

**Chris Robuck**

**From:** Chris Wiley  
**Sent:** Wednesday, May 01, 2002 1:35 PM  
**To:** Chris Robuck; Dave Luman; Justin Denton; Mike Schoen; Mitch Wash; Paul Stecher; Steve Munsterman; Angela Weeks; Dave Heironimus; Dennis Durrell; Keith Mays; Mark Cottle; Sterling Fox; Thomas Claus  
**Cc:** Terry Keyes  
**Subject:** Approve 4.24 Budget Committee Minutes

Budget Committee members: Mitch Wash asked for two changes to the minutes I sent you last week. Mitch wanted the minutes to show that he had "RECESSED" the meeting not adjourned and also to place a notation stating that the same members who sit on the City Budget Committee also make up the URA Budget Committee. I've made those changes and I'm including here the minutes from last Wednesday night's budget meeting. Pls review. I will ask for your approval of these minutes at the May 8 meeting. Thank you.

**SHERWOOD CITY COUNCIL**  
**02-03 BUDGET COMMITTEE MEETING #2**  
**APRIL 24, 2002**  
**HITE HOUSE**

1. The meeting was called to order at 6:20 p.m.
2. Roll Call: Council members present\*: Mayor Mark Cottle, Council President Keith Mays, and Councilors Sterling Fox, Angela Weeks, Dave Heironimus, and Dennis Durrell. Absent from Council: Thomas Claus. Finance Committee members present\*: Chair Mitch Wash, Vice Chair Steve Munsterman, committee members Justin Denton, Mike Schoen, Paul Stecher, and Dave Luman. Present for staff: City Mgr Ross Schultz, City Recorder Chris Wiley, Public Works & Eng. Depts. Dir. Terry Keyes, Human Resources Analyst Amanda Klock, Finance Director Chris Robuck, Police Chief Bill Middleton, Library Director Ann Roseberry, Senior Project Manager Bill Carley, Senior Project Manager Gene Thomas and Public Works Operations Manager Craig Sheldon.

\*When the Council, composed of elected representatives, and the Finance Committee, composed of appointed representatives, sit together, they form the Budget Committee.



3. Finance Director Chris Robuck passed two handouts to the committee members shown as **Attachment 1**, titled Contingency and **Attachment 2**, titled Non-Property Tax Revenue Sources. All the slides Public Works Director and City Engineer Terry Keyes showed during his budget presentation for Public Works - Engineering are shown as **Attachment 3**.

4. Summary of opening remarks from Mr. Keyes:  
Next FY will drop from 90% private development for infrastructure to about 20%.  
The City doesn't presently charge for pre-apps or as-builts. My personal goal is to do some really good projects that could be recognized for awards - not expensive but top quality.

Proposing 1.5 more staff positions for next year's Budget - a Capital Projects Manager and a half-time Draftsman. Adding a draftsman will save money because we presently pay an outside agency to do that for us.

5. Mr. Keyes: One position we're hiring out is a landscape architect. We would like to move one of our current managers to the Capital Projects Manager position (refer to Attachment 3, proposed Engineering Division organizational chart), and place a landscape architect in that opening. This would also cost less than what we presently do - hiring out for a landscape architect. The draftsman would work putting our infrastructure on GIS. Senior Planner Keith Jones could oversee the draftsman's GIS inputting.

6. The Mayor asked, "Would these be ongoing positions." Mr. Keyes answered, "Yes."  
Mr. Schultz said URA funds would pick up some of this cost. Mr. Keyes confirmed to the Mayor that this is truly a "zero sum" cost to pick up these 1.5 positions. Even paying staff benefit costs it's still cheaper than outsourcing the work, conceivably as much as 50%.

In answer to Mr. Luman's question, the City could charge



developers for City infrastructure maps once a draftsman had them up to date.

7. Mr. Keyes continued, "We could add another project manager and do more projects but I'm not going to propose that. Capital projects for next FY are \$14M. Approximately 15% of the capital projects budget is used for outsourcing. The City won't save all of that but we will save a large amount of it by filling the 1.5 positions I propose."

8. Mayor Cottle said he realized all the proposed sports fields development projects are a "wish list" and he would like to have that list put before Council so Council can make realistic cuts to it.

9. *Transcriber's Note: There had been some discussion at an earlier meeting when two of the Parks Advisory Board members addressed Council that they didn't see any reason to put in more parks if there was no money to maintain them once they were completed.* Partly to address that comment, there was clarification that parks development is paid for with SDC funds. Parks maintenance can't be paid with SDC funds therefore there's no conflict that the taxpayer money is being misdirected for new parks while existing parks need more funds for maintenance.

10. Mr. Schultz explained to the Budget Committee how the Snyder Park property purchase was done. The property was purchased with water fund money. There was already a City reservoir next to that site and it's the highest point in Sherwood therefore it's an ideal site for more reservoirs. The City will probably build two more reservoirs on that site which will only use one-third of twenty the acres that were purchased. The remainder of the land can be purchased for parks use by repaying the water fund with parks SDC funds.

11. Mr. Denton asked when priority lists for new parks are put together, are the maintenance costs for the parks once they're



built being considered? Mr. Keyes said yes, the Parks Advisory Board is very cognizant of the costs of parks maintenance and considers that when prioritizing the parks development list.

12. In response to a question from Chair Wash, under minor equipment purchases, there is \$16,500 allocated for computer software. Of that \$6,000 will purchase Autocad for three P.C.s.

13. Mr. Keyes recommended that the City manage water projects instead of Tualatin Valley Water District (TVWD). Kruger Reservoir, under the management of TVWD, isn't finished. The reservoir hasn't been painted. The landscaping isn't done. The road needs to be repaved from Elwert Road to the tank. Washington County told TVWD in their initial permit that the reservoir road would need to be repaved and TVWD never told the City. This committed the City to another \$200,000 expense for this project that the City didn't know about. TVWD is also spending too much money doing the Oregon Street project. Bill Carley can handle the water and the sanitary relocations on that project. Mayor Cottle asked Mr. Keyes if he was looking for a recommendation from the Budget Committee to the Council to move management of the water projects back to Engineering and Mr. Keyes said yes. Mayor Cottle directed staff to put the item on the Council agenda. Mayor Cottle said TVWD can continue doing the operations but he wants to see the City take back capital projects.

14. Mr. Keyes also pointed out that the City wasn't being kept in the loop on what Murray Smith & Associates are doing on the Acquirer Storage Recovery study. Murray Smith is talking to TVWD but the City is out of the loop on that project as well.

15. The regular Budget Meeting recessed at 7:42 p.m. for the URA Budget Meeting.



## **URA Budget Meeting Minutes**

1. The URA Budget meeting began at 7:42 p.m.
2. Roll Call: The same members who sit on the City Budget Committee sit on the URA Budget Committee.
3. Mr. Schultz reminded the committee that the URA budget is still in the early planning stages. The Sherwood Urban Renewal Policy Advisory Committee (SURPAC), meets again tomorrow night. In June, SURPAC would like to come to Council with some recommendations on where to spend the money. Council has given us the instruction to get the library plan done first so that's our priority.
4. (There is a page for Urban Renewal in Mr. Keyes' budget presentation at Attachment 3).
5. The URA Budget Meeting recessed at 7:52 p.m.

### **The regular Budget Meeting resumed 7:52 p.m.**

16. Mr. Keyes resumed his presentation for Public Works - Engineering. He said the department is spending twice as much in development review as it's taking in. Mr. Keyes recommended that part of the Budget Committee proposal to Council when this year's budget is adopted is that development review pays for itself.
17. Mr. Keyes summarized his budget proposal; the request for one and a half new positions and having the City manage water capital projects instead of TVWD. He also touched on promotions and salaries within his department saying he had a great team. The City wouldn't want to lose Engineering staff to other Cities that would pay more. Mr. Keyes also pointed out the City has a lot of TIF (Traffic Impact Fee) money that can only be used for road improvements - need to get the TSP (Transportation System Plan) finished.



18. Council President Mays asked when the cost for the Sunset railroad crossing will be in the Budget. Mr. Keyes responded that the City is working with the railroad but it is a slow process. Staff is hoping to put out an RFP (Request for Proposal) on Sunset once the Meinecke Road intersection gets started and Bill Carley's time isn't completely taken up with that.

19. The Budget Meeting was recessed until May 1 at 6:30 p.m.

G.L. "Chris" Wiley  
City Recorder  
20 NW Washington St  
Sherwood OR 97140  
Ofc 503-625-4246, Fax 503-625-4254  
E-mail: [wileyc@sherwood.or.us](mailto:wileyc@sherwood.or.us)



## CONTINGENCY

	General Fund		Sanitary Fund		Storm Fund		Steet Fund	
	Increase (decrease)	Balance	Increase (decrease)	Balance	Increase (decrease)	Balance	Increase (decrease)	Balance
<b>TARGET CONTINGENCY</b>								
Revenue		4,979,769						
Target contingency at 10% of revenue		497,977						
<b>CONTINGENCY BALANCE</b>								
<b>Proposed budget, 4-5-02</b>		<b>69,349</b>		<b>1,671,673</b>		<b>435,029</b>		<b>6,200,173</b>
<b>Changes planned</b>								
Corrections:								
Correct revenue for prior year's property taxes	(52,688)							
Add taxes and benefits for Library Director	(16,125)							
Add payments to Clean Water Services			(1,195,786)		(113,250)			
Revise interest earnings, given CWS expenditures			(7,174)					
Changes in estimates, given new information:								
Revise State highway apportionment estimate							9,000	
Revise property taxes for new estimated assessed value	(22,444)							
Changes in operations:								
Add back minimal maintenance costs for old school	(1,500)							
Roof patches for Hite house	(1,000)							
Add back minimal maintenance costs for new police station	(1,800)							
Employee benefits - health, life, LTD & education	65,000							
Robin Hood Theater - remove operations	44,799							
Police - delay hiring new office until mid-year	27,465							
Public works operations - cut 3 of the 5 new utility workers	128,186							
Changes in allocations & reimbursements, given above:	xx						xx	
<b>Current balance</b>	169,893	<b>239,242</b>	(1,202,960)	<b>468,713</b>	(113,250)	<b>321,779</b>	9,000	<b>6,209,173</b>



Revenue Options

Prepared in 2001 by the City of Eugene

**Non-Property Tax Revenue Sources  
Overview of Individual Sources**

<b>Corporate Income Tax</b>	
Description of Funding Source	A corporate income tax could be applied to the income of corporations doing business in Eugene. Alternatively, a surcharge could be applied to the state corporate income taxes owed by corporations doing business in Eugene.
Potential Annual Yield	A 1% tax on the income of corporations doing business in Eugene would generate approximately \$2.7 million in FY03. A 10% State corporate income tax surcharge would generate approximately \$1.8 million in FY03.
Precedents	The Multnomah County Business Income Tax requires that all businesses or persons earning business income within the County pay 1.45% of net income after allowable deductions and apportionment. The Tax generated approximately \$34.5 million for the Multnomah County General Fund in FY00.
Revenue Stability	Tax revenues would fluctuate with general economic conditions.
Incidence/Equity	<p>A corporate income tax would only apply to incorporated business earning income from activities within the City limits. If it were deemed necessary to treat incorporated businesses similarly to other businesses, a corporate tax may be accompanied by a business tax on non-corporate businesses. Alternatively, a personal income tax could be enacted to maintain equity between individuals and corporations.</p> <p>Some portion of the tax could reasonably be expected to be passed on to customers.</p>
Economic Impacts	Depending on the rate, this tax could affect corporate business location decisions.
Feasibility	<p>Industry opposition likely; could be considered anti-business or anti-growth.</p> <p>Vigorously opposed by the Chamber of Commerce in the Report on Alternative Revenue Sources for The City of Eugene, City Club Study Group, 1994.</p>

Primary Sources: September 2001, Revenue Estimates Update, Chastain Consulting; Multnomah County web site; staff reports.



**Non-Property Tax Revenue Sources  
Overview of Individual Sources**

<b>Personal Income Tax</b>	
Description of Funding Source	A tax on income of residents of Eugene and nonresidents earning income in Eugene.
Potential Annual Yield	Assuming that approximately 68% of Lane County income is earned within Eugene or by Eugene residents, a 1 percent tax on Adjusted Gross Income would generate \$43 million. Alternatively, a Eugene income tax could be levied as a percentage of the taxpayer's state income tax liability. A Eugene surcharge of 10 percent would raise about \$27 million for fiscal year 2002-03.
Precedents	<p>Although there are no personal income tax precedents in Oregon, local governments do levy personal income taxes in other states.</p> <p>A personal income tax on incomes above \$100,000 to fund public safety services was considered and rejected by City Council in July of 1996.</p> <p>In the Fall of 1997, City Council formed the Council Committee on Finance to review multiple revenue sources that would stabilize the General Fund after the impact of Measure 50. The committee reviewed multiple revenue sources and ultimately recommended that Council direct staff to develop an implementation plan for a business and personal income tax. Although Council took no action on the recommendation, this effort contributed to the allocation of Urban Renewal funds to the new library and the successful passage of the Parks and Open Spaces Bond Measure.</p> <p>In November of 1999, Lane County proposed an 8% income tax surcharge to support public safety needs. In Lane County, the measure failed, 74% no 26% yes; in Eugene, it failed 68% no 32% yes.</p>
Revenue Stability	Tax revenues would fluctuate with changes in personal income. Mirrors economic conditions.
Incidence/Equity	<p>All Eugene residents earning income regardless of employer or source location and possibly non-residents earning income in Eugene.</p> <p>Generally designed to be progressive, but structure can increase or decrease progressivity. Would mirror the progressivity of Oregon State Income Taxes if established as a surcharge to state income tax liability.</p>

Economic Impacts	Might affect household and business location decisions if imposed only on City residents.
Feasibility	The Personal Income Tax and the Gross Receipts Tax were the two highest rated (i.e. preferred) taxes identified by the City Club of Eugene Study Group on Alternative Revenue Sources for the City of Eugene in 1994.

Primary Source: September 2001, Revenue Estimates Update, Chastain Consulting



**Non-Property Tax Revenue Sources**  
**Overview of Individual Sources**

<b>Payroll Tax</b>	
Description of Funding Source	A tax on wages and salaries earned within the City. When collected via a payroll deduction commonly called a payroll tax; when collected from employer, based on total payroll, often called a head tax.
Potential Annual Yield	Based on Eugene share of Lane County payrolls subject to unemployment insurance, a 1% tax in Eugene would raise an estimated \$29.6 million in 2002 if applied to all payrolls. It is not certain that a City payroll tax could be applied to all payrolls within the City, such as federal and state agencies. Additional legal research will be needed on this issue. Exclusions will reduce estimated yield.
Precedents	The State of Oregon collects a .6% tax on gross payroll within the Lane Transit District in Eugene/Springfield and the Tri-County Metropolitan Transit District in the Portland area for partial funding of those districts.
Revenue Stability	Revenues vary with level of employment and wages. Mirrors economic conditions.
Incidence/Equity	Even when established at a flat rate (proportional), this tax is often regressive because it ignores non-wage income such as self-employment earnings, investment income, rents and dividends.
Economic Impacts	<p>Employee-paid tax is deductible by workers on state and federal income taxes. Employer-paid tax is deductible by businesses on state and federal income taxes.</p> <p>Employer paid option may create a disincentive for job creation. Could affect household location decisions.</p>
Feasibility	<p>Opposition from business and/or labor groups likely.</p> <p>When withheld from the wages of only non-city residents, sometimes called a work privilege tax; considered and rejected by City Council in Summer 1994.</p> <p>Identified as one of three least favored taxation choices in Eugene Decisions surveys.</p>

Primary Sources: September 2001, Revenue Estimates Update, Chastain Consulting

**Non-Property Tax Revenue Sources  
Overview of Individual Sources**

<b>Gross Receipts Tax</b>	
Description of Funding Source	The City of Eugene could impose a gross receipts tax similar to Washington's Business and Occupation (B&O) tax. The Washington tax is considered an excise tax on the privilege of engaging in business and is measured by gross income, gross proceeds of sales, or the value of products resulting from activities conducted within the state.
Potential Annual Yield	A City gross receipts tax of .1% would have raised an estimated \$10.5 million in calendar year 2001. This estimate is based on taxing all businesses and therefore may need to be reduced for any exempted businesses.
Precedents	In addition to the State's B&O Tax, many Washington cities also tax businesses on their gross income. No precedents in Oregon.
Revenue Stability	Tax revenues would fluctuate with general economic conditions.
Incidence/Equity	B&O taxes are considered a cost of doing business and are incorporated in the cost of goods and services.
Economic Impacts	Depending on rate, could affect production and business location decisions.
Feasibility	The Personal Income Tax and the Gross Receipts Tax were the two highest rated (i.e. preferred) taxes identified by the City Club of Eugene Study Group on Alternative Revenue Sources for the City of Eugene in 1994.

Primary Sources: September 2001, Revenue Estimates Update, Chastain Consulting



**Non-Property Tax Revenue Sources**  
**Overview of Individual Sources**

<b>General Sales Tax</b>	
Description of Funding Source	A tax levied on a broad range of goods and services at the point of sale.
Potential Annual Yield	Based on estimates developed in 1996 and assuming 6% average growth, a 1% general sales tax would generate approximately \$19.5 million in 2001.
Precedents	There are no general sales taxes in Oregon although sales taxes are common at all levels of state and local government in other states.
Revenue Stability	Revenues depend on mix of goods and services taxed, levels of personal income and to a lesser extent, tourism. Mirrors general economic conditions.
Incidence/Equity	<p>Paid by customers who purchase taxed goods and services in the City of Eugene.</p> <p>Although technically proportional (all payers pay the same rate), in effect this tax is somewhat regressive; lower income families pay a greater percentage of their income in taxes than higher income families do under this tax. Efforts to correct for this regressivity include not taxing necessities such as housing, food, medical care and utilities.</p>
Economic Impacts	Risk of loss of business income to neighboring jurisdictions with no tax.
Feasibility	Eugene Decisions showed about 25% support for this type of tax.

Primary Source: March 1996, Revenue Estimates Update, Chastain Consulting

**City of Eugene Analysis - 9/01**  
**Non-Property Tax Revenue Sources**

**Non-Property Tax Revenue Sources**  
**Overview of Individual Sources**

<b>Amusement/Admissions Tax</b>	
Description of Funding Source	An amusement/admissions tax is an excise tax which can be applied to the price of admission to spectator events, performances, sporting activities or other forms of amusement, including video or DVD rental charges.
Potential Annual Yield	A 1% tax on movie and Hult Center tickets, video and DVD rental charges, and golf and bowling fees is estimated to yield \$166,000 in 2002.
Precedents	<p>The Cultural Services Division imposes a \$2 per ticket Patron User Fee by City Ordinance, used to offset expenditures for operations (\$1.50) and equipment repair and replacement (\$.50) at the Hult Center and the Cuthbert Amphitheater.</p> <p>Admission taxes are levied by cities in 19 states and by counties in 5 states. In the state of Washington, several cities levy an admission tax.</p>
Revenue Stability	Tax revenues would fluctuate with general economic conditions and changes in discretionary spending.
Incidence/Equity	<p>Exemptions from the tax vary by jurisdiction but typically include performances sponsored by elementary and secondary schools and admission charged to museums and botanical gardens.</p> <p>Tax on admission tickets sold by other public agencies could be collected via an intergovernmental agreement. Initial discussions with the University of Oregon have not indicated support for this type of agreement.</p> <p>Taxes discretionary spending and, is therefore, less regressive than other excise taxes.</p>
Economic Impacts	Potential loss of business to those providing similar services outside City limits.
Feasibility	Recent discussions regarding revenues generated by an amusement/ admissions tax have been associated with the effort to replace the Youth Local Option Levy funding, possibly increasing the feasibility of this option.

Primary Source: Admission/Entertainment/Amusement Tax Report; Chastain Economic Consulting, 2001



**Non-Property Tax Revenue Sources  
Overview of Individual Sources**

<b>Restaurant Tax</b>	
Description of Funding Source	Tax on sales of food and non-alcoholic beverages by restaurants in Eugene, paid either by the customer based on their bill or by the restaurant based on gross receipts.
Potential Annual Yield	Based on estimates developed for the 1993 proposed restaurant tax and assuming 6% average growth, a restaurant tax would generate approximately \$2.3 million in 2001.
Precedents	<p>In Ashland, a 5% tax is collected on all prepared food. One percent of the revenue is used to purchase open space for parks and four percent is used to offset the costs associated with a new wastewater treatment plant.</p> <p>In March 1993, the City proposed a restaurant tax to be used as a general revenue source; failed at public vote 60% no, 40% yes.</p>
Revenue Stability	Revenues would fluctuate with changes in personal income and spending decisions.
Incidence/Equity	<p>Designed to be a single, proportional rate. In the political campaign of 1992-93, it was argued that this tax is regressive because low income households spend a high proportion of their income on 'fast food.' However, according to the Economic Research Service/USDA, "The wealthiest households tend to spend a greater share of their food budget on eating away from home than the least wealthy households: 47% versus 36% in 1998."</p> <p>A relatively larger proportion of this tax would be paid by visitors, similar to the transient room tax.</p>
Economic Impacts	Potential loss of business to those organizations providing similar services outside City limits.
Feasibility	Likely opposition by local restaurants.

Primary Sources: Economic Research Service/USDA, Household Food Spending by Selected Demographics in the 1990's / AIB-773; Overview of Revenue and Revenue Forecast, Chastain Economic Consulting, 1992

**Non-Property Tax Revenue Sources**  
**Overview of Individual Sources**

<b>Utility Consumption Tax</b>	
Description of Funding Source	Tax on utility services used by residents of the City; levied on amount of consumption or flat fee per account.
Potential Annual Yield	Based on estimates developed for the 1996 proposed utility tax to fund affordable housing, \$1 million would have been generated by implementing a 1% tax. More current estimates will need to be developed based on current use and type of utility taxed.
Precedents	<p>The City of Ashland imposes a Electric Utility Tax which generates revenue to fund general City services, offsetting property taxes.</p> <p>In March 1996, the City of Eugene proposed a 1% utility tax to fund low income housing which failed at public vote; 61% no to 39% yes.</p>
Revenue Stability	Revenues from commercial users will fluctuate with economic climate. Revenues from residential users may be more stable.
Incidence/Equity	<p>All utility customers pay either a flat fee or a percent of consumption. Could be imposed on a utility company based on gross receipts, but would be presumed to be passed on to customers.</p> <p>In practice this tax is regressive as utility consumption does not increase proportionally with income.</p>
Economic Impacts	Charged as a percent of consumption affects large utility users the most.
Feasibility	Recent increases in some utility costs may impact the feasibility of this tax.

Primary Source: City of Ashland web site.

Cornelius has a water utility user fee of .0019 per gallon. Average residential fee is \$15-19 per month. Proceeds go to General Fund, unrestricted.

Wilsonville, Tualatin and others have street light and/or street utility fees. Proceeds are generally dedicated to street lights, maintenance, and repair.



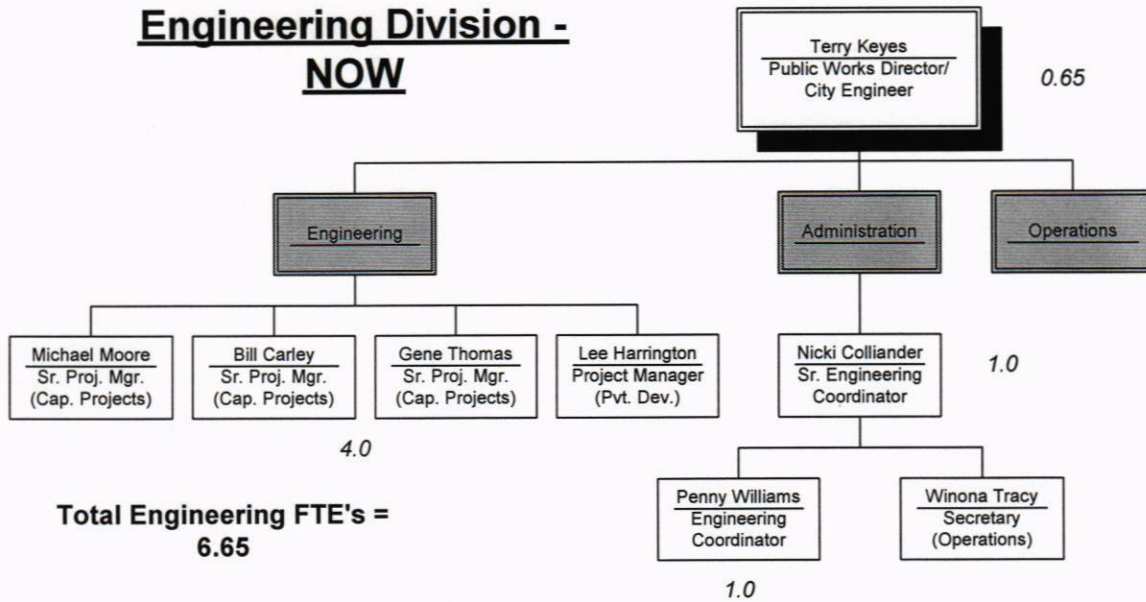
<b>Close Up: Real Estate Transfer Tax</b>	
<b>Description of Tax</b>	Tax imposed when real property changes ownership; a fixed small percentage of the value of the property. <sup>(5)</sup>
<b>Potential Annual Yield</b>	Estimated a 1% fee on residential transactions above \$40,000 and all non-residential transactions would yield \$2.78 million in 1997. <sup>(7)</sup> (1993 estimate trended forward 5% year).
<b>Administration</b>	Minimal administration costs if collected by title companies or by county with other fees at time of recording <sup>(5)</sup>
<b>Revenue Stability</b>	Tax revenues will vary with changes in real estate values; provides growth, mirrors property market activity. <sup>(5)</sup>
<b>Incidence (who pays?)</b>	Purchasers (or sellers, by agreement) of real estate. Lower value residential transactions are often exempted.  Taxes resident and non-resident owner transactions. <sup>(5)</sup>
<b>Precedents</b>	Washington County uses this tax at the rate of 0.1% (\$1 per thousand). Transactions of less than \$14,000 are exempt. <sup>(5)</sup>  Washington (State) levies this tax at the state and local level, and rates range from 1.28% to 2.28% (memo from City Attorney to City Council, November, 1993); Also levied in California. <sup>(5)</sup>
<b>Economic Effects</b>	Could affect housing location decisions.
<b>Equity</b>	A fair, proportional tax imposed only on property transfers. <sup>(5)</sup>  Often a deductible business transaction cost or home purchase cost on state and federal income taxes. <sup>(5)</sup>
<b>Political Feasibility</b>	Imposes an additional (although small) cost to real estate transactions. <sup>(5)</sup>  Has been preempted by state legislature action in the past.  Lane County measure was vigorously opposed by real estate agent organizations.  Lane County measure failed in 1994.

Close Up: New Construction Fee (Construction Excise Tax)	
<b>Description of Tax</b>	A flat fee or percentage charge on new construction. <sup>(11)</sup>
<b>Potential Annual Yield</b>	Estimated \$415,000 at 10% surcharge to building permit fees for 1997. <sup>(11)</sup>
<b>Administration</b>	Minimal additional costs are anticipated, if collected with other building permit fees.
<b>Revenue Stability</b>	Revenues fluctuate with housing starts and, to a much lesser extent, remodeling.
<b>Incidence (who pays?)</b>	Homeowners, but primarily builders and developers, who would pass on all or part of expense to home purchasers.
<b>Precedents</b>	In 1994, <u>Portland's Metro Service District adopted a construction excise tax on new construction (with exemptions), dedicated to funding planning functions.</u> Rate is 12¢/square foot. <sup>(11)</sup>
<b>Economic Effects</b>	Would raise cost of new homes in Eugene as compared to other areas.
<b>Equity</b>	If earmarked for planning purposes or similar uses, close relationship between benefit and beneficiary. <sup>(11)</sup>  Metro (Portland) exempts governments and organizations building housing for low-income families. Single family houses that sell for less than \$100,000 are eligible for a rebate of up to \$125. <sup>(11)</sup>
<b>Political Feasibility</b>	Organization of builders and real estate agents have expressed opposition to this tax.

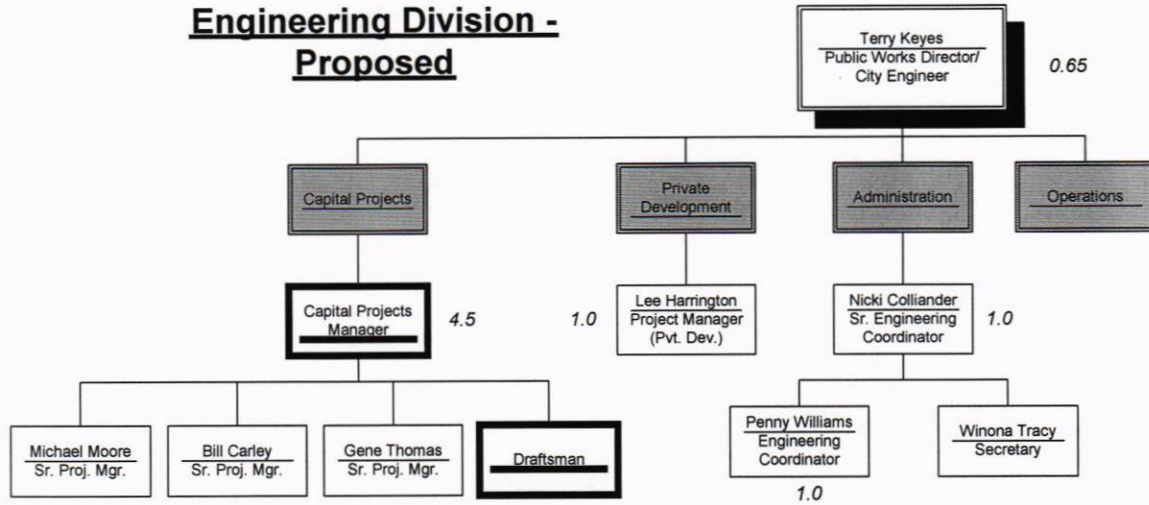
Close Up: Interest on Rental Escrows	
<b>Description of Tax</b>	Residential rental property escrows are pooled and reinvested at a higher-than-savings-account rate. The incremental income is used to fund projects. <sup>(12)</sup>
<b>Potential Annual Yield</b>	Estimated \$250-350,000 in 1997 (1994 figures trended at 5%/year). <sup>(12)</sup>
<b>Administration</b>	Costs are small, but perhaps prohibitive considering the small potential revenue.
<b>Revenue Stability</b>	Revenues would fluctuate with number of rental units in the City.
<b>Incidence (who pays?)</b>	Technically, no one. Nobody foregoes any legally allowable income or pays any amount to the governing body under this tax.
<b>Precedents</b>	Some of this revenue is already captured at the state level for other programs. No other information is available. <sup>(12)</sup>
<b>Economic Effects</b>	None identified.
<b>Equity</b>	No issues identified.



**Engineering Division -**  
**NOW**



## Engineering Division - Proposed



Total Engineering FTE's =  
8.15



**PW 02-03 Budget**Workbook: **Parks CIP**, Sheet: **Passive**Date Printed: 4/25/02  
Page 1**Parks**

Site	Project	Cost	02-03	03-04	04-05	05-06	06-07
<b>Passive Parks</b>							
Stella Olson Park	Master Plan	50		50			
Stella Olson Park	Reconstruction	95			95		
Snyder Park	West half	400	200	200			
Woodhaven Park	Landscaping @ Playgrd	50	50				
Atley Estates Park	Upgrade	56				56	
Murdock Park	Master Plan	20					20
Murdock Park	Reconstruct Play Structure	45	45				
North Side Regional Park	Land	400				50	
North Side Regional Park	Master Plan	100					100
Oregon Trail Park	Site Plan	5					5
Scholls-Sherwood Park	Master Plan	15					15
Old PW Facility	Convert to park	200			200		
North Side Regional Park	Improvements	500					
Woodhaven Park	Park Fill	50					
Woodhaven Park	East Half	500					
Langer Park	Upgrade	75					
Oregon Trail Park	Improvements	65					
Scholls-Sherwood Park	Improvements	85					

**Parks**

Site	Project	Cost	02-03	03-04	04-05	05-06	06-07
<b>Sports Fields</b>							
Hopkins Baseball Complex	Rebuild fields	250	250				
Snyder Park	Upper Field	600	100	500			
HS Softball Complex	Soccer practice field	50			50		
Land for future fields		500					
Field Bleachers		25					
Hopkins Baseball Complex	Lights	100					
Snyder Park	Lights	100					
Middleton Fields	Lights	100					
HS Softball Complex	Batting Structure	200					
HS Softball Complex	Lights	100					
Elks site	Baseball Field	1,000					
HS Football Field	Artificial turb	750					
Skateboard Park		250					
YMCA	Competition Pool	1,000					



**PW 02-03 Budget**Workbook: **Parks CIP**, Sheet: **Trails**

Date Printed: 4/25/02

Page 1

**Parks**

Site	Project	Cost	02-03	03-04	04-05	05-06	06-07
<b>Trails</b>							
Cedar Ck Trail	Stella Olson to 99W	580	100	480			
Cedar Ck Trail	Vineyards to Edy	325			100	225	
Heatherwood Trail	Pinehurst to Sunset	130				130	
Cedar Ck Trail	UGB to Refuge (Planning onl	50				50	
Cedar Ck Trail	Edy to UGB	300					300
Cedar Ck Trail	Sunset to RR						
Cedar Ck Trail	99W to Millers Landing	300					
Gregory Park Trail	Resurfacing	100					
Rock Creek Trail	Murdock to Oregon St.						
Rock Creek Trail	Oregon St. to Tualatin-Sherwood Rd						
Rock Creek Trail	Tualatin-Sherwood Rd. to 99W						
Rock Creek Trail	99W to Refuge						
Refuge Trail	Rock Creek Trail to Cedar Creek Trail						

**Parks**

Site	Project	Cost	02-03	03-04	04-05	05-06	06-07
<b>Systemwide</b>							
	Develop standard signage	75			25	50	
	Parks Fee Study						
	Update Parks Master Plan	25			25		

**Summary**

Carryover from Previous Year		784	674	79	219	293
Annual Income to Parks CIP Funds		635	635	635	635	635
Total Costs (per year)	Parks SDC	650	1,230	495	561	440
Total Costs (per year)	Sports Bond \$	95				
Number of Projects		6	4	6	6	5
Excess or Deficit at end of FY		674	79	219	293	488



**PW 02-03 Budget**Workbook: **Roads CIP**, Sheet: **Roads**

Date Printed: 4/25/02

Page 1

**Roads**

Project	Description	Cost	02-03	03-04	04-05	05-06	06-07
<b>Summary</b>							
Total Costs (TIF eligible)			1,050	125	175	250	-
Total Costs (Access Bonding \$)			3,000	-	-	-	-
Total Costs (non-TIF)			60	60	-	-	-
Number of Projects			8	4	1	1	-
<b>Systemwide</b>							
TSP		200	200				
Road Fee Study		20	20				
ROW Permit System Revision		10		10			
<b>Road Projects</b>							
Oregon Street (T-S to Murdock)	Construction	20	20				
Oregon Street (T-S to Murdock)	Roundabout Design & Const	70	20	50			
Meinecke/99W	Construction (ODOT \$)	3,000	3,000				
Meinecke/99W	Construction (city \$)	250	200	50			
Sunset RR Crossing	Design & Const.	250		75	175		
Villa Road	Design & Const.	150	150				
Oregon St @ Adams & RR	Land Purchase	500	500				
S. Sherwood RR Crossing	Design & Const.	250				250	
Projects Identified in new TSP				x	x	x	x

Urban Renewal

Project	Description	Cost after 7/1/02	02-03	03-04	04-05	05-06	06-07	After 7/1/07
Total Costs			2,825	7,375	600	600	1,200	300
Number of Projects			4	8	4	4	4	1
Library-City Hall-Perf. Arts-Commercial		8,200	2,000	6,000	200			
Garrigus Parking Lot		1,000	725	275				
Robin Hood Theater Demo		100		100				
RR Parking Lot Improvements		200			200			
Dtn. Street Improvements	Washington (RR to 1st)	200	50	150				
Dtn. Street Improvements	Pine St. RR Crossing	250	50	200				
Dtn. Street Improvements	RR Street (S. Sherwood to Pi	400			100	300		
Dtn. Street Improvements	Oregon St. (Pine to Ash)	600				100	500	
Dtn. Street Improvements	1st Street (Pine to Main)	400					100	300
Dtn. Street Improvements	Main (RR to 1st)	200				100	100	
Dtn. Street Improvements	Pine St. (3rd to RR)	600				100	500	
Dtn. Street Improvements	Columbia St (Cannery Site)	200		200				
Dtn. Street Improvements	Pine St. (Cannery Site)	250		250				
Railroad	New siding	300		200	100			

20



**Summary**

Project	Description	Proj#	Cost after 7/1/02	02-03	03-04	04-05	05-06	06-07
---------	-------------	-------	-------------------------	-------	-------	-------	-------	-------

**Number of Projects**

Parks	-	-	-	-	-	-	-	-
Roads	8	4	1	1	-	-	-	-
Water	6	7	6	6	3	-	-	-
Sanitary	2	3	2	2	2	-	-	-
Storm	2	1	-	-	-	-	-	-
URA	4	8	4	4	4	-	-	-
General	3	2	1	1	-	-	-	-
<b>Total</b>	<b>25</b>	<b>25</b>	<b>14</b>	<b>14</b>	<b>9</b>	-	-	-

**Costs of Projects**

Parks	Parks SDC	-	-	-	-	-	-	-
	Sports Bond	-	-	-	-	-	-	-
Roads	TIF	1,050	125	175	250	-	-	-
	Access Bonding \$	3,000	-	-	-	-	-	-
	Non-TIF	60	60	-	-	-	-	-
Water		989	810	440	940	990	-	-
Sanitary		177	301	-	-	-	-	-
Storm		275	150	-	-	-	-	-
URA		2,825	7,375	600	600	1,200	-	-
General		5,300	1,250	2,000	7,750	-	-	-
<b>Total</b>		<b>13,676</b>	<b>10,071</b>	<b>3,215</b>	<b>9,540</b>	<b>2,190</b>	-	-

**PW 02-03 Budget**

Workbook: URA-Gen-Sum CIP, Sheet: General

Date Printed: 4/25/02

Page 1

**General Purpose Projects**

Project	Description	Cost after 7/1/02	02-03	03-04	04-05	05-06	06-07	After 7/1/07
Total Costs			5,300	1,250	2,000	7,750	-	-
Number of Projects			3	2	1	1	-	-
Police Facility			3,200					
YMCA Gym Exp/Teen Center			1,100					
New Public Works Facility			2,000	1,000				
Golf Course			10,000	250	2,000	7,750		



Water

Project	Description	Cost after 7/1/02	02-03	03-04	04-05	05-06	06-07	After 7/1/07
Total Costs			988	811	440	940	990	5,085
Number of Projects			6	7	6	6	3	3
Kruger Reservoir		288	288					
Oregon St. Water Main Relocation		155	155					
Snyder Park 12" Water Line		184	184					
ASR	Phase 2	677	137	541				
Rebuild wellhouse #4		150		150				
Meinecke Water Main Changes		200	200					
ASR	Phase 3	1,900			100	200	200	1,400
Snyder Park to Lincoln 24"		75				75		
Galbreath to Cipole Loop		270				270		
Murdock 24"		790				100	690	
Snyder Park Res. #2		3,000						3,000
Replace undersized watermain		885				100	100	685
Snyder Park Booster Station upgrades		140			140			
Gleneagles 6" main upgrades to 8"		195				195		
Research additional water rights		100			100			
Wells 3, 4, 5 electrical upgrades		75	25	25	25			
Snyder Res. Repairs	Roof, tank coating	75		30	45			
PRV Station Upgrade		60		30	30			
Cipole Intertie - Standby Provisions		30		30				
Sample Station Additions		5		5				

**Sanitary**

Project	Description	Cost after 7/1/02	02-03	03-04	04-05	05-06	06-07	After 7/1/07
Total Costs			177	-	-	-	-	-
Number of Projects			2	-	-	-	-	-
Sanitary Sewer Master Plan Update			150	150				
Oregon St. Sewer Relocation			27	27				
Projects Identified in new Sanitary Sewer MP Update				x	x	x	x	x



**Storm**

Project	Description	Cost after 7/1/02	02-03	03-04	04-05	05-06	06-07	After 7/1/07
Total Costs			275	150	-	-	-	-
Number of Projects			2	1	-	-	-	-
Stormwater Master Plan Update		200	200					
Villa Road Storm System Reconstruction		75	75					
Abney-Revard Sewer Overflow		150		150				
Projects Identified in new Stormwater MP Update				X	X	X	X	X



# Downtown Street Designations

## Legend

- Boulevard
- Avenues
- Pedestrian Streets
- - - Ped / Bikeway
- Dtn. Residential St.
- Residential Collector
- Raised Intersections
- Bulb-out Intersect'ns

By: Terry Keyes  
4-12-02 (Ver. Cx)

DRAFT

