



**COUNCIL RESOLUTION NO. 5272**

**A RESOLUTION CALLING A CITY ELECTION ON NOVEMBER 5, 2019, FOR THE PURPOSE OF REFERRING TO THE LEGAL ELECTORS OF THE CITY OF EUGENE A CHARTER AMENDMENT THAT CAPS THE RATE AND LIMITS THE USE OF THE CITY'S PAYROLL TAX.**

**PASSED: 6:2**

**REJECTED:**

**OPPOSED: Yeh, Zelenka**

**ABSENT:**

**CONSIDERED: June 10, 2019**



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#### **The City Council of the City of Eugene finds as follows:**

**A.** Being safe, and feeling safe, is important to everyone. The City, through its community safety services, strives to make Eugene a safe and welcoming place for everyone to live, work, and do business.

**B.** The City's community safety services include the Eugene Police Department, the Eugene-Springfield Fire & EMS Department, Eugene Municipal Court, and multi-departmental efforts aimed at addressing and preventing homelessness. These City services provide the foundation needed to have accessible parks and natural resources, a prosperous economy, thriving arts and culture, and healthy, safe neighborhoods.

**C.** During the recession the City eliminated over 20% (\$30 million) of the general fund operating budget, primarily through efficiencies, reorganizations and trimming of some services. Recognizing the importance of providing safety services, during the recession and continuing today, the public safety budget has remained steady, at around 60% of the City's total general fund budget.

**D.** To better serve our community's expanding and changing public safety needs, the City has worked over the last five years to optimize available resources and become even more efficient in its provision of services. Programs such as the Community Outreach Response Team, Mental Health Court, and Community Court provide alternative paths out of the traditional public safety system, helping reduce overall demands on the system. Eugene-Springfield Fire implemented Basic Life Support response for non-life-threatening calls to the Fire Department and added an Advanced Life Support ambulance unit which has improved patient outcomes for some of the most critical emergency medical calls for service across both Eugene and Springfield. Increased CAHOOTS services provide mobile crisis intervention that responds to thousands of police calls for service every year providing critical behavioral health services. Using grant funding, Municipal Court was able to make improvements that reduced their case backlog by 20%. While all of these programs are positive additions to our community safety system, more needs to be done.

**E.** The community's need for safety services has continued to grow, outpacing City resources and resulting in critical gaps in the system. From 2014 to 2017, daily average calls for police services increased 21%, but staffing has remained flat. Homicide, rape, robbery, assault, sex offenses and family offenses have increased by 18% in that same time. Police response time has increased 86% from 23 minutes in 2014 to 42 minutes in 2017. Police are unable to respond to 1 in 3 non-life-threatening calls for service, an increase of 40%. Eugene Municipal Court handles 5,000 misdemeanor criminal cases (like theft, disorderly conduct, or driving under the influence) annually – second in the state to Multnomah County's Circuit Court. The number of unsheltered homeless adults in Eugene is significantly higher than in many other similarly-sized communities.

**F.** It is not just statistics that demonstrate the City's need for increased community safety resources; community members have said there is a need too. A survey of Eugene voters in July 2018 demonstrated that the community strongly supports addressing the City's public safety needs. A vast majority of survey respondents (84%) believe that City Officials should take steps to address issues that impact public safety. Follow-up community outreach confirmed the community's very real and growing concern for a delayed, or no, police response due to police resource levels.

**G.** Seeing the immediate, critical need for additional community safety services, in September 2018, the City Council approved spending \$8.6 million to add some limited capacity and maintain funding for several critical programs (often referred to as the "bridge funding"). When appropriating the bridge funding, the Council made clear its intent to find a long-term, sustainable funding source for the community safety system.

**H.** Without a new, permanent source of funds, the community safety services funded by the \$8.6 million bridge would have ended, and the gaps in the system would have continued to widen. Specifically, response times would have kept getting longer, an increasing number of calls would have gone unanswered, a higher percentage of violations and citations would not have made it to the courts, safety concerns in parks, along pathways and in neighborhoods would have continued to go unsolved, the little time currently available for proactive policing would have dissipated, and fewer opportunities would have been available to move homeless community members onto paths of wellness.

**I.** Recognizing that approximately \$23.6 million per year is needed to make some of the systemic changes needed to alter the current trajectory of our community safety system, on June 10, 2019, the City Council adopted an ordinance imposing a payroll tax on employers and employees. The ordinance imposes 0.0021 tax on total wages paid by employers, 0.0015 tax on the first \$100,000 of wages pay by employers with two or less employees, 0.0030 tax on total wages earned by non-minimum wage employees making a wage of \$15.00/hour or less, no tax (0.0000 tax rate) on wages earned by minimum wage employees, and 0.0044 on total wages of all other employees. The ordinance also limits use of the payroll tax revenues to (a) community safety services (i.e., police services, fire and emergency medical services, municipal court and prosecution services, and prevention and homelessness services; and (b) administration of the tax. The City is working with the Oregon Department of Revenue to implement the City's payroll tax; payment of tax will not occur until after June 30, 2020.

**J.** The ordinance adopted by Council provides that revenues from the payroll tax will pay for the following package of community safety services:

- Police services, including 40 patrol officers, 5 detectives, 4 sergeants, 10 community service officers, 9.5 staff for 911, animal welfare and traffic safety officers, and evidence control and forensic analysts.
- Fire and emergency medical services, including the creation of a 911 triage program and field triage/community response unit.
- Municipal court and prosecution services, including opening third courtroom, expanding community court and mental health court programs and adding 10 jail beds and increased jail services.
- Prevention and homelessness services, including adding emergency shelters, a day center and funding after school programs at Title 1 schools.

**K.** To fund the above-described package of services, the \$23.6 million will generally be allocated among the services as follows: 65% for police services; 10% for fire and emergency medical services; 15% for municipal court and prosecution services; and, 10% for prevention and homelessness services.

**L.** By using the \$23.6 million in payroll tax revenue to increase community safety services, the community can expect that, as the safety system ramps-up over the next one to five years, the following is will occur:

- Faster and more responsive police services.
- Increased proactive community policing by sworn officers, achieved through the use of Community Response Units and Community Service Officers (CSOs) that can provide public safety support to assist with non-emergency calls like routine crashes and retrieving stolen property.
- Crime deterrence through the establishment of a 10-person Street Crimes Unit that will proactively deter crimes and increase officer presence in neighborhoods.
- Implementation of prevention efforts aimed at keeping people and youth off the streets, such as adding homeless services that help people stabilize and improve their lives, strengthening the network of support with nonprofit and medical organizations to help reduce the number of people who chronically use the system, and growing youth programs to engage and help at-risk youth, including after-school programs, 15<sup>th</sup> Night and inclusion programs.
- More people who commit crimes will be held accountable through the addition of detectives to investigate crimes, the opening of a third courtroom to resolve cases more quickly, the addition of more prosecutors, court appointed attorneys and court staff, and the increase in the number of jail beds and probation officers.

**M.** The City Council has determined that the voters should vote on capping payroll tax rates and limiting the use of payroll tax revenues to funding community safety services. If approved by the voters, the Charter amendment would prohibit (1) any increase in the payroll tax rates above 0.0021 for employers and 0.0044 for employees, and (2) any use of payroll tax revenues for reasons other than funding community safety services or tax administration without voters first amending the Charter.

**NOW, THEREFORE, based on the above findings,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:**

**Section 1.** Pursuant to the authority of subsection (3) of Section 2.971 of the Eugene Code, 1971, a city election is called for the purpose of referring to the legal electors of the City of Eugene an amendment to the Eugene Charter that states:

Any payroll tax imposed by the City is capped at 0.0021 on total wages paid by employers and 0.0044 on wages earned by employees. Revenues from a payroll tax imposed by the City may only be used to fund community safety services and administration of the tax.

**Section 2.** The City Council orders this special election be held in the City of Eugene, Oregon on the 5<sup>th</sup> of November, 2019, in accordance with the provisions of Chapter 254 of the Oregon Revised Statutes, and the ballots shall be counted and tabulated and the results certified as provided by law.

**Section 3.** The City Recorder is directed to give not less than ten days' notice of the city election by publication of one notice in the Register Guard, a newspaper published in the City and of general circulation within the City.

**Section 4.** This Resolution shall become effective immediately upon its adoption.

**The forgoing Resolution adopted the 10<sup>th</sup> day of June, 2019.**

  
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City Recorder