



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4212
brandon.neish@lebanonoregon.gov
www.lebanonoregon.gov

MEMORANDUM

Finance Department

To: Mayor Jackola and City Council

November 13, 2024

From: Brandon Neish, Finance Director

Subject: Low Income Discount for City Services and Utilities

I. INTRODUCTION

This memo outlines the existing provisions for low-income discount rates within the Lebanon City Code, currently limited to the storm drainage section. It also compares Lebanon's rate with other Oregon cities and provides a recommendation to amend and enhance the discount rate to better serve our community.

II. CURRENT REPORT

The existing low-income discount rate in the Lebanon Municipal Code is specified only for storm drainage services. However, the City is currently applying the low-income discount to all three utility services.

At 10%, Lebanon's rate is comparatively modest. While it offers assistance, the rate may be insufficient to meet the growing financial needs of low-income residents, especially given rising costs and economic challenges, especially considering the proposed City Service Fee. In Lebanon, the median household income is 31% below the state's median. The current policy, while a step in the right direction, may not be enough to mitigate financial hardships, leaving many residents struggling to keep up with multiple utility payments. Furthermore, less than one percent of the active utility accounts utilize the fee. To qualify, residents must walk through an application and income verification process with Community Services Consortium (CSC). At 10%, residents may determine that it is not worth the time to walk through the process.

A review of surrounding communities reveals that other cities in Oregon have adopted low-income discount programs with higher rates. For instance, cities such as Albany, Bend, Corvallis, Eugene, Milwaukee, and Salem have discount rates ranging from 30-50%. An increase in Lebanon's low-income discount rate could provide much needed assistance to residents and encourage additional utilization.

III. RECOMMENDATION

Staff recommends the adoption of Resolution 2024-28 which establishes a formal low-income discount program and sets the discount rate at 30% for water, wastewater, storm drainage, and the City Service fee