FOREST GROVE OREGON

LEVY POLLING

WORK SESSION

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PURPOSE

- Respond to Goal 4: maintain financial and organizational sustainability.
- Discuss other revenue alternatives.
- Discuss past outreach efforts.
- Discuss polling.
- Discern whether to conduct a poll and if so what rate and services.

RECAP

- Work Sessions March 15 and September 13, 2021.
- Consensus to look at replacement v. renewal.
- Consensus to consider polling to obtain more info.
- Questions about timing, outreach, and other funding sources.

RECAP

- Levy contributes $2.8 million per year and comprises 14% of the General Fund.
- The Levy is for police, fire, parks/rec and library.
- Police and fire account for 80% of the LOL revenues.
- Forest Grove has the 2nd highest adjusted tax rate in Washington County.
- Forest Grove has the 2nd lowest assessed value per capita in Washington County.

TIMELINE

- Levy expires June 30, 2023. Staff recommends balloting at least two election cycles prior to expiration. Election cycles prior to expiration:
  - May, 2022
  - November, 2022
  - May, 2023

- Tentative Work Sessions assuming May, 2022 ballot:
  - Nov-Dec Review poll results
  - Dec-Jan Consensus on timing, rate, message
  - Feb-March Approve and file

- If not May, 2022 timeline bumps back 6 months.

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HISTORY

Year	Action	Rate	Outcome
2002	First passed	$.99	Passed 58% to 41%
2006	Increase $.36	$1.35	*Failed 49% to 51%
2007	Increase $.36	$1.35	Passed 63% to 37%
2012	Increase $.25	$1.60	Passed 61% to 39%
2017	Renewal	$1.60	Passed 80% to 20%

*post-election survey indicated failure due to unclear messaging and too many other fiscal measures on the ballot.

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NEEDS ASSESSMENT

Summary Findings:

- Industry metrics show Fire and Police are and will increasingly become deficit staffed over the levy period unless staff is added.
- If additional parks space or amenities added over levy period, service will decline.
- Library seeking to stabilize programming funding through General Fund instead of donations.

SCENARIO'S

- Scenario's are for planning purposes only. They include assumptions about the future that will change over time and are dependent on Council priorities.
- The rates are "fully loaded" and illustrative only. They do not account for potential other funding sources, changes in timing, or changes in positions.
- Three scenario's were presented:
  - Renew levy at $1.60
  - Replace levy at $1.76 to maintain services
  - Replace levy at $2.04 to enhance services

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SCENARIO'S - THRU 2028

Scenarios are not cumulative and are increases from current staffing levels.

Renew at $1.60

- Add 2 police officers / Add 1 firefighter

Replace at $1.76 to maintain services

- Add 4 police officers / Add 2 firefighters

Replace at $2.04 to maintain and enhance services

- Add 6 police officers / Add 4 firefighters
- Add Recreation Coordinator
- Add part-time Parks maintenance
- Add part-time Library Associate

OTHER POTENTIAL REVENUE

- If the levy was to remain at $1.60, the following additional annual revenue from other sources would be needed:
  - For the $1.76 levy, an additional $320,000/year.
  - For the $2.04 levy, an additional $880,000/year.
- These additional revenues would need to increase by 3% per year over the life of the levy.
- Various other potential revenue sources are listed on the next two pages.

OTHER POTENTIAL REVENUE

- Public Safety Utility Bill Fee
  - A fee for public safety can be charged on the utility bill. If the fee was similar to the CIP Excise Tax fee, it would bring in about $125,000 annually for each dollar charged per electric meter.
- Right of Way (ROW) Utility Bill Fee
  - The fee can be charged in lieu of doing a franchise fee. For example, if a 5% ROW fee was charged, the City could collect about $170,000 annually from Clean Water Services for a Sewer ROW fee. This would increase monthly sewer charges by about $2 per month for a single-family residence as CWS would raise its rates to cover the fee.
- Urban Renewal Agency
  - Ending the URA after the debt to the City is repaid would bring in about $170,000 per year. Revenue would increase as growth continues within the URA boundaries.

OTHER POTENTIAL REVENUE

- Payment in Lieu of Taxes (PILT)
  - The City could try to negotiate PILT from non-profits who would have to agree to pay it. The concept is non-profits should pay for the services they receive similar to for-profit tax-paying businesses. Some cities have negotiated these payments with tax-exempt universities within their City. Estimate of revenue is unknown as the non-profits have to agree to make the payment.
- Property Tax Exemption Programs
  - Not having these exemption programs (e.g. non-profit low income housing and vertical housing tax credit) would increase property taxes by about $57,000/year.
- Enterprise Zone (EZ) Tax Exemption
  - Revenue estimates are speculative for not allowing future EZ tax exemptions. There are current EZ tax exemptions, but the expiration of current EZ tax exemptions are already included in future property tax revenue projections so any estimate would be based on new, unknown, applications.

OUTREACH

Some commonalities to all efforts:

- Messaging starts 2-4 months prior to the election. The official Measure and Explanatory Statement upon which the outreach is based on is approved by the County 2 months prior to the election.
- Studies show most voters decide based on the voters pamphlet. Pamphlet mailed 3 weeks before election.
- Outreach has included all venues and all forms, from brochures in utility bills to social media.
- Once the measure is approved, all city communications must remain neutral.
- Elected officials are free to campaign for or against the measure at any time.

OUTREACH

*Assuming May 17, 2022 election:

• Council approval:	Feb 14
• General outreach	Feb-Mar 21
• First and last day to file:	Feb 17 - Mar 17
• County assigns Measure #:	Mar 21
• Specific outreach	Mar 21—May 17

*above dates are based on past official dates. Official 2022 dates have not been published and may vary slightly.

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POLLING

- Staff has talked to a potential polling firm who is developing a proposal for staff review.
- This firm indicated traditional polling methods, i.e., 300 likely voters by telephone, will be very difficult and more expensive due to cell phone use only.
- New methods blend some calling with other methods to get the information that is needed while still targeting likely voters.
- If May, 2022 ballot, need to start polling soon. Poll typically takes 2-3 months.

DISCUSSION

- Consensus on whether to pursue other funding sources that may impact the levy rate. Consider timing of potential efforts.
- Consensus on whether to poll and if so what rate and message. Staff recommends Council consider polling:
    - Renewal at $1.60
    - Replacement at $1.95
    - Questions centered on a) increase rate to add police to maintain service; b) increase rate to add fire to maintain service; c) increase rate to add parks maintenance to maintain service; c) increase rate to add recreation opportunities; d) increase rate to increase library programming.

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Scenarios

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total Costs	Additional Levy Rate (cents)
	------------------------Next Levy Cycle-------------------------						
Within $1.60 Levy Rate							
Add 2 Police Officers	228,924	243,820	263,072	295,108	317,226	1,348,150	-
Add Firefighter			153,961	163,407	173,296	490,664	-
Total Costs Within Current Levy Rate						1,838,814	
Maintain Existing Services							
Add Firefighter	145,992	154,936	164,978	174,678	184,848	825,432	7.78
Add Police Officer		117,892	126,070	142,428	151,864	538,254	5.00
Add Police Officer			120,924	128,789	145,542	395,255	3.62
Additional Levy to Maintain Services						1,758,941	16.41
Enhance Services							
Add Firefighter			153,961	163,407	173,296	490,664	4.50
Add Firefighter			153,961	163,407	173,296	490,664	4.50
Add Police Officer				124,030	132,394	256,424	2.32
Add Police Officer				124,030	132,394	256,424	2.32
Recreation Coordinator	106,044	112,748	119,905	127,548	135,710	601,955	5.68
Recreation Supplies	50,000	51,000	52,020	53,060	54,122	260,202	2.46
Add 0.42 Parks UW	44,249	45,577	46,944	48,352	49,803	234,924	2.22
Add 0.375 to Library Asst. - Bilingual	36,045	48,214	50,603	53,134	55,783	243,779	2.29
Programming Expenses	25,000	25,500	26,010	26,530	27,061	130,101	1.23
Additional Levy to Enhance Services						2,965,137	27.52
Total Additional Levy						4,724,078	43.93

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