

**City of Hood River
City Council Work Session
February 24, 2020**

Council: Mayor Kate McBride, Mark Zanmiller, Megan Saunders, Tim Counihan, Jessica Metta (arrived 6:07 p.m.), Erick Haynie

Staff: City Manager Rachael Fuller, City Attorney Dan Kearns, Finance Director/ACM Will Norris, Planning Director Dustin Nilsen, Fire Chief Leonard Damian, Police Chief Neal Holste, City Recorder Jennifer Gray

Absent: Gladys Rivera

I CALL TO ORDER – Cell Phone Reminder – 6:02 p.m.

Land Acknowledgement Statement and Pledge of Allegiance

II BUSINESS FROM THE AUDIENCE

Heidi Venture, Hood River, OR - She thanked Council for participating in the Orange Couch event at Volcanic Bottle Shoppe. It was a good thing for Council to do. She congratulated Council on the purchase of land on Rand Road. She is happy that Council is taking steps to make affordable housing happen. She lives in a house built by Mike Kitts, if she had not bought her home when she did, she would have had to moved away long ago. She worked with a lot of non-profits in town, helping with fundraising and board development. She has been a part of many difficult meetings regarding housing. It is important to provide housing for people who do good work. She encourages Council to make all of the seven acres into as much housing as they can, for people who work and live in Hood River.

Dan Ball, City Tree Committee – He wanted to give Council an update from the City Tree Committee. The City has been awarded the Tree City USA Award. This is the 8th year of receiving this award. One of the requirements to be a Tree City is to hold an Arbor Day Celebration. They are working with the Downtown Business Association and coordinating with the Columbia Gorge Climate Action Network. CGCA is organizing Earth Month for April and the Tree Committee will be working with them on events. The Tree Committee will be giving away trees and educating the public the proper maintenance and planting of trees. A booster grant was received by the Oregon Community Trees Group; that will help facilitate the Arbor Week events.

Mayor McBride confirmed Council will approve the Arbor Day Proclamation during Mayor Call.

III PRESENTATIONS

1. City of Hood River 125th Anniversary, Arthur Babitz

Babitz presented a PowerPoint presentation to Council regarding the history of the City of Hood River. The PowerPoint has been added to the record. To listen to the full presentation, the audio is available on the City's meeting/calendar webpage.

WORK SESSION

IV OPEN WORK SESSION – 6:23 p.m.

V AGENDA ADDITIONS OR CORRECTIONS

VI DISCUSSION ITEMS

1. Consolidated Schedule of Fees, Rates, and Charges for FY2020-21
(Resolution No. 2020-03), W. Norris

Background: Fee supported services typically benefit an individual, business, or group. Because these services provide a discreetly assignable benefit, communities often seek to recover costs through user charges. This allows general revenues to be directed to funding services performed for the community as a whole.

The City of Hood River annually adjusts user fees, rates and charges at this time each year in preparation for the budget process. Each department has reviewed their charges for services on the attached Consolidated Fee Schedule and requested revisions as appropriate for FY2020-21.

Discussion: Proposed changes to FY2020-21 Fees, Rates, and Charges include:

Inflation Adjustment

Consistent with Budget Preparation Resolution 2016-09, except where prohibited fees are increased by inflation based on the Western States Consumer Price Index for Urban Wage Earners (CPI-W) which was 2.8% in 2019. Increases to System Development Charges of 1.8% are based on the Engineering New-Record Construction Cost Index. Incrementally increasing fees in alignment with an appropriate inflation index helps charges remain stable on a real dollar basis overtime and lessens the need for large periodic fee revisions.

Transition Monthly Parking Lot Permit Fees to "Market Rate"

The adopted Downtown Parking Study and Plan includes the guiding principle of targeting 85% occupancy through price signals and new capacity, noting that new capacity can be generated by alternative transportation options. Three (3) of the City's four (4) permit parking lots (Cascade Lot, State Street Lot, and Front Street Lot) have been continuously sold out for as long as the City has parking permit sale records. In the last two-years, even the City's largest permit parking lot (Columbia Lot) has started to sell out during the winter months. This indicates that the City is not charging the market clearing rate for permitted parking. It is possible this practice has reduced overall downtown capacity because private lot owners have limited financial incentive to open their lots to monthly parkers when the City charges artificially low rates.

The FY2020-21 Consolidated Fee Schedule increases monthly parking lot fees to the nearest \$5 increment with the intention to increase by \$5 annually until the respective lots are not sold out for more than 75% of the year. This change is anticipated to generate between \$10,000 - \$15,000 annually. The City is in staff-level discussions with Columbia Area Transit to develop options for this additional revenue to provide reduced cost transit options for downtown workers. These options will be presented at a future City Council meeting or as part of the 2020-21 Budget process. *Line Item(s) 175, 185-188*

Inclusion of Prior Existing Fees

The initiative to create a consolidated city-wide fee schedule started in 2014. Prior this, fees were adjusted on a sporadic and isolated basis. Periodically fees still left out of the city-wide schedule are identified. The FY2020-21 includes the addition of the prior existing Commercial stormwater System Development Charge which is assessed on a per square foot of impervious surface for new developments. Several application "extension" fees referenced in the municipal code, but not listed in the Comprehensive Fee Schedule, are added. Specifically, these are "Minor Partition Extension" (HRMC 16.08.010.C.3), "Property Line Adjustment Extension" (HRMC 16.08.070.E) and "Subdivision Extension" (HRMC 16.08.010.C3). *Line Item(s) 267, 227, 326, & 450*

Councilor Zanmiller asked about the parking fees. He said this seems like a "baby step." What was discussed at the parking subcommittee was increasing the street fees, if needed to squeeze "the balloon." He had expected a more "knob turning" on the parking lot fees than what is indicated on the fee schedule. He does not believe this is the time to discuss this. Once they have a policy the fees can be adjusted. He looks forward to that discussion.

Norris added the goal is to not have City parking lots permanently sold out all year long; raise the price up to meet its value. Revenues can be used with the City's partners. There could be some options to create some enhanced public transit downtown with the money accrued with the increased fees. This is not a revenue generating tactic, it is truly a supply and demand balancing strategy.

There was discussion regarding parking ticket fees. Fuller stated they need to think about what they are trying to accomplish with the fees. If the City does not have something right, that is what they need to hear. It can be discussed now or when staff brings the operations and management issues back for a status update, where things are headed. As better data is collected, changes can be made to the numbers or metrics so the City can achieve what they are trying to accomplish.

Fuller stated there have been significant and important financial decisions made by previous Councils. It is important they do not fall behind on the rate structure. Give the decisions that have been made, she and Norris feel confident they are in a good place to start tackling some of those issues.

Councilor Counihan asked about the 5000-gallon usage on the utility bill. He believes it would be useful to know what the distribution of water usage is for residents. He would like to see if the 5000-gallon limit is reasonable.

Norris stated the rates do match the cost structure. The City's water comes out of the ground drinkable and flows down pipes to get to the City. All the costs are fixed. The cost is really building up the fixed system to be sufficient to handle the number of units in the City, not really the amount of water each of them uses. It is really the privilege to hook into the water system that is being paid for.

Mayor McBride suggested Council can have a larger discussion when the rate study is completed, on conservation of water and infrastructure needs. She asked that be added to the list, for later discussion.

Fuller stated Council can make changes to any of the fees this evening. Staff will be testing some of the fees to see where the market is and collecting data. It will take some time, but staff will report back.

Mayor McBride stated she would like more data on fees for different types of parking citations, before Council makes any decision on changes.

Motion: I move that, on tonight's consent agenda, the City Council adopt Resolution 2020-03, Adopting the Consolidated Schedule of Fees, Rates, and Charges for FY 2020-21.
First: Counihan
Second: Metta
Discussion: None
Vote: Motion passed (roll called)
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie
Nays: None
Abstentions: None
Excused: Rivera

VII ADJOURN WORK SESSION – 7:14 p.m.

REGULAR COUNCIL MEETING

I OPEN REGULAR COUNCIL MEETING – 7:14 p.m.

II AGENDA ADDITIONS OR CORRECTIONS

Addition to the Consent Agenda; approval of Consolidated Schedule of Fees, Rates, and Changes for FY2020-21, Resolution 2020-03. Addition to Mayors Call, Arbor Day Proclamation.

III CONSENT AGENDA

1. Council Meeting Minutes – January 27, 2020
2. Permitting Process Improvement Phase 2 – Contract Award
3. Consolidated Schedule of Fees, Rates, and Charges for FY2020-21 (Resolution No. 2020-03)

Motion: To approve the Consent Agenda as amended.
First: Metta
Second: Saunders
Discussion: Gray will make the correction to the meeting minutes on Page 23.
Vote: Motion passed (roll called)
Ayes: McBride, Zanmiller, Saunders, Counihan, Metta, Haynie
Nays: None
Abstentions: None
Excused: Rivera

IV REGULAR BUSINESS ITEMS

V REPORT OF OFFICERS

- A. Department Heads
 - 1. Announcements
 - 2. Planning Director Update

VI REPORT OF COMMITTEES

- 1. Visitor Advisory Committee – Metta and Saunders

VII MAYOR

- 1. Oregon Medal of Honor Highway Proclamation
- 2. Arbor Day Proclamation

VIII COUNCIL CALL

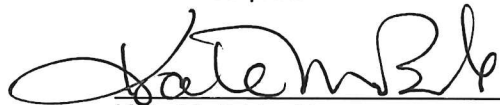
Mayor McBride will sit on the Bridge Replacement Committee and Council Metta will participated when needed.

The Latino Advisory Committee will begin holding meetings once again. The first meeting will be March 5, at 5:30pm. Councilor Rivera and Councilor Counihan will be joining the Mayor. Council agreed to have a different Councilor attend each month.

IX EXECUTIVE SESSION - 7:55p.m. – 8:30p.m.

Oregon Revised Statute 192.660 1 (e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

X ADJOURN – Adjourned by unanimous consent at 8:30 p.m.



Kate McBride, Mayor



Jennifer Gray, City Recorder

Approved by City Council on April 13, 2020