MINUTES

Eugene City Council Work Session Eugene, Oregon 97401

February 10, 2025 5:00 p.m.

Councilors Present: Eliza Kashinsky, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Lyndsie Leech, and Randy Groves

Mayor Knudson opened the February 10, 2025, work session of the Eugene City Council in hybrid in-person and virtual format at 500 E. 4th Avenue, Eugene, OR 97401, North Building.

1. WORK SESSION: Council Budget Priorities Workshop (Part 2)

Councilor Yeh declared a potential conflict of interest regarding her employment with Community Supported Shelters, a non-profit that partners with the City of Eugene, because the budget discussion could affect funding for Community Supported Shelters.

City Manager, Sarah Medary, introduced Twylla Miller, Chief Financial Officer to present on budget gap strategies.

Council Discussion:

- Mayor Knudson noted this is the 25th meeting Council has had to address the 2023-2025 budget gap; thanked Council and staff for starting the work session early to have ample time to process this complex and significant issue.
- Councilor Clark stated this is not an easy discussion; asked if an amendment sending the fire service fee to the May ballot would need to be decided by February 19, 2025; asked if that was the only opportunity to place the fee on the May ballot; asked if the fire service fee would go to an August special election if petition signatures were collected to place it on the ballot.
- Councilor Zelenka noted the previous 67 million in cuts over the last few years; noted there are no more inefficiencies in the system and further reductions would make deep cuts into departments or eliminate whole services; stated while increases in city fees are tough for those on a limited income, those on a limited income also rely on city services that could be cut; stated he is in favor of the fire service fee; noted he would also support a levy for a fire operations increase and a future capital bond for new fire stations and equipment; stated he is not interested in sending the fire service fee to the ballot.
- Councilor Keating stated the fire service fee is the best solution for the budget gap at this time; noted concern for the impact of the fee on low-income community members; asked about the income threshold for those who would qualify for fee assistance; noted he does not support Council referring the fee ordinance to the ballot.

- Councilor Kashinsky asked how many full-time equivalent (FTE) employees are in animal welfare; noted the City currently has a contract with Greenhill Humane Society; noted proposed cuts would eliminate the animal welfare program; shared a story about a resident in her ward affected by the previous cuts to the animal welfare program; noted further cuts to any City program will negatively impact residents; stated she was elected in part to make tough decisions.
- Councilor Leech stated she is in support of the fire service fee because she is against
 layoffs, reducing community safety, cutting preschool programs, and reducing library
 hours; noted the importance of maintaining our emergency response capabilities;
 stated cuts to programs would impact low-income residents more than the fee;
 expressed interest in exploring long-term sustainable revenue strategies.
- Councilor Groves stated support for referring the fire service fee to the ballot; expressed concern about revenue not keeping pace with inflation; stated Oregon's taxation system is broken; stated placing the measure on the ballot, as opposed to an initiative petition placing it on the ballot, allows more opportunity to communicate with the public; believes that money decisions the City makes should involve public input; stated he would support the fee if put to the ballot.
- Councilor Yeh stated her support for the fire service fee; compared emergency services to a utility like wastewater or electricity; noted appreciation for the initiative for a work session to explore long-term revenue strategies; noted cuts to programs would have a disproportionate impact on low-income residents.
- Councilor Evans asked about potential cuts to services if there is only a three million dollar budget gap; noted a service fee was suggested over 10 years ago but the Council decided instead to pursue cuts; stated the necessity of pursuing long-term budget stabilization strategies; noted the need to look at prioritizing the services listed in the charter; stated support for looking at creative ways to deliver services in the future.
- Councilor Clark noted support for discussions on long-term budget health; noted support for solutions like voluntary annexation and economic development; stated he is not in support of the fire service fee; stated if the Council does not send the fire service fee to the ballot it could lead to layoffs.
- Councilor Zelenka stated previous discussion on long-term revenue strategies have not yielded effective solutions; noted the fire service fee addresses immediate needs with a realistic approach; noted the disproportionate effects of the potential cuts on the lower income residents.
- Councilor Keating asking about the naming of the fire service fee; asked about the fee's long-term effects on the fire department.
- Councilor Groves stated the fire service fee does not protect the fire department from future changes to the percent they receive from the general fund; stated his intent to make an amendment preventing the fee from being raised without the consent of the Council.
- Councilor Evans noted the cumulative impact of local fees like increases in utility bills and the community safety payroll tax on local taxpayers; stated concerns about rising crime and inadequate public safety resources; stated the impacts of inflationary pressures on the community.

- Councilor Kashinsky asked about the possibility of amending the ordinance in the future if it is passed as-is; noted she is not against a cap on the ability to raise the fee; cautioned against amending the motion at the table.
- Councilor Zelenka spoke against amending the motion without having time to analyze the proposed change.
- Councilor Clark stated his support for an amendment preventing the fee from being raised without the consent of the Council; noted if Council does not send the fire service fee to the ballot in May, it will end up being voted on after the budget is finalized.
- Councilor Yeh spoke against amending the motion on the fly; stated it is part of her
 job as a Councilor to make tough decisions for the community; stated the City will not
 be safer if the proposed cuts are enacted.

MAIN MOTION: Councilor Evans, seconded by Councilor Leech, moved to adopt an Ordinance Establishing a Fire Service Fee as set forth in Attachment A to this AIS.

MOTION TO AMEND: Councilor Clark, seconded by Councilor Groves, moved to amend the ordinance to add a new Section 6 that states this ordinance shall take effect only if approved by the voters at the May 2025 election in such an event the ordinance shall be effective upon the Mayor's proclamation under section 2.986 of the Eugene Code 1971, that the measure has passed.

Council Discussion:

Councilor Clark – stated the public will vote on the fee regardless; stated that Council
choosing to place the fire service fee on the ballot will lead to a safer outcome for City
programs considering the timing of the two potential elections.

VOTE ON MOTION TO AMEND: 3:5 FAILED

IN FAVOR: Clark, Evans, and Groves.

OPPOSED: Kashinsky, Keating, Zelenka, Yeh, and Leech.

MOTION TO AMEND: Councilor Groves, seconded by Councilor Clark, moved to amend Section 3 of the ordinance to add the following sentence: "Notwithstanding Section 1 of this ordinance, an amendment to the Fire Service Fee that would increase the fee more than 5% within a 12-month period must be established by resolution of the council."

Council Discussion:

- Councilor Yeh asked how the fee would be raised if this motion did not pass.
- Councilor Zelenka asked if the City Manager would be able to raise the fee up to 4.99 percent.

- Councilor Groves stated his support for the motion; stated the value in having limitations on a new fee.
- Councilor Keating asked how the fire service fee was similar to System Development Charges.

VOTE ON MOTION TO AMEND: 5:3 PASSED

IN FAVOR: Keating, Clark, Evans, Leech, and Groves.

OPPOSED: Kashinsky, Zelenka, and Yeh.

VOTE ON AMENDED MOTION: 5:3 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, and Leech.

OPPOSED: Clark, Evans, and Groves.

MOTION: Councilor Evans, seconded by Councilor Clark moved to direct the City Manager to prepare a council retreat on long term budget stabilization strategies.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and

Groves.

OPPOSED: None.

The meeting was adjourned at 6:39 p.m.

Respectfully submitted,

Katie LaSala City Recorder

(Recorded by Cherish Bradshaw)

Link to the webcast of this City Council meeting here.