

**Hood River Urban Renewal
Budget Committee Meeting
Fiscal Year 2021-22 Budget**

**Wednesday, May 12, 2021
City Council Chambers, 211 Second Street
The meeting will begin no earlier than 6:00 p.m.**

Present: David Merriweather, Kate McBride, Mark Zanmiller, Megan Saunders, Tim Counihan, Jessica Metta, Erick Haynie, Gladys Rivera, Jack Trumbull, Amanda Goeke, Joshua Chandler, Clint Harris, Grant Polson, Rudy Kellner, Gary Reed

Staff: Urban Renewal Administrator Rachael Fuller, Finance Director/CMA Will Norris, Planning Director Dustin Nilsen, Public Works Director Mark Janeck, City Engineer Wade Seaborn, Fire Chief Leonard Damian, Police Chief Neal Holste, Administrative Services Officer Monica Morris, City Recorder Jennifer Gray, GIS Analyst Jonathan Skloven-Gill, Management Analyst Haley Ellett

Absent: Hoby Streich, Pat McAllister, Abby Capovilla, Tina Lassen

1. CALL TO ORDER – 6:00 p.m.

Norris thanked Grant Polson and Rudy Kellner members from the City Budget Committee, for volunteering to round out and make the Urban Renewal Agency Committee whole.

2. ELECT COMMITTEE CHAIRPERSON

Metta made a motion to appoint Polson as Chair. Zanmiller second the motion. – All votes were in favor of motion. Motion passed.

3. APPROVAL OF MINUTES – May 10, 2021

Saunders made a motion to approve the minutes of May 13, 2021. McBride second the motion. All votes were in favor of motion. Motion passed.

4. BUDGET PRESENTATION

a. Budget Message

Norris stated the Urban Renewal Budget message is on the first page of the budget document. He explained this is a transmittal message about the larger themes he sees going on agency wide, and with Urban Renewal. It's a theme of transition. The focus was on downtown in the 1990's, transition to the Waterfront in 2000's, and now the Heights is going to take over as being the primary district with all the activity. In the Heights District, the continuation of the MIG contract moving into Phases II and III, if the agency approves the contract amendments, building design alternatives, and narrowing

it down to a preferred design. The Waterfront District is nearing its end of expenditure, with roughly with all the money that it has, dedicated to the waterline relocation project based on a resolution approved by the URA. Even with that, there will still be a funding gap with that project. The URAC last physical year adopted a recommendation to consider increasing maximum indebtedness, to consider whether to fund additional projects and development at the waterfront area.

For Columba Cascade District, which is the oldest district that is transitioning out. They must figure out what its last activities will be.

Proposals are in this budget that will be discussed later tonight. Norris asked what does the Agency see as the future of Urban Renewal in Hood River, if anything? This tool of tax increment financing has funded catalysts. It will be on the Urban Renewals plate this year or next, to consider if that is a tool they want to continue to use, or is it time to phase out and move on to other tools and funding mechanisms, for other areas of Hood River that need help.

The General Fund is where shared expenses that benefit all three districts are housed, in administrative support. Mostly legal but the big change for this physical year is the addition of specific dedicated position, that will be funded half with URA and half with the City. It is meant to carry out project support and improve community outreach and engagement activities. It would be a coordinator level position, that would be housing in the City Managers office.

b. Columbia Cascades District

Norris stated this could be the last year of this district to operate, possibly 1-2 years depending on how large of a project. Norris showed past photos of what downtown looked like prior to project,s that have been completed. The Columbia Cascade District has \$4.6 million that can either be deployed, or can be relinquished and sent back to the overlapping districts. The proposed budget makes appropriations of \$100,000 to repaint streetlamps, \$145,000 to remove all the coin only Duncan meters and replace them with the same CALA machines that are currently on Oak Street and \$245,000 for Way Finding Signage. This is a place holder to initiate this project. They would need to scope it as well. This is to create downtown character and help tourist find their way around. Its aesthetic and functional. \$920,000 to aid 2nd and Oak signalization. The Columbia and Rand realignment is all the Road Fund can handle. The way they will continue to keep both projects on track, is if the Columbia Cascade District can help take on the 2nd and Oak signalization. The big question is if Urban Renewal money will be used to fund a parking garage, at the Columbia Lot. This property was deeded the City from the Port of Hood River, with the promise that one day the City would build a structure parking lot at that location. There was not a specific timeline to build the structure but there is a specific timeline to whether Urban Renewal money is going to be used on this. The proposed budget does create a placeholder appropriation to start preliminary designs, scoping and creating a business plan to see the funding

mechanism; will it be sufficient and what other funding mechanism will need to be put into play.

c. Waterfront District

Norris stated this budget is very simple. The rest of the it will be going to the waterfront storm line project. There was a loss of \$1.7 million in lottery funds, when funds fell ahead of covid. Lottery funds are picking back up. Fuller has been lobbying to get this funded again at Oregon Legislature . They are hoping to get American Rescue Plan monies. Staff has been talking to State and Federal representatives, trying to get money from any possible place they can. Right now, Urban Renewal is their locally controlled funding mechanism and the URA saw fit through the emergency nature of this relocation, to dedicate the remainder of the URA monies to this project. The funding gap remains at \$3 million. Phase I is complete. They might be able to start work on Phase II later this summer, if not it will be next construction season. They are probably out two years for Phases III and IV. Norris stated this district is a "powerhouse." It is unbelievable the grown and assessed value that is coming out of the Waterfront District. It will likely generate nearly \$1 million in tax revenue this coming fiscal year. It was about half that in FY2018/19. That is the type of growth they are seeing. That has to do with several large developments coming off the enterprise zone tax abatement. If they wanted to increase maximum indebtedness by \$3 million, it would roughly continue the district another three years. Otherwise, he believes it will phase out in 2023/24.

d. The Heights District

Norris explained the budget is the MIG contract. It is a three phased contract that the URAC recommended and the URAB adopted. Considered in sum, all three phases but has only executed Phase I, which should be concluding soon. This budget funds if the committee choose too, execute Phases II and Phase III of that contract. That would take the broad goals and direction and turn them into design alternatives. Phase III would get it into a preliminary design cost estimating and having a conceptual timeline for implementation for the actual construction projects.

5. PUBLIC HEARING

Polson read the public hearing script. There was no public comment. Polson closed the public hearing.

6. FINAL DELIBERATIONS

McBride thanked Norris for all his work.

Meriwether stated the budget is very well put together and allows for the maximum flexibility in terms of what may come down the road. It is a good guiding document. He appreciates staff work in putting this together.

Polson asked if the goal is to maintain maximum funding ability, would they be increasing maximum indebtedness tonight or would that be a future action? Norris

stated it is not a part of tonight's budget, but if the budget committee wanted to make a motion to communicate their support for that, that could be an option.

7. APPROVE FY 2021-22 BUDGET

Suggested Motion: "I move to approve the proposed FY 2021-22 budget as proposed (or as amended in tonight's deliberations)."


Motion: I move to approve the proposed FY 2021-22 budget as proposed.
First: Saunders
Second: Meriweather
Discussion: None
Vote: Motion passed unanimously


8. REQUEST TAX INCREMENT REVENUES

Suggested Motion: "I move that the Waterfront Plan Area and Heights District Plan Area request the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457, as applicable, and that Columbia Cascade Plan Area request a partial levy of \$535,000, for the FY 2021-22 fiscal year."

Motion: I move that the Waterfront Plan Area and Heights District Plan Area request the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457, as applicable, and that Columbia Cascade Plan Area request a partial levy of \$535,000, for the FY 2021-22 fiscal year.
First: Saunders
Second: Counihan
Discussion: None
Vote: Motion passed unanimously

9. ADJORN – 6:37 p.m.


Grant Polson, Chair


Jennifer Gray, City Recorder

Approved by Budget Committee on May 11, 2022