

**ATTACHMENT B**

**Summary of Farmers' Market Funding Options**

Funding Type	Description	Summary of Advantages/Disadvantages
<b>City of Eugene</b>		
General Obligation Bond	A debt instrument that allows the City to raise additional revenues for specific purposes by getting voter approval to raise property taxes to repay debt.	This is a familiar funding mechanism that could be coupled with other park projects. Would require voter approval of new taxes; requires significant lead time. Could be incorporated into a larger GO Bond proposal for parks and recreation facilities across the City.
Local Option Property Tax Levy	Time-limited new revenue source.	This is another familiar funding mechanism that could be coupled with other parks needs. Requires voter approval. Falls under the Measure 5 tax rate cap.
Full Faith & Credit (FF&C) Bonds	FF&C bonds are not a way to pay for a project; rather, they are one of several ways that can be employed to ensure that funds to be used to pay for a project are available when needed to pay for project expenses. FF&C are bonds that are backed by the City's promise to repay the debt from any available sources. Typically, this is done for revenue streams that do not have a strong history or that have a high level of uncertainty around the ability to repay the debt over time. In order for the lender to feel comfortable with the likelihood of getting repaid, the City's General Fund has to provide backing for the bonds.	By themselves, FF&C bonds are not a way to pay for a project. They are a way to take a dedicated stream of dollars and turn that stream into an upfront payment for a larger project. The key to a successful FF&C bond is to identify a reliable payment stream. FF&C bonds do not require a public vote.
General Fund	The General Fund is the largest fund used to account for discretionary expenditures and revenues. Public safety represents 55% of total General Fund spending, followed by culture and leisure, central business functions, and infrastructure and planning.	Fund is flexible and relies upon stable revenue sources, primarily property taxes. Use of General Funds is at the discretion of City Council. While the fund has stabilized post-recession, there are still insufficient resources to sustainably fund existing services, so this source is unlikely to be able provide funding for the Park Blocks improvements.
<b>Urban Renewal Agency</b> Existing Urban Renewal Funds	The only remaining capital project currently authorized in the Plan is for \$500,000 of improvements to the Park Blocks for the Farmers' Market.	The funds are ready and intended to benefit the Park Blocks and have been since 2010. The Farmers' Market maintains interest in creating a permanent, year-round home for the market in downtown, and is continuing to work with both the City and County to identify the key next steps toward that goal. The \$500,000 set-aside for improvements was determined prior to the land swap concept, and may need an increased investment.

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Extend Existing Urban Renewal Plan and District	The Downtown Urban Renewal District currently receives a portion of property taxes collected by various taxing jurisdictions. Existing tax increment funding is expected to end in winter of 2016.	The current Downtown Urban Renewal plan would need to be amended by council to extend this funding source. A plan amendment requires significant public process and a lengthy timeline. There is risk that the plan amendment ordinance would not be supported by overlapping taxing districts or would be referred by voters. For larger funding efforts, this could provide significant funding without raising taxes.
Terminate Existing Downtown Urban Renewal Plan and District	Termination of the Downtown District would result in tax increment dollars being returned to overlapping taxing districts, including the City's General Fund. There could be both a one-time deposit of existing funds remaining in the Downtown District accounts, as well as ongoing tax revenues at termination.	Current estimates of the amount to be returned to the City of Eugene annually would be approximately \$1 million. This would be consistent with the council's intent in 2010 to terminate the district at the end of the projects identified at that time. This would reduce the funds available to the City for downtown projects by approximately \$1 million per year (half).
<b>State or Federal Sources</b>		
State or Federal Grants	Possible funding source for improvements, depending on what is part of implementation.	Grants can be uncertain in terms of timing and amount.
<b>Private Funds</b>		
Private Donations	Community members contribute to a capital campaign to fund particular features in the improvement project. Farmer contributions could also benefit the project.	Could build community enthusiasm for the project. Would take significant effort to develop the campaign; uncertainty about ability to raise the funds could delay project. Farmers may have limited resources.