### MINUTES

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

February 23, 2019 9:00 a.m.

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Claire

Syrett, Chris Pryor

Councilors Absent: Greg Evans

Executive Staff Present: Jon Ruiz, Kristie Hammitt, Kathryn Brotherton, Mia Cariaga, Chief Joe Zaludek, Chief Chris Skinner, Renee Grube, Denny Braud, Sarah Medary

Mayor Vinis opened the February 23, 2019, workshop of the Eugene City Council.

### 1. 2018 Year in Review

City Manager's Office Division Manager Becky DeWitt led the group in an exercise to reflect on past accomplishments and hopes for the upcoming year.

# **Discussion**:

- Mayor Vinis shared her appreciation for the involvement and passion of people who provide
  testimony at public forums and public hearings; identified community safety, homelessness and
  housing as issues needing further effort, noting that progress is possible with good
  collaboration and commitment.
- Councilor Taylor identified the restoration of dogs' rights downtown and the annual Symphony in the Park as successes in 2018; appreciated her weekly meetings with the Mayor and encouraged more canvassing activity in neighborhoods.
- Jon Ruiz said he was gratified by having a complete executive team in place, and the work to create an effective and productive organizational culture that successfully adapts to internal and external changes.
- Councilor Clark expressed concern about the direction council has taken on some of the issues it faced in 2018; was optimistic initially about progress on housing and homelessness but council decisions have made those issue worse.
- Chief Skinner reported that there is more enthusiasm and hope for the future in the Police Department; appreciated the focus on available resources when building capacity.
- Councilor Pryor said felt the council has a good handle on listening/learning and thinking/deliberation, but needs to work more on taking action; felt that good decisions were made in 2018 that will lead to continued progress in 2019.
- Kathryn Brotherton identified the addition of transportation options (PPVs) and the improved relationship with County partners on issues such as homelessness and the land swap as successes in 2018; hoped that these relationships would continue to strengthen in 2019.
- Councilor Yeh expressed appreciation for the work of the council to lay the groundwork for and engage the community in important issues such as homelessness and housing.
- Kristie Hammitt appreciated the engagement and diversity of participants at public forums and hearings and hoped to continue to find ways to increase that engagement; supported ongoing efforts to build and strengthen partnerships and innovate.

- Mia Cariaga appreciated the hard work of elected officials; expressed gratitude for the services now available at the Library due to passage of the library levy.
- Denny Braud said his expectations for 2018 were exceeded with progress made on projects such as the downtown riverfront, Knight Campus, Hayward Field, town square/land swap, Obie development, housing tools and strategies conversation, Ya-Po-Ah Terrace, and Uber/Lyft.
- Councilor Zelenka said he felt much of 2018 was spent laying the groundwork and strategic planning for important initiatives, including work on the Climate Recovery Ordinance, Riverfront project, TAC Report, affordable housing and community safety bridge funding.
- Sarah Medary said that the organization achieved a great deal in 2018, and 2019 was an opportunity to continue those efforts; noting the town square project as an example, expressed confidence that Public Works and Planning Development would continue to find ways to work together strategically and physically.
- Councilor Syrett listed the partnership with the County on the TAC Report, Williams and dame contract, landswap, planning efforts in River Road/Santa Clara, parks bond and levy and immigration status protections as successes in 2018; expressed pride in the gender-diversity of the City Council.
- Renee Grube acknowledged the challenge of serving as an elected official; said executive staff and the community are feeling very optimistic and energized; looked forward to ambassador opportunities, implementation of Parks and Rec System Plan, and welcoming a new Library Director; thanked Mia Cariaga for her service as interim Library Director.
- Chief Zaludek recounted his department's efforts to resolve the gap in service delivery by gathering data and change the application of increased resource allocations, resulting in improved resuscitation rates; supported a continued commitment to prevention and community risk reduction initiatives.
- Councilor Semple expressed appreciation for progress on public safety bridge funding, prevention work with youth and homelessness, and increased downtown event programming; said more work is needed on providing shelter, the single-use plastics ban, and creation of a downtown day center.

# 2. Community Safety Revenue

Assistant City Manager Kristie Hammitt, Finance Director Twylla Miller and Senior Financial Analyst Maurizio Bottalico gave a presentation on the work and findings of the Community Safety Revenue Team.

### Discussion

- Councilor Semple noted that if a structure is set up to collect the payroll tax, it could be used again for other City collection needs.
- Councilor Syrett said it is important to be clear that, as proposed, the payroll tax is not regressive; everyone pays proportionally into a system that everyone benefits from; noted that the *Register- Guard* reported conflicting information on projected tax amounts.
- Councilor Clark requested clarification about public employers' contribution; noted that a similarly structured tax previously proposed met with community resistance; supported a focus on creating more taxpayers rather than taxing existing taxpayers.
- Councilor Zelenka stated that flat tax fees are regressive; asked whether non-profits would be included.
- Councilor Taylor said that even a minimal amount is significant to low wage earners; supported lobbying the State for changes to the lodging tax, consideration of a marijuana tax, income tax or business license fee.
- Councilor Pryor said the revenue committee did initial research and analysis to identify what can be done; acknowledged that not every possible option was explored but the resulting proposal was thought to be feasible.

- Councilor Clark asked what level of analysis was done on the possible negative repercussions of a payroll tax; expressed concern that implementing the proposed tax could damage Eugene's relationship with Springfield since it will affect non-residents who work in Eugene.
- Mayor Vinis asked about the preliminary reaction of non-profits to the proposed tax.
- Councilor Zelenka said it was counterproductive to reduce the discussion to only one recommended option; supported further consideration of its effect on workers who don't live in the city, ways to make the tax more progressive, possible exemptions of reductions for non-profits and low-income workers, and tying the tax to economic prosperity.
- Councilor Semple asked for information about the impact on the revenue generated if nonprofits are exempted; said that everyone should contribute at some level to the costs of improved public safety.
- Councilor Syrett spoke to the regressive vs progressive issue, noting that a flat fee is regressive; said public safety improvements will benefit everyone, including Springfield residents.
- Mayor Vinis cautioned that many of the area's largest employers are non-profits; said Eugene
  is the hub of the region and carries a larger burden in terms of social service and public safety
  needs; said the process for arriving at the committee recommendation was faithful to council
  direction.
- Councilor Clark noted that residents of unincorporated River Road/Santa Clara don't currently support public safety through taxes; encouraged further consideration of annexation as a potential revenue source; supported an increase to the transient room tax.
- Councilor Semple agreed that there is a direct benefit to Springfield residents of improved public safety services, particularly Eugene Springfield Fire service; supported an increase in the room tax.
- Councilor Pryor said the process included conversations with representatives from other
  communities; expressed concern about the ease of the mechanism for reporting and collecting;
  noted that if more people are brought into the population through annexation, the need for
  service will increase.
- Councilor Syrett suggested that more analysis would be needed if the council is interested in pursuing annexations as means to generate public safety revenue.
- Councilor Taylor said that annexation of River Road/Santa Clara properties wouldn't require infrastructure tax dollars, noting that money is currently being spent on public safety in that area.
- Mayor Vinis reminded council that their goal for any new revenue source is to provide a seamless transition from the bridge funding.

### **Revenue Requirement**

- Councilor Clark suggested consideration of a revenue source that starts small and increases as need grows.
- Councilor Zelenka asked for more information about the components of the five percent inflation rate.

# **Payroll Tax Assumptions**

- Councilor Zelenka asked for information about the data on the percentage of agencies and the non-compliance collection rate.
- Councilor Clark noted that many who live in Eugene are part of the gig economy, consultants, or self-employed; asked what their impact would be on the tax assumptions.

### **Same Rate**

- Councilor Taylor asked if consideration was given to exempting those who make under a certain amount.
- Councilor Syrett asked questions about the presentation of the data.

### **Employee Fixed/Employer Variable**

- Councilor Clark asked if the number of small-scale employers was considered; expressed concern about those who can do business elsewhere will relocate to avoid the tax.
- Councilor Syrett asked if minimum wage increase were factored in.

### Variable Rates - Employee/Employer

- Jon Ruiz asked council for feedback on the concepts to help with further analysis.
- Councilor Semple supported an equal rate.
- Councilor Yeh supported an equal rate, noting the idea that the rate would be fixed after FY26.
- Councilor Zelenka said that "fair and equitable" should be the priority; list of tradeoffs would be helpful.
- Councilor Clark supported an equal rate, noting that this council can't bind future councils to the decision.
- Councilor Syrett said she leans toward an equal rate but would be open to modulation for minimum wage earners.
- Mayor Vinis supported a fixed rate with a maximum amount of .29 percent.
- Councilor Semple clarified the impact of the tax on a person making \$12 per hour.
- Councilor Zelenka requested additional modeling on the impacts on non-profits.

#### **Considerations**

- Councilor Clark supported council referral of the tax proposal rather than passage by ordinance.
- Councilor Pryor acknowledged that there would be opposition to any proposal but the council should exercise its authority to make the decision.
- Councilor Taylor expressed concern that a lot time and resources have already been spent on this initiative.
- Councilor Syrett said she was leaning toward an ordinance; requested information on the cost and process for a council or citizen referral.
- Councilor Clark said the council shouldn't limit its options; the success of the road bonds is a good example of making the case to the public for the need and mechanism.
- Mayor Vinis noted that one benefit of the gap funding is to demonstrate to the public the value of additional public safety dollars.
- Councilor Pryor pointed to the unique situation the council faced in attempting to address an issue with such public safety serious implications.
- Councilor Semple agreed that the community is facing a public safety crisis; said the council is elected to make difficult decisions; this is a livability issue that affects everyone.
- Councilor Zelenka said that if the council believes in the value of the proposal, its importance should be easily conveyed to the voters.
- Councilor Semple asked if there was a strategy for addressing the additional gap that would occur in implementation if the tax proposal is referred to the voters.

## 3. Communications

Community Relations Manager Laura Hammond provided an overview of current communications programs and introduced the concept of a Community Survey.

### **Discussion**

• Councilor Clark - encouraged exploration of other types of analytics for measuring success and appeal of outreach efforts, which are often more reliable than surveys; provided the example of indexing and hash-tagging agenda materials for greater transparency and historical context.

- Councilor Syrett offered that there is no real replacement for direct engagement with the public; efforts should be directed to increasing participation and engagement in public forums, neighborhood meetings and opportunities for personal outreach.
- Mayor Vinis stated that the City's website is the organization's institutional voice; encouraged development of tools for the council to use to communicate with and gain input from constituents.
- Councilor Zelenka said he felt the City does not do an adequate job of telling its story, using
  progress on the Climate Recovery Ordinance as an example; supported efforts such as more
  marketing, reporting on council activities at neighborhood meetings, community survey and
  direct councilor-to-constituent communication, noting that the volume of emails the council
  receives makes it challenging to respond.
- Councilor Pryor said it is not enough to simply push out information or follow minimum notice requirements; more personal dialogue is needed to engage people and increase the level of commitment on the council; survey needs to measure "why" in addition to "what."
- Councilor Yeh noted that engagement is a big part of communication; supported efforts to increase engagement, using existing resources before creating new systems.
- Councilor Syrett requested information about what past community surveys looked like to provide context for newer councilors.
- Councilor Clark acknowledged that information generated by a community survey might be useful but questioned whether it is useful; encouraged consideration of alternatives that personalize issues when they are communicated.
- Councilor Taylor appreciated the opportunity to respond to Public Forum testimony; said that neighborhood newsletters need to be re-invented and more frequent, and suggested that they include a regular submission from the councilor(s) representing the neighborhood.
- Mayor Vinis suggested the possible expansion of the existing online newsletter to include councilor submission, and making the City Council more prevalent on the main webpage.
- Councilor Zelenka supported the concept of City Council contributions to neighborhood newsletters.
- Councilor Pryor supported incorporating an element of "why you should care" into
  communications; figure out a way to convey to the public the stakes involved in issues the
  council is addressing.
- Councilor Semple expressed concern that the City website is its biggest communication tool and it is inadequate; should be fun, compelling and easy-to-use; supported dedicating money to web improvements in advance of 2021.
- Councilor Zelenka stated that the South Willamette project is an example of the potential consequences of required notice vs effective communication.
- Councilor Taylor supported efforts to inform residents about the implications and complications of council proposals and decisions, using Amazon Park as an example.
- Councilor Clark acknowledged that contextualizing issues can be very difficult.
- Councilor Zelenka encouraged consideration of what the council intends to do with any input received through surveys or other communication modes.
- Mayor Vinis thanked everyone for their participation.

The meeting adjourned at 1:28 p.m.

Respectfully submitted,

Beth Jonest

Beth Forrest City Recorder

Link to the webcast of this City Council meeting: here.