



Ordinance Establishing a Parks and Public Open Space Maintenance Fee

Ordinance A - 275

Meeting Date	Staff Contact	Email
May 13, 2025	Adam Hanks, City Administrator	Adam.Hanks@CoburgOregon.gov

SUMMARY AND REQUESTED COUNCIL ACTION

With a recommendation from the Revenue Options Sub-Committee of the Council, an ordinance has been drafted to establish a Parks and Public Open Space Maintenance Support Fee as a means of providing financial support for the ongoing maintenance of the City's Parks and Open Space system in response to a continued decline in operating revenues compared to expenses within the General Fund that the Parks Department resides within.

The draft Ordinance establishes the authority for a fee. Upon formal approval of the Ordinance, a Resolution will be presented for Council review and approval that sets the amount of the fee.

While the potential amount of the fee is an appropriate and desired discussion point in conjunction with this Ordinance first reading, the amount of the fee is scheduled to be presented and decided at the June 10, 2025 Council meeting along with the second reading of this ordinance.

Suggested Motion

I move to approve first reading of Ordinance A-275 titled "An Ordinance Establishing a Parks and Public Open Space Maintenance Support Fee" and move the ordinance to a second reading for final review and adoption.

BACKGROUND

The City of Coburg maintains a robust Parks and Open Space System for a community of its size, which includes the following parks and open space lands;

- Pavilion Park
- Johnny Diamond Park
- Norma Pheiffer Park
- Jacob Spores Park
- Trails End Wetland Park & Open Space
- Booth Kelly Loop Path

As analyzed and presented to both the Budget Committee and City Council in the current and two prior Budget Messages, the financial condition of the General Fund continues to deteriorate with expenses exceeding revenues for multiple years causing the erosion of the fund balance beyond a

sustainable level. The proposed fee lessens the percentage of general fund revenues necessary to allocate to the Parks Department for the general maintenance of a growing Parks and Open Space System.

Pavilion Park total land area expanded by over twenty percent along with the installation of a two room restroom providing expanded use, but also an expansion of required maintenance, cleaning and monitoring. In the upcoming fiscal year, Staff, the Park and Tree Committee and Council will begin community engagement activities and develop funding plans for the next park in the system to be located in the land deeded to the City as part of the Coburg Creek subdivision.

Additionally, the cost of public sector staffing continues to outpace the existing revenue streams available to the General Fund with service fees such as this proposed fee one of the few options available to communities to attempt to maintain stable service levels for all activities and programs funded within the General Fund.

In addition to the Revenue Options Sub-Committee recommendation, the Park and Tree Committee received a presentation on this proposed fee and unanimously recommended Council approval and implementation of the fee.

FEE METHODOLOGY

The proposed ordinance establishes the need, justification and methodology for the imposition of the Parks and Public Open Space Maintenance Fee and is based on the ordinance that established the Tree Fee, a very similar type of fee that has been in place in Coburg since 2008. Notably, the fee is charged on a per unit basis, rather than a per customer or per meter basis, meaning that a four unit residential apartment utility bill would be charged the fee for each of the four units.

The fee amount will be set by separate Resolution rather than being embedded within the Ordinance itself to provide flexibility to current and future Councils and for consistency with all other City fees.

While the revenues will reside within the General Fund, the draft Ordinance specifies that the revenues collected with this proposed fees are restricted in their use and are dedicated to support maintenance activities within the Parks and Open Space System.

The attached Revenue Options Sub-Committee memo provides a detailed description of its recommendation of a five-dollar (\$5) Parks and Open Space Fee, which results in annual revenue to the General Fund of approximately \$40,000-\$45,000. Also attached is a draft public communication document that provides background and description of the proposed fee along with a similar communication document that was distributed to all customers describing the recent utility rate increases from February of 2025.

RECOMMENDATION

Staff recommends Council approve first reading of the Parks and Public Open Space Maintenance Fee to provide much needed additional revenue to the General Fund that will be utilized to support the maintenance activities for the City's Parks and Open Space system.

BUDGET / FINANCIAL IMPACT

The proposed fee, if adopted and implemented, will generate approximately \$40,000 to \$45,000 in the first year of its implementation and will grow along with the increased customer base within the City's utility system. The proposed total operations and maintenance expenditures for the upcoming 2025-26 fiscal year total \$108,700 (not including capital outlay) resulting in the proposed fee providing approximately 38-40% of the annual operations and maintenance expenses for the Park Department. The remaining 60% is comprised of general fund revenues (property tax, franchise fees, charges for service, etc)

The resident/business customer impact of a \$5 per unit, per month fee is \$60 per year for single family/single unit residences but will be larger for utility accounts that serve more than one unit.

PUBLIC INVOLVEMENT

The exploration, analysis and recommendation of this proposed fee from the Revenue Options Sub-Committee was completed in public meetings on February 20, 2025 and March 6, 2025, with agendas and minutes posted to the City website. The formal recommendation of the Sub-committee was presented to Council at the March 11, 2025 Council meeting and a one-page draft community engagement flyer was presented to Council at the April 8, 2025 meeting.

Additionally, the proposed fee was presented to the Park and Tree Committee in its publicly noticed meeting of March 18, 2025.

Staff recommends distribution of the proposed fee flyer between the first and second readings of the ordinance establishing the fee as well as information to customers of the final fee after the Resolution setting the fee is approved by Council, if that is the final decision of Council.

NEXT STEPS

Should Council approve first reading of the ordinance, staff will prepare the final draft Resolution setting the fee amount to be presented to Council at the June 10, 2025 Council meeting immediately following the second reading of the ordinance. Community outreach regarding the proposed fee would be done concurrently with the approval process as described above.

Should Council not approve the ordinance, staff will develop a budget adjustment agenda item for the July meeting to reduce expenditures within the General Fund for FY26 as the revenue for the proposed fee would also need to be removed from the General Fund as currently proposed.

ATTACHMENTS

1. Draft Ordinance – Establishment of a Parks and Public Open Space Maintenance Support Fee
2. Revenue Options Sub-Committee Fee Recommendation Memo
3. Draft Community Engagement Flyer for proposed fee