

AGENDA

Hood River Urban Renewal Agency Budget Committee Meeting Fiscal Year 2020-21 Budget

Wednesday, May 13, 2020
City Council Chambers, 211 Second St.
The meeting will begin no earlier than 6:00 p.m.

1. CALL TO ORDER
2. ELECT COMMITTEE CHAIRPERSON
3. APPROVAL OF MINUTES – May 8, 2019 Pages 2-6
4. BUDGET PRESENTATION
 - a. Budget Message
 - b. Columbia Cascades District
 - c. Waterfront District
 - d. The Heights District
5. PUBLIC HEARING
6. FINAL DELIBERATIONS
7. APPROVE FY 2020-21 BUDGET
Suggested Motion: “I move to approve the proposed FY 2020-21 budget as proposed (or as amended in tonight’s deliberations).”
8. REQUEST TAX INCREMENT REVENUES
Suggested Motion: “I move that the Columbia Cascade Plan Area, Hood River Waterfront Plan Area, and Heights District Plan Area suspend division of tax for the FY 2020-21 fiscal year pursuant to ORS 457.455
9. ADJORN

Note: All public meeting locations are accessible. Please let the City Recorder know if you will need any special accommodations to attend any meeting. Call (541) 387-5212 for more information. Oregon Relay Service 1-800-735-2900

**Hood River Urban Renewal Agency
Budget Committee Meeting
Fiscal Year 2019-20 Budget**

**Wednesday, May 8, 2019
City Council Chambers, 211 Second St.
The meeting will begin no earlier than 6:00 p.m**

Present: Hoby Streich, David Merriweather, Paul Blackburn, Kate McBride, Mark Zanmiller, Megan Saunders, Tim Counihan, Jessica Metta, Erick Haynie, Pat McAllister, Jack Trumbull, Abby Capovilla, Kelly Emerson, Joshua Chandler, Jody Behr, Tina Lassen

Staff: Urban Renewal Administrator Rachael Fuller, Finance Director/CMA Will Norris, Planning Director Dustin Nilsen, Public Works Director Mark Lago, Fire Chief Leonard Damian, Police Chief Neal Holste, Administrative Services Officer Monica Morris, City Recorder Jennifer Gray

Absent:

1. CALL TO ORDER – 6:00 p.m.
2. ELECT COMMITTEE CHAIRPERSON
Blackburn made a motion to elect McAllister as Chair. Saunders second the motion. – Motion passed.
3. APPROVAL OF MINUTES – May 10, 2017
Trumbull made a motion to approve the minutes of May 8, 2019. McBride second the motion. – Motion passed.
4. BUDGET PRESENTATION
 - a. Budget Message
Norris presented the Budget Message. He stated the Columbia Cascade District is at the end of its life span. It has enough authority left for one major project; perform a parking study that is happening right now. The Waterfront District is halfway through its lifespan; with half of its debt expenditure authority ready to be spent but there is an infrastructure failure storm pipe. This has put everything on hold for right now, until they see how this issue will be resolved. The Heights District is the newest with 98% of its expenditure authority ready to expend. Through the hard work of the Urban Renewal Advisory Committee, they are in the final contract negotiations with an Urban Design and Engineering firm. It is going to take all the public input that has been gathered for the past two years, the existing plan and turn it into an actual implementation schedule

with drawings that are sufficient enough to start bidding out work on the Heights. With each of these districts prepared for major activities, most of the appropriations are held in contingency waiting for the parking study and storm pipe engineering from the Height Urban Design work. He believes what the proposed budget represents is the commitment to deliver action looking forward, in a reasoned and form matter without haste, and with the goal being the very best outcome for the three districts and the City as a whole, over the long-term.

Urban Renewal Agency – General Fund

The General Fund of the Urban Renewal Agency bears all shared costs of the three districts. The primary expenses include legal consultation for agency meetings and the annual audit.

In FY2019-20, the Agency is planning to continue its contractual relationships with Elaine Howard Consulting for general urban renewal assistance, and Larry Brown for some specific project assistance. Mr. Brown will be taking the lead in representing the Agency’s interests on the Lot 1 infrastructure study.

b. Columbia Cascades District

Urban Renewal Agency – Columbia Cascade District

Columbia Cascade District will have substantially collected the equivalent of its maximum indebtedness by the end of FY2019-20 and is proposed to be retired. The anticipated financial impact to all overlapping in FY2020-21 from the district’s retirement is below:

Overlapping District	Est. Add’l Revenue
City of Hood River	\$309,000
Hood River County	156,000
911 Communications District	62,000
Columbia Gorge Educational Service District	51,000
Hood River County Library District	43,000
Hood River Parks & Recreation District	38,000
Hood River County Transit District	8,000
Port of Hood River	4,000
	\$ 671,000

Any remaining Columbia-Cascade District funds can be deployed for final eligible projects or returned to the overlapping districts in a one-time disbursement. A parking study was initiated in FY2018-19 that will help inform whether Urban Renewal Funds are needed to create additional downtown parking capacity. This recommendation from this study is expected by the Fall of 2019. In anticipation of the outcome of the parking study, the majority of appropriations in the Columbia Cascade District are held in Contingency for FY2019-20. The budget does include a small potential project replacing the traditional downtown garbage can containers with solar powered compacting bins and some additional project consulting assistance on an as-needed basis.

c. Waterfront District

Urban Renewal Agency – Waterfront District

The Waterfront District continues to be a model for the power of urban renewal. Since

its creation in 2008, the district's value has increased from \$11.8 million to \$61.5 million with several million more in additional taxable assess value temporarily held in enterprise tax abatement programs.

The Waterfront District reached middle age in 2018 when half of its maximum indebtedness was spent. The question before the Agency is what to do with the remaining available funds. Potential options include:

Remaining 2008 Waterfront Plan Projects

This list includes roadway improvements to Riverside Drive & 8th Street as well as instituting a business recruitment and retention marketing program. Neither of these originally identified projects is particularly needed at this time.

Lot #1 Infrastructure and Adjacent Recreational Facilities

The Port of Hood River has put forward an alternative investment option to more fully develop Lot #1 utility infrastructure and adjoining recreational amenities. This project meets the qualified expenditure categories (infrastructure & recreation) and urban renewal goals (development of taxable assessed value). However, it is the first time that urban renewal dollars would be spent to directly benefit a single development.

Stormwater Improvements

An emerging challenge coming to light in the waterfront district is aging infrastructure installed when the waterfront area was originally dredged in the 1960's. Two sink holes have developed due to a collapsing stormwater line running adjacent to Riverside Drive. Ownership of the infrastructure is in dispute and the costs for repair unknown. However, it is clear that no public entity has funds available to replace the pipe. This leaves the Waterfront District as a funding source of last resort.

The Urban Renewal Agency is holding a special work session on April 18, 2019 to discuss the Port of Hood River's Lot #1 Plan in the context of other uses of remaining waterfront indebtedness. The FY2019-20 Proposed Budget appropriates \$200,000 to the Riverside Drive Stormwater Line replacement, but retains the majority of available appropriations in Contingency pending the outcome of current planning activities.

d. The Heights District

Urban Renewal Agency – The Heights Business District

The Hood River Heights is the City's most recent Urban Renewal District, created in 2011 through Ordinance 1999. The Heights Urban Renewal District encompasses approximately 96 acres along State Highway 281 in Hood River. 98% of the district's maximum indebtedness of \$8,495,000 remains available for expenditure.

The Heights district identity is separate and distinct from Hood River's historic downtown district and waterfront area. The Heights holds a greater diversity of commercial uses than these other districts and has a greater emphasis on catering to the permanent residents of Hood River. The Heights Urban Renewal projects are intended to enhance and improve these characteristics.

After the initial years of accruing tax increment revenues, the Heights District is

positioned to make large redevelopment investments. In anticipation of this available funding, several well attended community meetings were held in late 2017 to prioritize the projects identified in the original Hood River Heights Urban Renewal Plan. Dovetailing on the City hosted events were community driven events, including a “Walkshop” facilitated by Blue Zones, LLC and streetscape demonstration projects as part of an Open Streets event. These community events generated important public input, including new ideas not originally included in the Heights Urban Renewal Plan. The most ambitious of which is modifying traffic flows on State Highway 281. The Heights District issued a competitive RFP for Urban Design & Engineering Services in 2018 to organize the community input to-date and synthesize an implementation plan with 30% engineered drawings suitable for building construction cost estimates. The Agency is in final negotiations with the selected firm and hopes to have a contract ready for award prior to the FY2019-20. The FY2019-20 Proposed Budget includes \$110,000 for this work to continue and additional internal professional and legal consulting appropriations to be used on an as-needed basis.

Motion: I move to approve to reduce contingency appropriations by \$48,000 and increase materials and services appropriations in the Heights Urban Renewal.
 First: Saunders
 Second: Blackburn
 Discussion: None
 Vote: Motion passed

5. PUBLIC HEARING

McAllister read the public hearing script. There was no public testimony.

6. FINAL DELIBERATIONS

Mayor Blackburn stated Urban Renewal has been a super useful tool for the community. Zanmiller thanked the Advisory committee for their work and being apart of the budget committee.

7. APPROVE FY 2019-20 BUDGET

Suggested Motion: “I move to approve the proposed FY 2019-20 budget as proposed (or as amended in tonight’s deliberations).”

Motion: I move to approve the proposed FY 2019-20 budget as proposed as amended in tonight’s deliberations.
 First: Saunders
 Second: McBride
 Discussion: None
 Vote: Motion passed

8. REQUEST TAX INCREMENT REVENUES

Suggested Motion: “I move that the Columbia Cascade Plan Area, Hood River 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, for the FY 2019-20 fiscal year.”

Motion: I move that the Columbia Cascade Plan Area, Hood River

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, for the FY 2019-20 fiscal year.

First: Saunders
Second: Behr
Discussion: None
Vote: Motion passed

9. ADJORN – 6:46 p.m.

_____, Chair

Jennifer Gray, City Recorder

Approved by Budget Committee on _____