



Resolution 2026-19

Limited Income Assistance (LIA) Program Eligibility Criteria

Meeting Date	Staff Contact	Email
October 13, 2026	Adam Hanks, City Administrator Sammy Egbert, City Recorder	Adam.hanks@coburgoregon.gov Sammy.egbert@coburgoregon.gov

SUMMARY AND REQUESTED COUNCIL ACTION

Following Council direction from the September 8, 2026 Council meeting, staff is presenting a draft resolution to adjust the Limited Income Assistance (LIA) income eligibility criteria. No changes to the discount rate/percentages are proposed at this time due to the program being in mid-cycle.

Suggested Motion

I move to adopt Resolution 2026-19, a resolution amending Resolution 2025-09, Section 1(b), adjusting the federal poverty level (FPL) eligibility threshold for receiving thirty five percent (35%) benefits to 200% (FPL).

BACKGROUND

The LIA program has been a longstanding and Council supported program for many years. The program was streamlined in 2025 with the passage of Resolution 2025-09, simplifying the eligibility and the discount/credit rates. The resolution also clarified and ensured that the discount applied to all rates and fees on the billing statement of the qualifying customer.

Resolution 2025-09 also created an annual total credit limit equal to one percent (1%) of the estimated annual revenue of all applicable rates, fees, charges of City of Coburg billing statements, with this limit extended only by formal Council approval.

Within the application process for the 2026-27 program period, several customers were issued denials of their applications due to their stated income exceeding the levels set within Resolution 2025-09 for program eligibility.

At the request of an applicant, the matter was presented to Council for direction to staff as the program as approved does not provide discretion to staff to grant exceptions nor does it contain an appeal process as the program was designed to be administrative with clearly identified objective criteria (income qualifications based on Federal Poverty Levels issued by the federal government and based on household size).

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Resolution 2025-09 sets the LIA policy. Eligibility, qualifications, and level of assistance are based on the gross annual household income using FPL guidelines that are adjusted and published annually in advance of the annual local LIA enrollment period.

Council discussed the matter at length at its September 9, 2026 meeting and directed staff to develop alternative eligibility percentages that could provide for greater participation from customers near, but currently exceeding, current income qualifying levels.

Council Options Include:

- **Option 1 (Proposed Draft Resolution 2026-19):** This option extends eligibility to the lowest tier (35% credit) by extending the qualifying customer income level to 200% of the Federal Poverty Level while leaving the other two tiers at their existing levels. The resulting tiers would be:
 - FPL at or below 125% receives a 55% bill credit
 - FPL at or below 150% receives a 45% bill credit
 - FPL at or below 200% receives a 35% bill credit
- **Option 2 (Alternative Council Amendment):** Council can choose to amend the draft resolution to extend eligibility equally across all three tiers, raising every qualifying customer income level by 25% of the Federal Poverty Level. The resulting tiers would be:
 - FPL at or below 150% receives a 55% bill credit
 - FPL at or below 175% receives a 45% bill credit
 - FPL at or below 200% receives a 35% bill credit
- **Option 3 (No Action):** Council may choose to take no action, and the existing Federal Poverty Level (FPL) income levels established under Resolution 2025-09 will remain in effect.

There are a number of alternative methodologies to adjust the qualifying income levels that could be discussed and motioned by Council, the two provided in the staff report are intended to address the issues raised in the September Council meeting discussion on the matter.

RECOMMENDATION

Staff has no formal recommendation, but is supportive of Council's review of the program and will implement the program changes as directed by final resolution approval. Staff is interested in future program discussions regarding the correlation between the eligibility objectives, the percentage credit tiers and the total allocation of program funds (rate revenue reductions) to ensure policy objectives of Council are enacted and administrative processes are clear and efficient.

BUDGET / FINANCIAL IMPACT

Resolution 2025-09 includes a provision that sets a maximum program funding cap of 1% of the estimated annual revenue of all applicable rates, fees and charges on City of Coburg billing statements. This program cap would remain and apply to amendments creating an exemption

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criteria, unless Council chose to amend the 1% cap clause as well. This language is retained in the proposed resolutions and not altered by the proposed motion.

An expansion of the income eligibility will allow additional customer access to the LIA program and therefore slightly increase the total budget/expense of the LIA program and move the program closer to the cap (but would not in of itself exceed the cap unless specifically altered by Council). The current utilization of the LIA program remains below the 1% cap and will continue to be monitored by staff and brought forward if the total annual credits reach the 1% cap. The 1% cap is currently estimated at \$27,300 and the estimated utilization is currently approximately \$22,100, leaving over \$5,000 available for potential new qualifying customers.

PUBLIC INVOLVEMENT

The September 8, 2026 agenda notice and packet submittals were the only new public involvement has occurred since the program's public hearing in May of 2025.

NEXT STEPS

Based on final Council decision, staff will revise the LIA program materials to reflect the updated eligibility limits and will make contact with applicants to offer a reassessment of application and eligibility for the remainder of this LIA program year.

ATTACHMENTS

1. Draft Resolution 2026-19 Amending income eligibility levels for Limited Income Assistance
2. Resolution 2025-09 – Existing Limited Income Assistance Program Approval
3. 2026 Federal Poverty Level table