

MINUTES

Eugene Budget Committee
McNutt Room—Eugene City Hall—777 Pearl Street
Eugene, Oregon

May 11, 2011
5:30 p.m.

PRESENT: Claire Syrett, Chair; Shanda Miller, Vice Chair; John Barofsky, George Brown, Mike Clark, Pat Farr, Terry McDonald, Andrea Ortiz, George Poling, Chris Pryor, Ramin Shojai, Doug Smith, Betty Taylor, Alan Zelenka, members; City Manager Jon Ruiz; Assistant City Manager/Planning and Development Director Sarah Medary; City Attorney Glenn Klein; Central Services Director Kristi Hammitt; Fire and Medical Emergency Services Chief Randy Groves; Public Works Director Kurt Corey; Library, Recreation, and Cultural Services Director Renee Grube; Police Chief Pete Kerns; Mike Magee, Library, Recreation, and Cultural Services; Lori Kievith, Linda Phelps, Eugene Police Department; Karen Burling, Mia Cariaga, Sue Cutsogeorge, Pavel Gubanikhin, Larry Hill, Twyla Miller, Central Services Department; Stephanie Jennings, Scott Luell, Mike Sullivan, Planning and Development Department; Jeff Perry, Municipal Court.

ABSENT: Mary Ann Holser, Terry McDonald, members.

I. OPENING REMARKS

Ms. Syrett called the meeting of the Eugene Budget Committee to order and reviewed the agenda.

II. PUBLIC COMMENT

Ms. Syrett opened the public comment period.

Juan Carlos Valle, President of the Board of Directors of Centro Latino-Americano, noted the singular services provided by his organization to Spanish-speaking families and individuals. He suggested the committee review the expenditures it made through the Human Services Commission (HSC) to ensure it was the appropriate funding mechanism for human services and had adequate reporting elements. He further suggested the committee consider whether direct partnerships with providers might be preferable.

There being no other requests to speak, Ms. Syrett closed the public comment period and called on the committee for questions and comments. There were none.

III. DOWNTOWN

Assistant City Manager Medary, Ms. Grube, and Chief Kerns presented on Downtown and the elements of the budget related to downtown. Copies of the presentation were provided to the committee.

Assistant City Manager Medary first shared the Downtown Plan boundaries to provide context for the discussion. She recalled the plan's focus on reinforcing downtown as a strong regional center and on strengthening downtown as a cultural center and center of community life. She reminded the committee

that downtown had been a frequent theme in the public outreach associated with the “Eugene Counts” process.

Assistant City Manager Medary described some of the City’s investments in downtown, which included free parking, better security at parking garages, easier ways to pay for parking, and marketing the availability of free parking. She noted recent downtown development/redevelopment projects, including Broadway Commerce Center, the Bennett/Woolworth site project, Lane Community College’s downtown campus, and the Inn at the Fifth, and briefly described the City’s involvement in each project. She estimated the total value of the projects at more than \$83 million, and further estimated 400 construction jobs and more than 200 permanent jobs were created. Assistant City Manager Medary emphasized that the jobs and investments were occurring at a challenging economic time. She also pointed out the presence of several new businesses in downtown and termed the level of activity very exciting news.

Assistant City Manager Medary emphasized the importance of downtown housing projects but acknowledged the challenge of that as well. She said staff continued to work on the issue.

Chief Kerns then described the Downtown Safety Strategies implemented to date, which included the Downtown Public Safety Zone and Downtown Team. He noted the planned summer 2011 focus to improve livability by focusing on behavior and property crimes. He emphasized the importance of the Eugene Police Department’s (EPD) data-led policing work in that effort, which allowed the department to measure its success. Chief Kerns said the EPD implemented an online reporting mechanism for citizens and would give downtown security personnel more data gathering tools.

Chief Kerns reported that the City was working at the State Legislature to pass Senate Bill 764, which would allow Oregon communities to declare certain areas alcohol impact areas and to control the types of alcohol sold in them. He reviewed a timeline for the formation of the new seven-member Downtown Team, which would be fully in place by July 2012.

Chief Kerns discussed the City’s contract with Whitebird to operate the CAHOOTS (Crisis Assistance Helping out on the Streets) service. He contrasted calls for service received in one period in 2010 with calls for service received in the same period in 2011 to highlight the increase in demand for services. He emphasized the cost efficiency of the CAHOOTS response in contrast to a police response. The service cost less than a police response, was a more humane approach, and freed up officers to address property and behavior crime.

Chief Kerns concluded by highlighting the City’s increased investment in jail beds.

Ms. Grube then shared the City’s Arts, Culture, and Entertainment Strategies to 1) increase positive activities in downtown to counter negative activity, 2) to integrate arts and culture into the downtown fabric, 3) to enhance the physical downtown environment, 4) to create a sense of place through partnerships, and 5) to contribute to downtown’s economic health and vitality. She described some of the downtown activities provided through the City’s “Summer in the City” Program and highlighted the department’s fall and winter activities downtown. She shared examples of downtown public art and said the City planned some downtown art restoration as well. Ms. Grube concluded by discussing the work of the Arts & Business Alliance, which was attempting to form a downtown arts and culture district.

Assistant City Manager Medary emphasized the City’s goal for an exciting downtown that was a welcoming safe place that people wanted to visit. She said the City’s work was not done or perfect. However, she thought things were moving forward in the right direction with the right investments. She invited questions.

IV. COMMITTEE DISCUSSION

Ms. Ortiz expressed appreciation at the well-rounded nature of the presentation. She emphasized the high levels of training received by CAHOOTS staff and the quality of the response the service provided. She was glad to see the service utilized to the degree it was. She acknowledged the challenge created by reductions in other social services, which reduced the number of places that CAHOOTS vans could transport those in need.

Responding to a question from Mr. Zelenka about the status of Senate Bill 764, Chief Kerns said the bill was making progress. Mr. Zelenka believed the legislation would provide the City with an important tool in addressing behavioral problems.

Mr. Zelenka asked if CAHOOTS staff could be trained to do some of the outreach to homeless at-risk youth formerly done by Safe & Sound Program staff. Chief Kerns indicated that CAHOOTS staff was trained to do such outreach and used their unobligated time to interact with people on the street who appeared to need help connecting to services. The City and Whitebird were discussing how to use the service most effectively to improve the lives of homeless people and the disenfranchised youth who hung out downtown.

Ms. Taylor asked how the City identified gang members. Chief Kerns said such individuals generally self-identified. They behaved in certain ways, committed certain crimes, and sometimes they wore certain clothing. A feature such as red clothing alone would not be sufficient to identify a person as a gang member.

Ms. Taylor determined from Chief Kerns that people excluded from the Downtown Public Safety Zone sometimes went to jail for violating the exclusion. Chief Kerns emphasized such individuals were sentenced offenders who were excluded by a judge. They subsequently violated the exclusion and were arrested for that. He said their crime was being downtown in violation of the exclusion ordinance.

Ms. Taylor asked if it was possible to return the tables and chairs to Kesey Square. Chief Kerns said the vendors working on Kesey Square had secured their own tables and chairs and preferred it that way. Ms. Taylor suggested that lively downtowns had places where people could sit and even rearrange the seating to accommodate different sized groups. She had been disappointed the tables and chairs were eliminated and wanted to see more places downtown where people could sit. Assistant City Manager Medary said that such seating was a City goal. Ms. Taylor said it would also be nice if one could sit on the downtown mall and have a glass of wine.

Responding to a question from Mr. Farr, Ms. Grube indicated she would learn the name of the sculptor of the Ken Kesey sculpture and if the artist was local and get back to Mr. Farr. Mr. Farr emphasized his interest in seeing local artists produce the art associated with City facilities.

Mr. Farr asked for more information about the total costs of the CAHOOTS service, including staff and equipment. Chief Kerns noted the total annual expenditure included both the Whitebird contract and fleet expenses and indicated more information would be provided.

Mr. Poling asked what factors led to the increase in calls for service experienced by CAHOOTS. Chief Kerns indicated he would do further research.

Mr. Poling commended the presentation. He continued to hear complaints about downtown conditions and knew there was much to be done, but he believed the downtown would experience a positive upswing once

constructed was completed. He appreciated the energy that staff was putting into the downtown and for the frequent updates, which provided the council with needed perspective on downtown conditions.

Ms. Syrett asked that calls for service to CAHOOTS be broken down to show responses to downtown and responses to other areas of the community. She determined from Chief Kerns that the City owned and maintained the three CAHOOTS vans.

Ms. Syrett asked if the City would use data-led policing to dispatch CAHOOTS. Chief Kerns anticipated the EPD would use both data from calls for service and staff's knowledge of behavior crimes downtown to dispatch CAHOOTS.

Responding to a question from Ms. Syrett about the City's level of satisfaction with its contract with the City of Springfield for jail beds, Chief Kerns indicated satisfaction on the police side. Municipal Court Administrator Jeff Perry concurred. He reported that the existence of those jail beds had allowed the City to avoid early releases at the Lane County Jail. He was working with the captain of the Springfield jail on data collection and analysis.

Ms. Miller hoped Mr. Perry could secure baseline data to demonstrate success over time.

Responding to a question from Ms. Miller about the number of food carts downtown, Ms. Grube said the number of carts fluctuated in number but seemed to have increased recently in certain areas. She believed they were important to downtown. Ms. Miller asked about the potential of an indoor Farmers Market. Assistant City Manager Medary said the Downtown Plan included \$500,000 in permanent improvements for a market site at the Park Blocks. The City was working with the Farmers Market to site the market. She believed a permanent structure was the ultimate goal.

Responding to a suggested funding allocation split for the CAHOOTS service made by Mr. Barofsky, City Manager Ruiz clarified that the EPD budget bore the costs of the CAHOOTS service.

Mr. Clark expressed appreciation for all the work being done downtown by the City to enhance the built environment and make downtown more welcoming. He said downtown still had public safety issues, and observed that the population of "travelers" expected to come into the community over the summer was anticipated to be at record numbers this year. Mr. Clark suggested the chief's solution to add new officers was a long-term solution that would not be implemented until the end of the summer. Chief Kerns concurred.

Mr. Clark expressed concern about reducing the budget of first responders by 1.8 percent as proposed by City Manager Ruiz. He invited Chief Kerns to share with him any resources he believed he could use to accelerate the solution downtown so he could advocate for them. City Manager Ruiz reminded Mr. Clark that the City Council decided to address public safety issues downtown through the Downtown Public Safety Plan, which was fully funded in the budget. Mr. Clark clarified that his concern was about the gap in services that he anticipated in summer 2011. Chief Kerns reminded Mr. Clark that the EPD would also have its annual six-person summer patrol.

Mr. Clark expressed hope that Senate Bill 764 passed.

Mr. Zelenka asked if demand for CAHOOTS service was seasonal. Chief Kerns believed demand went up during the summer months.

Mr. Zelenka stated that there was no such thing as free parking, and the increase in parking revenues could be attributed to an increase in meters around the University of Oregon. He said the cost had been shifted to University students.

Mr. Poling suggested the people who benefited the most from the CAHOOTS service were those who were directly served.

Mr. Poling determined from Mr. Perry that the City's contract with the City of Springfield for jail beds was based on actual usage. Mr. Perry indicated that Eugene contracted with Springfield for 10 beds and with Lane County for 15 beds.

Ms. Ortiz observed that the Whiteaker and Trainsong neighborhoods, like downtown, suffered from high crime levels and were also lacking in amenities. She asked if the Downtown Team would patrol as far as Monroe Park. Chief Kerns said the team would focus on downtown but he anticipated it follow crime patterns, including activity in nearby parks.

Responding to a question from Ms. Ortiz, Chief Kerns said that not all businesses in the vicinity of Washington-Jefferson Park were complying with the voluntary ban on fortified beverages. If Senate Bill 764 passed, the City would be able to ban those beverages in designated areas. Ms. Ortiz also hoped the bill passed.

Mr. Barofsky cautioned that the establishment of alcohol impact areas could create "seepage" into other parts of the community.

Ms. Syrett called for a brief break.

V. INFORMATION REQUESTS, NEXT STEPS

Mr. Barofsky proposed that the City examine the potential of fund transfers with other government agencies. He recalled a precedent established by a past fund trade with Lane County that served the needs of both agencies. He urged examination of the entire budget, not just the General Fund, for such trades. Referring to the Telecommunications Fund, Mr. Barofsky said it was in good condition but its use was legally limited. He suggested that Lane County might have telecommunication expenditures eligible for the fund, which could free up more flexible Lane County dollars for human services. He thought all government agencies should consider such exchanges.

Ms. Syrett suggested the data collecting equipment that the EPD intended to provide to downtown security personnel could be funded out of the Telecommunications Fund rather than the General Fund.

Mr. Shojai said when he applied for the committee he had envisioned he would add value to the process by working with other citizens to analyze the budget from the citizens' point of view. Instead, the committee had taken what he termed "patchy interventions" that involved small amounts of money and much discussion. He advocated for a system that allowed residents with expertise in budgeting to work together to review and analyze City-provided data and make recommendations. He was seeking a more informative and less political venue for discussion.

Ms. Syrett expressed appreciation for Mr. Shojai's points and suggested that some of the work mentioned by Mr. Shojai could take place in a subcommittee setting. She recalled that in the past, the committee had formed subcommittees of the citizen members to focus on specific areas of the budget. Ms. Syrett invited

members to e-mail the committee with suggestions for subcommittee topics, and welcomed participation from the council.

City Manager Ruiz asked that staff be allowed to provide input about possible topic areas. He pointed out the budget represented thousands of staff hours. He did not think the committee could recreate that process, but could be part of it in a different way that added value to the budget.

Ms. Smith suggested that the City's recreation facilities and programs could help bridge the loss of 4J programs focused on physical fitness education. He did not think the City needed to add new programming but it could enhance what it had. He appreciated what staff had done to maintain City programs and facilities.

Mr. Barofsky indicated he would propose a motion for more funding for the enhanced pothole program as well as for increased operations and maintenance (O&M) funding for parks using the City's marginal beginning working capital. He noted that the first \$900,000 of the marginal beginning working capital was dedicated to the capital transfer, and he anticipated he would ask that the first \$200,000 after that amount be split between the enhanced pothole program and parks O&M. It was one-time money that could be used for what he considered a needed cause. It would not affect any other programs.

Mr. Clark advocated for further discussion of Mr. Barofsky's idea. He determined from staff that the funding for Creekside Park was already reserved in the \$900,000 capital transfer.

Ms. Miller determined from Ms. Cutsogeorge that the funding identified by Mr. Barofsky would go to the Reserve for Revenue Shortfall unless otherwise designated by the council. City Manager Ruiz said the money went to what was essentially the City's savings account; he reminded the committee that the City continued to anticipate a funding gap, and the money in question was intended to bridge that gap. Ms. Miller expressed concern about the impact of Mr. Barofsky's proposed allocation on the choices the committee would have in future budgets.

Mr. Barofsky said that in his six years on the committee, the committee had always faced a budget with little or no money and spent considerable time talking about small amounts. He said when the first Supplemental Budget was released it "inevitably" indicated an enormous amount of money in the marginal beginning working capital. There had been over \$5 million in what he termed "extra money" reflected in the first Supplemental Budget of FY11. He did not anticipate a similar amount this year and acknowledged much of that amount was savings implemented by the manager. However, Mr. Barofsky believed the community had needs and the budget was the citizen members' opportunity to state their priorities to the council and staff. He said one-time moneys were good for one-time needs, and there were many of those needs throughout the community. If there was "leftover" money, Mr. Barofsky wanted the committee to have input into how it was used.

City Manager Ruiz recalled that two years before, the committee had not budgeted for the capital transfer. He also reminded the committee of the City's strategy to accumulate cash to weather the economic downturn.

Ms. Taylor indicated she would not be able to support Mr. Barofsky's proposal. She thought the expenditures in question should be evaluated against other needs. She suggested now could be the time for the committee to talk about what it would like the staff and council to consider for next year's budget. She did not think there was time to make major changes to the proposed budget this year.

At the request of Ms. Ortiz, Mr. Hill provided a brief update on Lane County's budget review process. He reported the County's budget committee was considering a proposed budget that reduced by the General

Fund by ten percent and reduced FTE (Full-Time Equivalent) by 56. The County based its proposed budgets on significant employee givebacks. If those savings were not achieved, the County faced additional cuts. Some of the County's decisions could have an impact on the City of Eugene.

Responding to a question from Ms. Ortiz, Mr. Hill said there might be some opportunities for fund trading and staff could do further research, but County funds were limited by State and federal government rules. City Manager Ruiz said staff could do more follow-up. He said the City might be able to ask the County to fund high-priority items of concern to the City, such as the jail and Buckley House. Ms. Ortiz asked if the City had any funding to support its interest in seeing those services funded. City Manager Ruiz said he would look into that. He recalled the successful trade of County Road Fund and City General Fund three years before, but noted the County's Road Fund was no longer in very good shape. Ms. Ortiz supported such efforts.

Mr. Clark shared Ms. Ortiz's interest. He anticipated further declines in timber receipts and believed that Lane County would go through substantial reductions unless something occurred to prevent that. He believed that would have a big impact on the City of Eugene. However, Mr. Clark did not think that Lane County was in a position to do much horse trading due to a lack of money so any progress in that area would require creative thinking.

Mr. Clark anticipated he would offer the committee a motion related to funding for Buckley House, a motion related to Fire Station 2 personnel levels, and a motion regarding public safety resources in downtown.

Responding to a question from Ms. Smith about the City's level of collaboration with Lane County, City Manager Ruiz reported that Mr. Hill worked closely with Lane County and City Manager Ruiz met with Acting County Administrator Liane Richardson on a bi-weekly basis to discuss issues of mutual concern.

Mr. Zelenka requested a list of proposed County budget cuts.

VIII. ADJOURN

Ms. Syrett adjourned the meeting at 7:30 p.m.

(Recorded by Kimberly Young)