 of the Eugene Code, 1971, Repealing Ordinance No. 20322 (2003 Central Area Transportation Study); and Providing for an Effective Date.

Meeting Date: June 26, 2017
Department: Public Works - Engineering
www.eugene-or.gov

Agenda Item Number: 7
Staff Contact: Rob Inerfeld
Contact Telephone Number: 541-682-5343

ISSUE STATEMENT

The City Council is scheduled to take action on an ordinance that adopts the Eugene 2035 Transportation System Plan (*2035 TSP*) and makes corresponding amendments to the Eugene-Springfield Area Metropolitan Area General Plan (*Metro Plan*) and the Eugene-Springfield Transportation Plan (*TransPlan*), makes concurrent amendments to the Eugene Code and Eugene's Street Classification Map, makes an amendment to Ordinance No. 20528 and repeals Eugene's Central Area Transportation Study (CATS).

BACKGROUND

The City Council and Lane County Board of Commissioners held two joint public hearings; the first public hearing on March 6, 2017, and a second public hearing on April 17, 2017. A total of 41 people testified at the two joint City Council/County Board public hearings held for the *Eugene 2035 TSP*. Additionally, prior to the close of the record on April 17, 40 emails were submitted to the Council/Board regarding the *2035 TSP*. At the Council's May 31 work session, City Staff addressed the five categories in which most of the public testimony fell: the relationship between *2035 TSP* and the Climate Recovery Ordinance; prioritizing implementation of active transportation elements of the *2035 TSP*; safety and Vision Zero; proposed new citywide Level of Service (LOS) Standard E; and Randy Papé Beltline and N. Delta Highway.

Prior to JEO public hearings, the Eugene and Lane County Planning Commissions held a joint public hearing on June 21, 2016, where they received both spoken and written public comment. At the close of the public hearing the Planning Commissions voted to hold the record open until July 8, 2016. The Eugene Planning Commission deliberated on July 18, September 26 and December 5. On December 12 the Eugene Planning Commission held final deliberations and voted 6-1 to

recommend that the City Council adopt a revised *2035 TSP*. The Lane County Planning Commission deliberated on July 19. On January 3, 2017, the Lane County Planning Commission held final deliberations and voted unanimously to recommend that the Board of County Commissioners adopt the *2035 TSP* with the Eugene Planning Commission's recommended revision plus two additional revisions. The *2035 TSP* that was the subject of the March 6 joint public hearing incorporated all of the revisions recommended by the Eugene and Lane County Planning Commissions.

RELATED CITY POLICIES

The *2035 TSP* is the City's long-range planning document that establishes a system of transportation and services that will meet the identified needs of the City over the next 20 years. In addition to the *2035 TSP*, the City has adopted a number of plans, manuals, and administrative rules that relate to the provision of transportation facilities to the public. The City's current transportation-related plans, manuals, and administrative rules, include (but are not limited to):

- Street Classification Map;
- Street Right-of-Way Map;
- Design Standards and Guidelines for Eugene Streets, Sidewalks, Bikeways & Accessways;
- Public Improvement Design Standards Manual;
- Utility and Right-of-Way Permits, Construction Within and Use of the Public Way, Policies and Procedures Manual;
- 2010 Airport Master Plan;
- Standards for Traffic Impact Analysis Review; and
- Standards for Transportation Demand Management Program.

There are other City-adopted plans and policies that, while not solely related to the provision of transportation facilities to the public, nevertheless play an important role in the City's long-range transportation planning. Some of those other plans and policies, such as the Climate Recovery Ordinance and the Triple Bottom Line framework, are explicitly discussed in the *2035 TSP*. Also recognized and incorporated into the *2035 TSP* is the City Council's adoption of Resolution No. 5143 which sets as official policy for the City the Vision Zero goal that no loss of life or serious injury on our transportation system is acceptable.

In addition to the multi-jurisdictionally adopted Eugene-Springfield Transportation System Plan (*TransPlan*), there are a number of regional transportation planning documents and planning documents adopted by one of the City's governmental partners that inform, guide, and, in some cases, have regulatory significance to the City's transportation planning efforts. Those other transportation planning documents include (but are not limited to):

- Central Lane MPO Regional Transportation Plan (RTP);
- Lane County Transportation System Plan;
- Springfield 2035 Transportation System Plan;
- Oregon Highway Plan;
- Central Lane MPO Regional Transportation Options Plan; and
- LTD Long Range Transit Plan.

APPLICABLE APPROVAL CRITERIA

Adoption of the 2035 TSP and the corresponding amendments to the *Metro Plan* and *TransPlan* are all governed by the *Metro Plan* amendments approval criteria. Eugene Code 9.7735 provides:

Metro Plan Amendments – Criteria for Approval. The following criteria shall be applied by the city council in approving or denying a Metro Plan amendment application:

- (1) The proposed amendment is consistent with the relevant Statewide Planning Goals; and
- (2) The proposed amendment does not make the Metro Plan internally inconsistent.
- (3) When the city-specific local comprehensive plan also applies, the proposed amendment is consistent with the city-specific local comprehensive plan.

Eugene's approval criteria for Refinement Plan amendments is set forth in Eugene Code 9.8424:

9.8424 Refinement Plan Amendment Approval Criteria. The planning commission shall evaluate proposed refinement plan amendments based on the criteria set forth below, and forward a recommendation to the city council. The city council shall decide whether to act on the application. If the city council decides to act, it shall approve, approve with modifications or deny a proposed refinement plan amendment. Approval, or approval with modifications shall be based on compliance with the following criteria:

- (1) The refinement plan amendment is consistent with all of the following:
 - (a) Statewide planning goals.
 - (b) Applicable provisions of the Metro Plan.
 - (c) Remaining portions of the refinement plan.
- (2) The refinement plan amendment addresses one or more of the following:
 - (a) An error in the publication of the refinement plan.
 - (b) New inventory material which relates to a statewide planning goal.
 - (c) New or amended community policies.
 - (d) New or amended provisions in a federal law or regulation, state statute, state regulation, statewide planning goal, or state agency land use plan.
 - (e) A change of circumstances in a substantial manner that was not anticipated at the time the refinement plan was adopted.

Eugene's approval criteria for code amendments is set forth in EC 9.8065.

9.8065 Code Amendment Approval Criteria. If the city council elects to act, it may, by ordinance, adopt an amendment to this land use code that:

- (1) Is consistent with applicable statewide planning goals as adopted by the Land Conservation and Development Commission.
- (2) Is consistent with applicable provisions of the Metro Plan and applicable adopted refinement plans.
- (3) In the case of establishment of a special area zone, is consistent with EC 9.3020 Criteria for Establishment of an S Special Area Zone.

COUNCIL OPTIONS

1. Adopt the ordinance as proposed in Attachment A.
2. Adopt the ordinance with amendments.
3. Take no action on the proposed ordinance.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adopting the ordinance as proposed in Attachment A.

SUGGESTED MOTION

Move to adopt Council Bill 5127, an ordinance concerning Long Range Transportation Planning.

ATTACHMENT

A. Proposed Ordinance Concerning Long Range Transportation Planning

PREVIOUSLY PROVIDED DOCUMENTS (currently available for review in a binder at the City Manager's Office):

1. *Attached to the AIS for the March 6, 2017, JEO public hearing:*
Proposed Ordinance and Exhibits A – D
Exhibit A – Findings
Exhibit B – 2035 TSP Vol. 1, attachments to Vol. 1, and Vol. 2
Exhibit C -- Map 9.8010 of Eugene Code
Exhibit D -- Street classification map
Public testimony received by noon on Monday, February 27, 2017.
2. *Attached to the AIS for the April 17, 2017, JEO public hearing:*
Public testimony received between noon on Wednesday, March 1, 2017, and noon on Monday, April 10, 2017.
3. *Sent to the City Council on May 4, 2017, as part of the Council's packet of materials:*
Public testimony received between noon on Monday, April 10, 2017, and the close of the record on April 17, 2017.
4. *Attached to the AIS for the May 31, 2017, Council work session:*
Memo re Level of Service Standards in the Eugene 2035 TSP
Memo re Eugene 2035 TSP's Relation to Climate Recovery, the Reduction of Fossil Fuel Consumption, and Active Transportation and attachment (Priority Bikeway Projects in 2035 TSP)
Memo re Randy Pape Beltline and the Eugene 2035 TSP
Memo re Vision Zero and Transportation Safety in the Eugene 2035 TSP

ADDITIONAL INFORMATION: The Eugene Planning Commission Agenda Item Summaries dated

June 21, 2016, July 18, 2016, September 26, 2016, December 5, 2016, and December 12, 2016, and the public testimony submitted to the Planning Commission have been bound in a notebook labeled "Planning Commission Record For Ordinance Concerning Long Range Transportation Planning," are available for review at the City Manager's Office and are hereby expressly incorporated into the record before the City Council.

Also, the full text of the 2035 Eugene Transportation System Plan can be found at the following website: <http://www.EugeneTSP.org>

FOR MORE INFORMATION

Staff Contact: Rob Inerfeld
Telephone: 541-682-5343
Staff E-Mail: rob.inerfeld@ci.eugene.or.us

Ordinance No. _____

AN ORDINANCE CONCERNING LONG RANGE TRANSPORTATION PLANNING; ADOPTING THE EUGENE 2035 TRANSPORTATION SYSTEM PLAN; AMENDING THE EUGENE-SPRINGFIELD METROPOLITAN AREA GENERAL PLAN; AMENDING THE EUGENE-SPRINGFIELD METROPOLITAN AREA TRANSPORTATION PLAN (TRANSPPLAN); AMENDING SECTIONS 9.0500, 9.8010, 9.9650 OF THE EUGENE CODE, 1971; AMENDING THE STREET CLASSIFICATION MAP; AMENDING ORDINANCE NO. 20528 (TO DELETE SECTION 67); REPEALING SECTION 9.9515 OF THE EUGENE CODE, 1971, REPEALING ORDINANCE NO. 20322 (2003 CENTRAL AREA TRANSPORTATION STUDY) AND PROVIDING FOR AN EFFECTIVE DATE.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Volume I and Appendices A – D of Volume II of the Eugene 2035 Transportation System Plan, attached to this Ordinance as part of Exhibit B and incorporated herein by this reference, are hereby adopted as part of the Eugene-Springfield Metropolitan Area General Plan to serve as Eugene's local transportation system plan.

Section 2. The Eugene Springfield Metropolitan Area General Plan is amended to add an Appendix E to the list of Appendices in Chapter I, Introduction, under the heading "Relationship to Other Plans, Policies, and Reports" by adding the following text after Appendix D:

The following Metro Plan appendix is available at the City of Eugene Planning and Development Department:

Appendix E Eugene 2035 Transportation System Plan

Section 3. The Transportation Element at Section III.F. of the Eugene Springfield Metropolitan Area General Plan is amended as described in Subsections A, B and C of this Section.

- A. A new bullet entitled "Eugene Transportation System Plan" is added to the list of topics under the "Findings and Policies" heading as follows:
- Land Use
 - Transportation Demand Management
 - Transportation System Improvements

- System-Wide
- Roadways
- Transit
- Bicycle
- Pedestrian
- Goods Movement
- Other Modes
- Finance
- ***Eugene Transportation System Plan***

B. Subsection b. of Policy F.15 is amended as follows:

- b. Acceptable and reliable performance is defined by the following levels of service under peak hour traffic conditions:
 - (1) ***Within Eugene's transportation planning area, the [L]level of [S]service [F within Eugene's Downtown Traffic Impact Analysis Exempt Area] set forth in the Eugene 2035 Transportation System Plan;***
 - (2) ~~Level of Service E within the portion of Eugene's Central Area Transportation Study (CATS) area that is not within Eugene's Downtown Traffic Impact Analysis Exempt Area; and~~
 - ([3]2) Level of Service D elsewhere.

C. A new topic and policy are added after Policy F.38 as follows:

Eugene Transportation System Plan

Policy

F.39 The Eugene 2035 Transportation System Plan, not including the transportation financing program, is the City of Eugene's local transportation system plan and is included as Appendix E to the Metro Plan.

Section 4. Subsection 2 of TSI Roadway Policy #2 of the Eugene-Springfield Transportation System Plan (TransPlan), is amended to provide as follows:

TSI Roadway Policy #2: Motor Vehicle Level of Service

- 2. Acceptable and reliable performance is defined by the following levels of service under peak hour traffic conditions:
 - a. ***Within Eugene's transportation planning area, the [L]level of [S]service [F within Eugene's Downtown Traffic Impact Analysis Exempt Area] set forth in the Eugene 2035 Transportation System Plan;***

b. ~~Level of Service E within the portion of Eugene's Central Area Transportation Study (CATS) area that is not within Eugene's Downtown Traffic Impact Analysis Exempt Area; and~~

([e]**b**) Level of Service D elsewhere.

Section 5. Chapter 3, page 39 of the Eugene-Springfield Transportation System Plan (*TransPlan*), is amended to provide as follows:

~~[*TransPlan* serves as the bicycle plan for Eugene.]~~ ***The Eugene 2035 Transportation System Plan serves as the pedestrian and bicycle master plan for Eugene.*** The *Springfield Bicycle Plan* (1998) serves as the bicycle master plan for Springfield. To the extent that the cities of Eugene and Springfield wish to adopt, amend, or maintain bicycle master plans, those plans must be consistent with *TransPlan*. All bikeways and other bicycle system improvements will be designed to meet standards specified in the *Oregon Bicycle and Pedestrian Plan* (1995), whenever possible.

Section 6. Definition of Refinement Plan in Section 9.0500 of the Eugene Code, 1971, is amended to provide as follows:

Refinement Plan. A detailed examination of the service needs and land use issues of a specific area, topic, or public facility. Refinement plans of the Metro Plan can include specific neighborhood plans, special area plans, or functional plans (such as the ***Eugene 2035 Transportation System Plan and TransPlan***) that address a specific Metro Plan element or sub-element on a city-wide or regional basis.

Section 7. Subsection (3)(i) of Section 9.4930 of Eugene Code, 1971, is amended to provide as follows:

- (i) Construction of paved pathways of no more than 6 feet in width for passive recreation within the conservation area for Category A, B, or C streams or Category A wetlands, and no more than 12 feet for bike paths identified in ***the Eugene 2035 Transportation System Plan or TransPlan***. Subject to EC 9.4980 WR Water Resources Conservation Overlay Zone Development Standards (2) through (6) and (11).

Section 8. Table 9.8010 of Section 9.8010 of Eugene Code, 1971, is amended to provide as follows:

9.8010 List of Adopted Plans. The documents listed in the following Table 9.8010, including any adopted amendments, are the currently effective adopted plans that may be applicable to a particular land use application. The plans and adopted policies are

more particularly set forth beginning at EC 9.9500, and the boundaries for each are depicted on Map 9.8010 Adopted Plans.

Table 9.8010 List of Adopted Plans	
Bethel-Danebo Refinement Plan (Phase II)	River Road-Santa Clara Urban Facilities Plan
Bethel-Danebo Refinement Plan	Riverfront Park Study
Comprehensive Stormwater Management Plan	South Hills Study
Downtown Riverfront Specific Area Plan	South Willamette Subarea Study
Eugene Commercial Lands Study	TransPlan (Metro Area Transportation Plan)
Eugene Downtown Plan	Walnut Station Specific Area Plan
Eugene-Springfield Metropolitan Area General Plan (Metro Plan)	West University Refinement Plan
<i>Eugene 2035 Transportation System Plan</i>	Westside Neighborhood Plan
Fairmount/U of O Special Area Study	Whiteaker Plan
Jefferson/Far West Refinement Plan	Willakenzie Area Plan
Laurel Hill Neighborhood Plan	Willow Creek Special Area Study
19 th and Agate Special Area Study	

Section 9. Map 9.8010 of Eugene Code, 1971, is amended as shown on Exhibit C attached to this Ordinance.

Section 10. Section 9.9515, Central Area Transportation Study (CATS) Policies, of Eugene Code, 1971, is deleted in its entirety.

Section 11. Subsection (3)(b) of Section 9.9650 of the Eugene Code, 1971, is amended to provide as follows:

9.9650 TransPlan Policies.

(3) Transportation System Improvements: Roadways. Motor vehicle level of service policy:

(b) Acceptable and reliable performance is defined by the following levels of service under peak hour traffic conditions:

(1) ***Within Eugene's transportation planning area, the [L]level of [S]service [F-within Eugene's Downtown Traffic Impact Analysis Exempt Area] set forth in the Eugene 2035 Transportation System Plan;***

~~(2) — Level of Service E within the portion of Eugene's Central Area Transportation Study (CATS) area that is not within Eugene's Downtown Traffic Impact Analysis Exempt Area; and~~

([3]2) Level of Service D elsewhere.

Section 12. The City of Eugene Street Classification Map adopted by Ordinance No. 20181 on November 22, 1999, and subsequently amended by Ordinance No. 20423 and Ordinance No. 20429, is hereby amended as depicted in Exhibit D attached to this Ordinance to reflect the streets constructed since 1999 and to change the classification of the streets described in the chart below:

Northwest Expressway (UGB to River Road)	Minor Arterial to Major Arterial
1 st Avenue (Seneca Rd to Bertlesen Rd)	Major Collector to Minor Arterial
West Amazon Drive (Hilyard Street to Fox Hollow Road)	Minor Arterial to Major Collector
Olive Street (13 th Avenue to 18 th Avenue)	Major Collector to Neighborhood Collector
Kinsrow Avenue (MLK Blvd to Commons Drive) Commons Drive (Kinsrow Avenue to South Garden Way)	Neighborhood Collector to Major Collector
Willakenzie Road (Bogart Lane to Kingston Way) Spectrum Avenue (Coburg Road to Shadow View) Shadow View Drive (Spectrum Avenue to Chad Drive)	Local Street to Neighborhood Collector

Section 13. Ordinance No. 20322 (May 24, 2004), adopting the policies in the 2003 Central Area Transportation Study (CATS) as a refinement to the Eugene-Springfield Metropolitan Area General Plan, is repealed. Resolution No. 4369 and the Central Lane Eugene Parking and Traffic Circulation Plan adopted therein, which were repealed by Ordinance No. 20322, remain repealed.

Section 14. The limitation on the use of the land (trip cap) set forth in Section 67 of Ordinance No. 20528 is hereby repealed.

Section 15. The legislative findings set forth in the attached Exhibit A are adopted in support of this Ordinance.

Section 16. Effective Date:

A. Except as otherwise delayed pursuant to Subsection C of this Section, for purposes of its application to land located inside the city limits of the City of Eugene, the provisions of this Ordinance shall become effective 30 days from the date of passage by the City Council and approval by the Mayor.

B. Except as otherwise delayed pursuant to Subsection C of this Section, for purposes of their application to land located outside the city limits of the City of Eugene, the provisions of Sections 1 through 5 of this Ordinance shall take effect 30 days from the date of passage by the City Council and approval by the Mayor, or upon the date the Lane County Board of Commissioners has adopted an ordinance containing provisions substantially identical to those in Sections 1 through 5 of this Ordinance, whichever is later.

C. The change to motor vehicle levels of service for the ODOT facilities described at Table 4.1 of the Eugene 2035 Transportation System Plan and the repeal of the trip cap described in Section 14 of this Ordinance shall become effective upon the Oregon Highway Commission's written acceptance of the changed levels of service for the ODOT facilities described in Table 4.1 of the Eugene 2035 Transportation System Plan. Such written acceptance may, but is not required to, take the form of an action of the Oregon Highway Commission that amends the Oregon Highway Plan to change levels of service for the ODOT facilities to those described in Table 4.1.

Passed by the City Council this
____ day of _____, 2017

Approved by the Mayor this
____ day of _____, 2017

City Recorder

Mayor

EXHIBITS A – D to an ordinance concerning Long Range Transportation Planning; adopting the Eugene 2035 Transportation System Plan; amending the Eugene-Springfield Metropolitan Area General Plan (Metro Plan); amending the Eugene-Springfield Metropolitan Area Transportation Plan (TransPlan); amending Sections 9.050, 9.8010, 9.9650 of the Eugene Code, 1971; amending the Street Classification Map; amending Ordinance No. 20528 (to delete Section 67); repealing Section 9.9525 of the Eugene Code, 1971, repealing Ordinance No. 20322 (2003 Central Area Transportation Study); and providing for an effective date.

Exhibits A – D to the proposed ordinance were provided to the City Council as part of the AIS for the March 6, 2017, JEO public hearing and are currently available for review in a binder at the City Manager's Office:

- Exhibit A – Findings

- Exhibit B – 2035 *TSP* Vol. 1, attachments to Vol. 1, and Vol. 2

- Exhibit C -- Map 9.8010 of Eugene Code

- Exhibit D -- Street classification map

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: West Eugene E-Commerce Zone Designation

Meeting Date: June 26, 2017
Department: Planning and Development Department
www.eugene-or.gov

Agenda Item Number: 8
Staff Contact: Amanda D'Souza
Contact Telephone Number: 541-682-5540

ISSUE STATEMENT

City Council is asked to consider a resolution authorizing the designation of an Electronic Commerce (E-Commerce) Zone as an overlay to the West Eugene Enterprise Zone (WEEZ). This work session is an opportunity for Council to discuss the designation and take a straw poll to indicate how they intend to vote on July 3.

BACKGROUND

E-Commerce Zone

The E-Commerce Zone overlay applies to all of an existing enterprise zone boundary when designated. E-commerce businesses engage predominantly in transactions via the internet or an internet-based platform. These transactions can include taking orders, closing sales, making purchases, providing customer service, or undertaking other activities that serve the business's overall purpose. Qualifying businesses may receive a state income tax credit against the business's annual state income or corporate excise tax liability.

The state income tax credit that is available to qualified e-commerce businesses equals 25 percent of the investment cost made in capital assets used in e-commerce operations inside the enterprise zone. The annual maximum credit amount is \$2 million per year. Unused tax credit amounts may be carried forward for use over the next five years. The credit is claimed directly on corporate or individual tax returns. To be eligible for the credit, companies must be in compliance with the enterprise zone eligibility criteria (see Attachment B). No tax credits were awarded during the WEEZ's previous E-Commerce Zone designation.

State law (ORS 285C.095) limits the number of E-Commerce Zones to 15. Since there are 69 designated enterprise zones in the state, the E-Commerce Zone designation is highly-competitive. The City and County successfully applied for an E-Commerce Zone in 2012, but the Zone expired when the WEEZ expired last year and the City's re-application was unsuccessful. This year, there are two E-Commerce Zones available. Due to the limited number of overlays available, the state has outlined several tie breakers, the first of which awards the designation to the enterprise zone with an earlier date of resolution adoption. In order to be competitive for a designation this year, Council will need to pass a resolution as early as possible after July 1.

Enterprise Zone

The Oregon Enterprise Zone program is a State program established by the legislature in 1985 for the primary purposes of job creation, encouraging new investment, diversification, and competitiveness. The program offers a three-year property tax exemption for new buildings, renovation and expansion of buildings, and equipment investments made by qualified businesses located within a designated area defined by the zone sponsor. The exemption is designed to encourage new investment via a short-term property tax exemption, with the long-term goal of job creation and increased tax revenue for taxing districts after the exemption period. A qualified business is a (non-retail) manufacturing, processing, call-center, headquarters, distribution, or warehousing business that will increase its base employment by at least 10%. The short-term property tax exemption is limited to new, authorized investments that a qualified business makes in the WEEZ.

The WEEZ is jointly sponsored by the City of Eugene and Lane County, both of whom voted to re-designate the WEEZ in 2016 for an additional 10 years. The WEEZ boundary includes approximately 7.53 square miles in West Eugene. The boundary includes most of the industrial-zoned property in West Eugene. See Attachment B for more information on the WEEZ.

Next Steps

Council will be polled at the work session to gauge support for applying for an E-Commerce Zone designation this year. If the poll indicates sufficient support, Council will vote on the resolution on July 3 to direct the City Manager to request the designation of the WEEZ as an E-Commerce Zone. Lane County, the WEEZ co-sponsor, will consider a similar resolution later in July. This delayed County action would not have an impact on the timeliness of our request.

RELATED CITY POLICIES

The Enterprise Zone and E-Commerce designations encourage economic development activity targeted in the core area that supports adopted planning and policy goals and objectives.

Envision Eugene Pillars

Provide ample economic opportunities for all community members

1(a). Plan for an employment growth rate of 1.4 percent. This growth rate translates into an increase of 35,800 jobs over 20 years.

1(c). Work with property owners of current vacant or developed industrial lands, especially those larger than 25 acres, to reduce the financial and regulatory obstacles to development, with a goal of making these sites ready for development.

Regional Prosperity Economic Development Plan

By 2020, create 20,000 net new jobs in the chosen economic opportunity areas; reduce the local unemployment rate to, or below the state average; and increase the average wage to or above the state average.

○ *Strengthen Key Industries*

- Identify strategies to address unique and logistical needs of existing and emerging industries
- Develop associations or networks among targeted cluster businesses for innovative networking, information-sharing and provide opportunities for business growth
- Pursue opportunities to expand and recruit businesses, ideas, and entrepreneurs into our region
- Enhance our existing business and community

COUNCIL OPTIONS

- 1) Tentatively agree to approve the E-Commerce resolution and direct the City Manager to schedule a phone meeting for July 3 during which Council can officially vote on the E-Commerce resolution
- 2) Decide not to approve the E-Commerce resolution

CITY MANAGER'S RECOMMENDATION

The City Manager recommends approval of the resolution supporting designation of an E-Commerce Zone in the WEEZ, and should council approve, recommends holding a vote on July 3 to put the Zone request in the best position to get the designation.

SUGGESTED MOTION

I move to approve moving forward with the e-commerce resolution and direct the city manager to schedule a phone meeting for July 3 during which the Council can officially vote on the E-Commerce resolution.

ATTACHMENTS

Attachment A – Resolution No. _____

Attachment B – West Eugene Enterprise Zone Overview

FOR MORE INFORMATION

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RESOLUTION NO. _____

A RESOLUTION OF EUGENE REQUESTING THAT THE WEST EUGENE ENTERPRISE ZONE BE DESIGNATED FOR ELECTRONIC COMMERCE.

The City Council of the City of Eugene finds that:

- A.** The City of Eugene and Lane County are co-sponsors of the West Eugene Enterprise Zone previously authorized and approved by the State of Oregon.
- B.** The West Eugene Enterprise Zone is a successful economic development tool for the City of Eugene, contributing to the establishment and expansion of diverse businesses and the creation of family wage jobs.
- C.** The City of Eugene has established itself as a community that can support businesses engaged in electronic commerce, particularly in west Eugene.
- D.** The Eugene City Council finds that such designation will provide additional incentives for qualified business firms to engage in electronic commerce within the boundaries of the West Eugene Enterprise Zone.

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. The City of Eugene requests the State of Oregon Business Development Department to designate the West Eugene Enterprise Zone as an Electronic Commerce Zone.

Section 2. The City Manager or his designee is authorized to submit this resolution, together with a similar resolution from the Lane County Board of Commissioners, as part of the application for the Electronic Commerce designation for the West Eugene Enterprise Zone.

Section 3. This Resolution is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of July, 2017.

City Recorder

West Eugene Enterprise Zone Overview

Program Summary

Description: By offering a short-term tax exemption, the purpose of the enterprise zone program is to encourage new business investment, job creation, higher incomes for local residents, and greater diversity of economic activity. Enterprise zones induce eligible businesses of all sizes to make additional investments that will improve employment opportunities and spur economic growth. Eligible business that make authorized investments within an enterprise zone will be exempted for 3 to 5 years from local assessment of property taxes on the value added to the business and property located within the enterprise zone. Enterprise zone property is also exempt for up to two years while it is being constructed or installed.

Business Firm Eligibility: Prior to commencing construction or installation of equipment or machinery, an eligible business firm must submit an application to the zone sponsor who then determines eligibility and authorizes the investment for purposes of the program. Eligible firms include manufacturers, processors, shippers, and other operations that serve other organizations, as well as headquarters and call centers. Otherwise, retail, construction, financial, and certain other activities are explicitly ineligible.

Qualified Property: Investments that result in a new building, modification or addition to a building, or new machinery or equipment qualify for exemption. Land, previously used property, and minor personal property items do not qualify.

Requirements: In exchange for the tax exemption and to continue to be eligible, authorized businesses must meet the following requirements:

3-year enterprise zone exemption


- Increase full-time, permanent employment of the firm inside the enterprise zone by the greater of one new job or 10 percent (except for special case local sponsor waivers);
- No concurrent job losses more than 30 miles from the zone;
- Maintain employment levels during exemption period;
- Enter into first source hiring agreement with local job training providers; and
- Satisfy local additional conditions.

4- or 5-year enterprise zone exemption


- All requirements for 3-year exemption;
- “Compensation” of new workers at 150% of county average wage;
- Local approval by written agreement with the local zone sponsor; and
- Additional requirements that the local zone sponsor may reasonably request.

West Eugene Enterprise Zone



 Eugene UGB
  West Eugene Enterprise Zone
 Railroads

City of Eugene
 Planning and Development
 October 15, 2012



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

2005-2016 Program Metrics

Approved Investments Currently in Progress or Completed

Number of participating businesses: 24

Number of approved investments: 30

Number of investments by local companies: 28

Estimated value of investments at application: \$848 million

Estimated value of investments at application, excluding Hynix: \$135 million

Average investment per business*: \$5.9 million

Jobs

Total jobs projected at application*: 263

Total jobs created (based on final or most recent exemption claim)*: 551

Exemptions

Total tax exemptions granted 2005-2016*: \$4.8 million

Average annual total tax exemptions*: \$398,000

Average exemption per job created*: \$8,665

Upcoming

Pending applications: 4

Pending proposed investments: \$61 million

Pending projected job creation: 225 jobs

*excludes Hynix