MINUTES

Eugene City Council Work Session Eugene, Oregon 97401

April 28, 2025 5:30 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 April 28, 2025, work session of the Eugene City Council in a hybrid format at 500 E 4th Avenue, North Building, Eugene OR 97401.

1. Work Session and Possible Action:

- A. Resolution Approving the Eugene-Springfield 2025 Consolidated Plan for Submission to the U.S. Department of Housing and Urban Development
- B. Eugene-Springfield 2025 HUD Annual Action Plan for Affordable Housing and Community Development

City Manager, Sarah Medary, introduced Genevieve Middleton, Affordable Housing Policy & Planning Manager, and Will Dowdy, Community Development Director, who presented the Eugene-Springfield 2025 Consolidated Plan and the 2025 HUD Annual Action Plan.

Councilor Discussion:

 Councilor Kashinsky – stated the importance of this work to build and preserve affordable housing in the community; asked if federal funding is expected to continue at historic levels; asked when staff will know this year's federal allocation.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to adopt a Resolution Approving the Eugene-Springfield 2025 Consolidated Plan.

VOTE: 8:0 PASSED

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

Groves.

OPPOSED: None.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to approve the Eugene-Springfield 2025 Annual Action Plan summary for use of Federal Community Development Block Grant provided in Attachment A.

Councilor Discussion:

 Councilor Zelenka – noted all affordable housing built in Eugene is subsidized; stated the need to increase subsidies for affordable housing.

- Councilor Groves asked how much money has been paid into the Affordable Housing Trust Fund by local developers under the Multiple Unite Property Tax Exemption (MUPTE) program.
- Councilor Leech asked about the average award for a Community
 Development Block Grant (CDBG); asked if receiving grant funds obligates the
 project into paying prevailing wage; asked for the number of grant recipients
 last year.

VOTE: 8:0 PASSED

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

Groves.

OPPOSED: None.

2. Work Session: Continued Discussion of Options regarding Referendum Petition 2025-1

City Manager, Sarah Medary, presented various options regarding Referendum Petition 2025-1.

Councilor Discussion:

- Councilor Yeh stated her preference for a November election; asked about the potential structure of a community advisors' group.
- Councilor Kashinsky clarified the cost would be the same for an August or November election; noted delaying the election to November has a larger negative financial impact; asked if changing the language would change whether the money goes into a dedicated fund for fire; asked if the fee would be charged differently for residential and commercial accounts.
- Councilor Leech asked about the budgetary implications of holding an August election versus a November election; noted the uncertainty of using one-time funds to bridge the gap to an election with an unknown outcome.
- Councilor Groves stated his preference for a November election; noted the need for budget prioritization work; stated the importance of thoughtfully using bridge funding; spoke in favor of creating a budget oversight committee with members of the local community.
- Councilor Keating stated more urgent wording is needed for the alternative naming of fees; noted his preference for a November election; asked about a hiring freeze as a mechanism to control spending.
- Councilor Clark stated his initial idea was to make necessary cuts until the City can address long-term strategies for revenue growth; noted he previously suggested the fire service fee be put on the May 2025 ballot; asked if September 3rd was the latest date to repeal the ordinance to prevent it from going to the November ballot; asked if a 20 percent increase to the payroll tax would raise five million in revenue; asked if the payroll tax rate is capped; stated his preference to send the fire service fee to the November election; noted he is against using financial reserves as a bridge.
- Councilor Zelenka noted the Chamber of Commerce's role in sending the ordinance to the ballot; noted the cost of the election will be the same in August or November; stated he is in favor of a November election; asked about the cost

of using reserve funds to bridge until after the November election; noted the fire service fee, if passed, would not be able to be implemented for six to eight months; stated using reserves to bridge for that long would completely deplete the reserves; asked about a temporary fee with a four year sunset; asked about the layoff process; noted concerns about losing staff with valued expertise and experience.

- Councilor Evans asked about cutting vacant positions as a savings strategy; stated surgical cuts to vacant positions would create significant savings; noted cutting positions adds stress to teams left to complete the same amount of work with fewer staff.
- Councilor Yeh noted the urgency to make a decision; spoke in favor of restoring the proposed budget; asked about the difference between the fee in the ordinance and the stormwater fee; noted a preference for a six year sunset; suggested "City Services Fee" as an alternative name; noted the value of community outreach during these difficult budget conversations; spoke in favor of recruiting a diverse group of individuals for a potential community advisors' group.
- Councilor Keating noted he would accept a four-to-six-year sunset; asked how a potential temporary fee lines up with future budget timelines; asked about a potential hiring freeze for various executive positions; asked about the 35-40 FTE vacancies in the proposed budget.
- Councilor Leech stated preference for a six-year sunset for a temporary fee; spoke in favor of restoring programs cut in the proposed budget; noted the fee, if renamed, should have a simple and general name; stated the importance of educating the public about the budget.
- Mayor Knudson stated Council will have an opportunity to discuss this matter further at the upcoming Wednesday work session.

The meeting was adjourned at 7:03 p.m.

Respectfully submitted,

Katie LaSala City Recorder

(Recorded by Cherish Bradshaw)

Link to the webcast of this City Council meeting <u>here</u>.