

**A BILL FOR AN ORDINANCE CREATING  
SECTION 3.24 - CITY SERVICES FEE  
TO THE LEBANON MUNICIPAL CODE**

) **ORDINANCE BILL NO. 2024-10**  
)  
) **ORDINANCE NO. 3026**

**WHEREAS**, In the 1990s, Oregon tax limitation measures capped property tax revenue; and

**WHEREAS**, City revenue has not kept pace with inflation; and

**WHEREAS**, Lebanon is growing and so is the demand on City services; and

**WHEREAS**, The City will not be able to maintain the programs and services that our community has come to expect without additional funding; and

**WHEREAS**, The City Council has reviewed options for generating revenue and determined that a City Services Fee is vital to supporting valued city services; and

**WHEREAS**, the City Council solicited public comment and testimony regarding the proposed fee during special Town Hall meetings held on October 10, 2024 and October 15, 2024; and

**WHEREAS**, The City Services Fee will be used to support staffing, programs, and services in the General Fund.

**NOW, THEREFORE, THE LEBANON CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1.** Lebanon Municipal Code (LMC) Section 3.24 City Services Fee, is hereby created as follows:

**3.24.010 Title and Purpose**

This section shall be known and may be cited as the "City Services Fee Code of the City of Lebanon." The purpose of this section is to establish a fee to offset the cost of providing city services, and for the administration of such a fee.

**3.24.030 Definitions**

The following words, terms, and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (1) "City" means the City of Lebanon, a municipal corporation of the State of Oregon.
- (2) "City Manager" means the person chosen by the Lebanon City Council to meet the requirements of Section 21 of the Lebanon Charter or such person as may be designated by the City Manager to act in their name and capacity.
- (3) "Director" means the person designated by the City Manager to supervise the Finance Department and who is charged with certain duties and responsibilities by this title, or the duly appointed representative.
- (4) "Developed property" means a lot or parcel, or portion thereof, of land within the corporate limits of the city of Lebanon that receives a direct or indirect benefit from city services. It is presumed that a developed property receives a direct or indirect benefit from city services if improvements exist on the premises or the premises is served by a city utility system.

**3.24.040 Administration and Rulemaking**

The Director shall administer and enforce the provisions of this chapter, have the authority to render written and oral interpretations, conduct audits, and to adopt administrative rules and procedures governing the administration, enforcement, and collection of the city services fee.

#### **3.24.050 Fee Established**

A city services fee is hereby created and imposed on the owner, tenant, agent or other authorized representative responsible for occupancy of a developed property in amounts set forth by City Council resolution. The city services fee is based on the direct and indirect use of or benefit from the provision and use of general city services; it is not a property tax; and it is not subject to the limitation of article XI, section 11 of the Oregon Constitution. The obligation to pay a city services fee arises when a person receives the direct or indirect benefit of city services. It is presumed that the benefit of city services is received whenever there is a developed property. All monies received from the city services fee shall be deposited into the General Fund.

#### **3.24.060 Commencement**

The City Services Fee shall be applied to all developed properties within the city limits on the effective date of this ordinance. For developed properties annexed into the city after the effective date, the city services fee shall apply upon the approved annexation ordinance.

#### **3.24.070 Fee Amount and Annual Adjustments**

(1) The rate for the city services fee shall be established by City Council resolution and shall be applied to utility customer accounts by classification.

(2) Customer account classification shall be determined by the Director or the duly authorized representative. Any appeal of the Director's determination shall be made in writing to the Director in accordance with Council policy. Any request for review of the Director's appeal determination shall be made in writing to the City Manager. The City Manager's determination shall be final.

(3) The rate of the city services fee shall be adjusted annually for inflation as determined by the City Council.

(4) The rate, other charges, or any adjustments to the city services fee shall be set annually by resolution of the City Council.

#### **3.24.080 Billing, Due Date, and Delinquency**

(1) A city services fee shall be billed to and collected from the owner, tenant, agent, or other authorized representative responsible for occupancy of a developed property as defined within this chapter.

(2) Bills for the related fee shall follow the same cycle as defined in 13.04.100.

(3) A city services fee shall be included and separately identified in a utility billing statement for a developed property account and shall be due and payable on the same schedule as that set forth in the statement. Payments for a city services fee through the utility billing statement shall be applied in a priority consistent as established by the Director.

(4) Unless another person has agreed in writing to pay all or a portion of the city services fee, and a copy of that writing is filed with the Director, the responsible party shall pay the city services fee and all other applicable charges, including any administrative fees.

(5) An Account is delinquent fifteen (15) calendar days after the date of the bill. Delinquent accounts will receive written notice of the delinquency and may be subject to administrative services charges and water service discontinuation until the entire bill balance is paid in full.

### **3.24.090 Adjustments, back-billing, credits, and refunds**

The city may make adjustments, back-bill, pay refunds, or waive fees and charges in accordance with City Council policy. If no Council policy exists, the city may make adjustments where it is deemed necessary on a case-by-case basis as determined by the Director for the proper conduct of the administration of the city services fee. A full explanation of the reason for the adjustment or refund must be filed for the record and, subject to Oregon public records law, will be made available upon request. Refunds are to be made to the party that made the payment.

### **3.24.100 Exemption and Discount**

Single unit residential and multi-unit developments that are 100% income restricted and who have been approved through the City's Low Income Assistance Program shall pay a discounted City Services Fee in accordance with the effective City Council low-income assistance program resolution.

### **3.24.110 Appeals**

Any person who is aggrieved by termination of water service, or who disputes the amount of billing may appeal per the parameters of LMC 13.04.340

### **3.24.120 Falsification**

No person shall knowingly make any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained pursuant to this chapter.


### **3.24.130 Violations**

Violation of any provision of this chapter, in addition to any civil penalties, shall be an infraction.

**Section 2. Effective Date.** This ordinance shall be effective 30 days after passage.

Passed by the Lebanon City Council and executed by the Mayor on this 13th day of November, 2024 by a vote of 5 yeas and 0 nays.

CITY OF LEBANON, OREGON

  
Kenneth E. Jackola, Mayor ☒  
Michelle Steinhebel, Council President ☐

ATTESTED BY:

  
Julie Fisher, CMC, City Recorder